

Central Iron County Water Conservancy District  
Board Meeting Minutes  
June 16, 2016



**Board Members**

Brent Hunter – Chairman  
Rick Bonzo – Vice Chair  
Spencer Jones  
Tim Watson

**Others in Attendance**

Water Conservation Committee - Doug Hall  
Citizens- Roice Nelson

**District Staff**

Paul Monroe – General Manager  
Mandi Williams – Office Manager  
John Juergens - Operator  
Tracy Feltner – Operator  
Justin Wayment – Legal Counsel  
Kelly Crane – District Engineer  
Curtis Nielson -District Engineer

**CALL TO ORDER:** Board Chairman called the meeting to order at 6:34 PM. (4:11)  
Mandi Williams led the Pledge of Allegiance. Board Chairman Hunter opened the meeting with prayer

**DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS:** No abstentions

**CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD MAY 19, 2016:** Monroe-

**Board Member Bonzo moved to approve the minutes from the meeting held May 19, 2016; Second by Board Member Jones.  
Motion Unanimous at 6:35 PM (6:35)**

**Financial Report:**

**Consider approval of payment of bills and adjustment from May 14, 2016 through June 10, 2016.** Monroe-the Applied Analysis invoice was paid as part of our approved contract with them. That invoice doesn't include any of their travel to come up for our presentation. You will see the payment made to Dilworth Armstrong. This was for the water dowsing that we did for our new well out by District #1. An invoice was paid for the pipe and supplies to do our recharge project in the Enoch Graben area. Transcon Environmental was paid for a portion of the EIS that was done for the West Desert Pipeline.

For the Adjustments this month nothing is out of the ordinary. There are Fire Hydrant Deposit refunds. (9:04)

**Board Member Jones motioned to approve payments of bills and adjustments, as they are stated; Second by Board Member Watson  
Motion Unanimous at 6:40 PM (9:25)**

**1. Review 2016 financials**

**2. Review Proposed Amendments to the 2016 Budget**

- The District Runs on an enterprise fund and has put away \$1. 3M since 2013. Some of these funds were never expensed as they were directed to projects that were not constructed. These retained earnings can be used for capital projects. (11:32)

- To this point in the year we have had 30 new homes that have connected to our system. We had originally budgeted for 33 new homes in 2016. We felt that a conservative adjustment would be 40 new home connections for 2016. Just an increase of 7 in the budget.
- From the Professional and Technical and Legal Fees line, we will be moving a total of \$150,000 to the capital side of the budget for our projects in the West Desert.
- From the West Desert Monitoring we will move \$15,000 to the capital side.
- Impact fees have also been increase by 7, the same as projected for New Home Connections.

#### Capital Budget:

- The Coal Creek Recharge project budgeted \$100K between 2013-'15 of which nothing was expensed. The 2016 Budget for Recharge is \$0.00. It is proposed to budget \$75K.
- Water Development Projects - I've added an additional \$20K for piping and equipping of the well development (drilling of District #2). (17:52) This project received a \$50K loan at 0% and \$50K grant from the Division of Drinking Water and the District matched \$100K for a project total of \$200K. The bid came in at \$168,140 and was awarded to Grimshaw. It is possible we could fully equip and pipe the well with the remaining \$30K, but an additional \$20K of wiggle room if we run into issues might be a good idea while we have the budget open. We do not have to spend this if we don't need it.
- West Desert -we moved \$65K from the operational side of the budget to the capital side to account for the total project cost. I would also recommend that we put another \$100K here as we go out and drill test wells this year.
- West Desert Water Right Acquisition - We moved \$150K from legal to this line to account for the total cost of acquiring these water rights to date we have spent \$1,036,000.
- 2016 Water right Purchase - we purchased 26 AF of water for \$80,802.00 and we've been contacted by several other family members with the same water right that would like to sell. (20:58)
- Meters- We had budgeted \$10K, we only used \$8K. We had to replace those booster pumps in Eagle Valley. We had budgeted the Scada upgrade. That is done and working well. (22:00)

#### **General Manager's Report: Began at 6:52PM (22:45)**

▪Monroe-I attended the WCWCD conservation meeting. This meeting was organized by the Sunrise Engineering. Their objective is to help the State Engineer with conservation through the ag conversion process as well as protect and encourage farmers to become more efficient without the possibility of losing their water.

The idea coincided with discussion last meeting of the opportunities to develop at Conservation Reserve Program in the Valley to encourage those who are using water in fear of losing water to hold off. As we talked through the program there was a lingering snag of what happens to that water if the WR owner decides there is more benefit to lease the water then a public good of not using the water. (25:40)

▪Doug Hall-I had a discussion with Kurt Vest about some recommendations that were made to a farmer in Washington County. The State Engineers office worked closely with that farmer and helped him to start a "farm" of nut trees rather than alfalfa. Obviously, that is a lot less water usage. The state worked with him and allowed him to expand his acreage of nut trees, so he could use the amount of water rights that he already had. I just truly believe that the State Engineers office wants to work with the public to conserve.

▪Monroe-That is difficult in our valley where there is an over appropriation of water rights. ▪Doug Hall-We need (27:15) to urge the state to take a look at overhauling their laws when it comes to water usage in the state of Utah to better encourage conservation without wastage. People think if they're not going to use it, they're going to lose it. Discussion continues. 6:59pm (30:30)

▪Roice Nelson-speaks to the board about the Cedar Valley aquifer and the Cedar Valley drainage basin until 7:02 pm ▪Monroe-I think the discussion is there and the issue isn't just here it is being discussed throughout the state. ▪Jones- discussed the possibility of tax credits for farmers who are trying to water more efficiently with such things as subsurface watering. ▪Hunter-Chad Reed is a very good resource for information about this subject. 7:04pm ▪Jones-addresses the statement made by Roice Nelson. 7:06PM (37:40)

▪Monroe- I also attended the Division of Water Resources Population Projection Meeting. This meeting was held in SLC and involved the Big-4 districts, Metro Salt Lake District, Uinta WCD and us. They got us together to discuss big water projects coming up. The legislature has hired the economist from the 'U' to conduct the population projections instead of the GOMB. These economists are looking deeper at jobs and job growth and are looking to these large water projects throughout the state that will influence not only temporary job growth but sustainable jobs and population growth. They will be reaching out to the AOG and they also want us to be a big part of these studies. This group will be using Michael Clay of BYU to collect the data they plan on obtaining a majority of this information from the AOG and the MPO of cities. They will be gathering this data into the fall. (39:55)

▪John Juergens-We lost a motor at North Ridge. We are okay on water, but we are working hard to get the repairs made as soon as possible. I'm working with Cross Hollow Hills to get their tanks full without stressing our systems too much. (41:34)  
Over the Memorial Day weekend, I stumbled upon some cross connections out at the Three Peaks Rec area. There were 3 hydrants hooked into the main line directly that didn't have any shut off or backflow. The BLM and I have met, they provided the equipment and an operator for a day; and CICWCD provided everything else to install new meters and valves. We were able to eliminate three cross connections. We also dug two pits for the perc test for Bauer's property. We're hoping to start on the new well next week. 7:13 (44:00)

**Board Member Tim Watson motioned to move into Public Hearing; Second by Board Member Bonzo.**

**Roll Call:**

**Tim Watson-Aye**

**Spencer Jones-Aye**

**Rick Bonzo-Aye**

**Brent Hunter-Aye**

**Public Hearing on budget amendments (comments held to two minutes each)**

No comments made from those citizens in attendance.

**Board Member Spencer Jones motioned to move into Public Hearing; Second by Board Member Watson. (46:45)**

**CONSIDER APPROVAL OF AMENDED 2016 BUDGET:** ▪Watson-I would like this item be tabled until we can get feedback from the absent Board Members. Board Member Jones motioned to postpone the approval the amended 2016 Budget.

*Justin Wayment arrived at the meeting at 7:20 PM (49:40)*

**CONSIDER APPROVAL OF THE PROPOSED 2016 TAX RATE:**

▪Monroe-The proposed rate is 0.000643 last year it was 0.000644 which is a -3.01% change. Board Member Bonzo motioned to ACCEPT the Iron County Proposed tax rate; Second by Board Member Watson

Motion Unanimous at 7:22 PM (53:40)

**CONSIDER APPROVAL OF THE COMMENT TO THE EPA'S TECHNICAL REPORT:  
"Protecting Aquatic Life for Effects of Hydrologic Alteration"**

▪Monroe-I would like Justin to explain this to the board, he has spent a lot of time putting this together for us. (54:35) ▪Wayment-They have essentially tried to make it so that Utah has no authority to regulate its own water and flows. They will regulate every aspect of water. This will ultimately control not just water but development. I think if the EPA can get their foot in this door, they will ultimately have the authoritative power over everything. Tomorrow is the last day to file. The cities have approved the resolutions that I wrote up for them, and once we approve this letter tonight, we will file it. ▪Monroe-We have really been the voice in Utah to get the word out no one has been aware of this. (01:00:00)

Board Member Jones motioned to approve this letter as it is written; Second by Board Member Watson.

Motion Unanimous at 7:32 PM (01:02:10)

**AQUIFER RECHARGE:** ▪Monroe-We have the perc areas ready to test out on Glen Bowers' property. Glen finally got back with me and after speaking with Brent there isn't a lot of flow from Coal Creek at this point. We may have to take a tanker out there to conduct the perc test. (01:03:30) Discussion continues for several minutes 7:35PM (01:08:20)

**Enoch:** The pipe and fixtures have been delivered, but we are still waiting for Billy Grimshaw to dig the line.

▪Monroe-Tyce Palmer, Resource Coordinator for the Utah Association of Conservation Districts (UACD) has submitted the funding request for our area. They do not have a timeline of when the money will be appropriated but they do want to spend it this year on a project that is shovel ready. I visited with Eric Millis, the Director of the Division of Water Resources about the partnership for engineering costs on the recharge projects. He has some concerns with the design presented in our proposal. He said the design is not consistent with the grant funding and it will not qualify for the grant, but other designs will. I am now working with Bill Leeflang to clarify the design and make adjustments to receive the grant. ▪Hunter-Doug do you know what Cedar City is doing in Coal Creek? 7:40 The discussion on Cedar City and Coal Creek last for several minutes. (01:15:50)

**AQUIFER BALANCE & WATER DEVELOPMENT PROJECTS: DISTRICT #2,**

▪Nielson-We were able to go out and locate the spot we are going to drill. We were only about 700 ft. away from the existing well. Rather than doing a simple replacement application, we had to go through PER, do a change application for the water rights associated with that well, and go

through the whole approval process with DEQ. The person who does the review of the PER has been out of the office. It should be approved today. Once that is complete, Paul Wright at DEQ will then issue plan approval. We have had to work with Water Rights to change the points of diversion. We have provisional approval. We are ready to drill and it could be as early as next week. We took Grimshaw out there we discussed costs for different options on the well 7:48PM (1:18:12) •Monroe- The bid was \$168,000 for 600 feet. It may be less than that. We're doing an 18-inch bore hole and a ten-inch casing. (01: 21:17)

**SUBSIDENCE MONITORING:** •Monroe-I received the latest report from Doug Grimshaw on the bench level equivalent. Two of them changed from the GPS elevations. One of them went up 3000<sup>th</sup> of an inch and one went down 4000<sup>th</sup> of an inch. He recommends that with these nine monuments, we run bench level equivalents each summer for the foreseeable future. We should do the higher quality monitoring of that area. We will discuss this again in the budget season, I think it is a very fair recommendation. 7:52 (1:23:00)

**WAH WAH AND PINE VALLEY:** •Crane-We attended the CIB meeting in Monticello UT and the drive to Monticello ended up being worth it. They approved the grant we asked for and matched our funds. The CIB board tossed around the idea of giving us a 1% loan but in the end, we were able to obtain the full grant. (This application was for a \$150,000 grant to drill test wells in Pine Valley.) In Pine Valley, the well sights that we're looking at are towards the South end of Pine Valley. We're hoping to do five wells with this money. We'll have to dig them pretty deep. We will now go out to bid for these test wells. We plan to approach all local drillers, meet with them, and discuss our future plans. Hopefully this will garner a better response for bids. (01:30:00)

Discussion on maps and test well locations last until 8:00PM (01:31:10)

**8:10 14. Water Conservation:** •Hall-A couple of things that are interesting. I am working with the Cedar City golf course on ways to conserve water while they are in the process of redoing their irrigation system. I've also been taking to a lot of the powers that be about their landscaping plans. For the most part they've done a really good job 8:06PM (01:37:40)

•Monroe-The Water Festival will be July 30 11-3 at the Main Street Park. We are well underway and excited for this event. We are also doing our water checks, and this year we have worked with Cedar and Enoch to help us identify the top 10% of water users in the community. We will be contacting these folks to see if we can conduct an audit and help them conserve water. Candace has informed me that this is the last year USU will be funding a part-time water check intern. We will need to appropriate more funds next year into conservation for this to continue. (01:39:40)

**PORT 15 DEVELOPMENT:** Closed Session due to pending litigation.

**BOARD MEMBERS REPORT:** No reports

**Next meeting date: July 21, 2016**

**Board Member Watson motioned to move from regular session to executive session  
Second by Board Member; Second by Board Member Jones  
Motion unanimous at 8:08**

**Roll Call as follows:**

**Watson-Aye**

**Jones-Aye**

**Bonzo-Aye**

**Hunter-Aye**

**Board Member Bonzo motioned to adjourn closed session and resume regular session board meeting Second by Board Member Jones at 8:33 PM (01:40:30)**

**One item that needs to be addressed and was missed during the General Managers report is Yost**

**Double check with Pelorus that we are not compounding our interest, that**

**Board Member Watson motioned to adjourn regular session board meeting Second by Board Member Jones at 8:41 PM**