

Central Iron County Water Conservancy District
Board Meeting Minutes
February 21, 2019



Board Members

Brent Hunter-Chairman
Thomas Stratton
Spencer Jones
Tyler Allred
David Harris
Joel Myers

District Staff

Paul Monroe-General Manager
Mandi Williams-Office Manager
Tracy Feltner-Operator
Jessica Staheli-Public Outreach

Curtis Nielson- District Engineer
Justin Wayment-District Legal Counsel

Others in Attendance

Leslie Brindley-Realty Agent (Hess)
Cory Dow - Corollo Engineering
John Richardson-Corollo Engineering
Paul Cozzens-Iron County Commission

CALL TO ORDER: •Board Vice-Chairman Stratton called the meeting to order at 6:34 PM. Tyler Allred lead the Pledge of Allegiance. Joel Myers offered the invocation. **(4:28)**

SWEARING IN OF NEW BOARD MEMBERS: •Monroe-Said Terri Hartley will be a new board member, but she was unable to make it to this meeting. **(5:01)**

BOARD ORGANIZATION AND APPOINTMENTS: •None. **(5:02)**

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: •None. **(5:16)**

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD JANUARY 17, 2019:

•Board Member Allred moved to approve the minutes from the board meeting held January 17, 2019. Second by Board Member Jones. Motion unanimous 6:38 PM. **(5:32)**

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS JANUARY 12, 2019 THROUGH FEBRUARY 12, 2019: •Williams-Said There was a payment for water sampling test. There was a large yearly water meter purchase from Scholzens. •Feltner-Said that will be about half of the meter purchases this year. She then went over the transaction register. There were some hydrant refunds, a few disconnection/reconnection fees, paperless billing credits, and a leak relief credit. **(9:40)**

•Board Member Allred moved to approve the payment of bills and the adjustments register from January 12, 2019 through February 12, 2019. Second by Board Member Myers. Motion Unanimous at 6:42 PM. **(10:02)**

REVIEW 2019 FINANCIALS: ▪Monroe-Said there wasn't anything substantial that needed to be said with the operational budget, rather than: We are 16% through the year. He went over water sampling payments, and some of the conferences coming up. He mentioned that the Utah Water Users Conference is coming up in Saint George. He encouraged the Board Members to attend. (11:58)

Mandi Williams stepped out at 6:45pm. Brent Hunter arrived at 6:45pm.

GENERAL MANAGER'S REPORT: ▪Monroe-Began discussion on a Legislative update. He said that Robert Bhuinan has been a lobbyist for District this year. There are a few bills that apply to us. Monroe is concerned with House Bill 143 and 164. He is going to continue following those bills.

Water Advisory Committee meeting was canceled last month due to the government shut down. Next week the presentation will be given by some "deep-water specialists" from Deep Water Resources and the Universal Model. Monroe said it was proposed that the specialists map the deep-water in the basin. The meeting will be February 28th at 4pm in the Cedar City Library. There may be the opportunity for them to try to locate a new well near Chekshani. ▪Hunter-Mentioned that maybe the District should hire them to map that area near Chekshani. ▪Jones-Said he has gone with them a few times. He mentioned that Cedar City may be pursuing work with them. ▪Monroe-Said they have invited the Board and anyone from the community to be there. He then started going over operations. He mentioned that with all the rain and snow, there has been quite a lot of water put into the Schmitt Pit. The operators have been working hard in keeping those projects going. The district hired a new employee. Jeff McKee who used to work for Iron County. (21:55)

PUBLIC COMMENT: ▪None. (22:50)

DISCUSSION OF WATER RIGHT ACCEPTANCE POLICY DRAFT AND CONSIDER ACCEPTANCE OF A JUNIOR WATER RIGHT: *This agenda item was moved up.*

▪Monroe-Started going over the charts/graphics that were created to highlight the water rights that the district has. It compared current connections and potential connections to currently owned water rights and highlighted the water rights that may be curtailed by the State Engineer. The concern was addressed that some water rights are in jeopardy because of possible nonuse. ▪Monroe-Then introduced the Water Right Acceptance Policy. The proposed policy goes along with the proposed water right cuts from the State Engineer. Basically, a customer would need to bring in cash along with a water right that is junior to 1935. The amount of cash would be determined by a percentage of a fair market value of a right determined by the different priority date. There was a paragraph added that says that the district will have appraisals to determine the fair market prices. Monroe-Then introduced Leslie Brindley who is representing an individual with a 1951 right who would potential like to hook onto the District line. ▪Leslie Brindley-representing her client who is under contract to purchase a Meadows Ranches lot. It comes with a water right that is junior to 1935. It fits all other requirements other than the priority. Her client is currently in the "due-diligence" stage. She said that she believes this right still has some value, even though it does not meet the priority. ▪*The Board discussed that this would come to around \$900 along with the water right.* ▪Allred-Mentioned that a 1951 right would not be cut for many years, which could even be after the West Desert Project is

completed. ▪Jones-Said he would like to consider the percentages further. He said that maybe we could have them pay the .3 amount and then credit them the potential extra after the policy goes into effect. ▪Wayment-Said that they could have x dollars left in escrow that could be used for this extra payment until the policy is accepted.

▪Board Member Stratton moved to approve the transfer of this particular water right to the District. Along with the water right, \$2000 is required to be placed into escrow, and after the approval of the policy, the refund of the escrow can be given to whoever placed the money in escrow, and they can move forward with the construction of their project. Second by Board Member Myers. Motion Unanimous at 7:27 PM. (55:08)

▪Stratton-Asked when this was planned to go to the Board to approve. Jones-Said that this could be currently adopted. ▪Wayment-Said that realty companies need to be aware of quantity impairment when they are selling water. ▪*The Board discussed for several minutes in regard to the proposed policy and quantity impairment.* ▪Monroe-suggested the dates be adjustable as the State Engineer's curtailments vary.

Paul Cozzens arrived at 7:34pm

▪Monroe-Said that he thought that the multiplier was fair.
▪Brindley-Said she believes that there is a lack of knowledge of realtors with water rights. She wondered if the Board of Realtors could have a meeting with The District's Board to learn more about water rights. ▪Monroe-Said that the District could meet with the Board of Realtors. He suggested Nathan Moses from the Division of Water Rights be invited as well.
▪*The Board discussed for several minutes in regard to the numbers/multipliers in the proposed Water Right Acceptance Policy.*

Tom Stratton stepped out at 7:43pm.

▪Board Member Harris moved to table the approval of the Water Right Acceptance Policy until next meeting. Second by Board Member Jones. Motion Unanimous at 7:44 PM. (1:11:41)

WATER CONSERVATION: UPDATE AND DISCUSSION: ▪Monroe-Said the 4th grade water fair will be on March 4 & 5th and will be held at the Heritage Center/Festival Hall.

Tom Stratton arrived again at 7:45pm

The District is also working with Candace Shaible from USU Extension to obtain a grant to install water smart landscaping to a row of homes in a new subdivision. It would be a "conservation garden" of sorts. (1:12:44)

AQUIFER RECHARGE: UPDATE AND DISCUSSION: ▪Monroe-Said a grant was sent into the BLM for the watershed restoration initiative. There has been recharge flowing right now into

the Schmidt pit. ▪Feltner-Said it is probably about 10 acre-feet per day. ▪Nelson-Said they are working on the calibration of the loggers. ▪Feltner-Said there is nothing currently going to Quichipa because it is all frozen. Water is going in the ground out in that area though.

▪Hunter-Wondered about the Rusty's project. ▪Nielson-Said that they have met with Russel Limb a few times. They have been working through the agreements between Limb and the Roundy's. The engineers have been doing cost assessments as well. It would be about \$375,000. Limb's estimate came in just over \$400,000 which included a road over the stream. Maintenance would be the largest issue. If the District worked with Limb, they would clear the stream every year, but that would only last as long as their lease lasts. Nielson said the District needs to decide if the cost is worth it. ▪Wayment-Said the gravel would be Russel Limb's and the Roundy's. ▪Hunter-Said he was hoping to make a commission from the gravel to help cover the costs. ▪Allred-Wondered if we had spoken to other contractors. ▪*The Board discussed for several minutes in regard to the cost and the soil and gravel. They also discussed the agreement between Limb and the Roundy's.* ▪Wayment-Mentioned that he had spoken with the owner of Rusty's Restaurant who said that he didn't see any potential issues with the project in regard to his restaurant, as long as we kept it looking nice.

▪Cozzens-Said there is 7 acres the county has been pulling gravel from. He said there is a large pit there now. He would like to build a channel from Quichipa Creek over to the gravel pit. They are not done mining the pit, but it might be done in the future. Cozzens said he would like to see them dig another pit nearby as well.

▪Hunter-Said that next to the Woodberry Split there is a culvert that is currently dammed off. He said that the somebody ought to make it so that the water could under the freeway near the new dog pound to hold some more recharge water in a pit.

▪*The Board discussed the snowpack that could be utilized this year through recharge. A year like this might not happen for another 10 years. (1:26:35)*

DISTRICT INFRASTRUCTURE IMPROVEMENTS: ▪Monroe-Said applications for Chekshani Cliffs and Cedar Highlands were submitted to USDA this week. We received the ballot totals for Chekshani Cliffs. Well over 2/3's voted in favor of doing some type of improvement. Monroe has reached out to many entities to figure out what the issue with the water is, but has been unsuccessful. Most of their ideas have fallen short of the actual problem. Feltner went and conducted a survey to find out about different water softeners people were using to see if that was an issue. He found that someone could have no problems when their neighbor, right across the street, with the same infrastructure is having tons of corrosive issues.

▪Monroe-Said that right now, there are a few options. One would be to drill a new well closer to the freeway. The water quality is significantly better in that area in comparison to the current well. The second option would be to install a treatment facility. The water currently meets drinking water standards, but not secondary standards. ▪Stratton wondered how we would know if a well would fix the problem, would we just end up needing a treatment plant as well.

▪Monroe-Said that it could be a potential problem. ▪Feltner-Said we have gotten good results from the Holt Well so far when it was sampled.

▪Monroe-Said that Bob Holt wondered if the District would allow him to use the well that is next to our Chekshani Well. He is asking if he can use that well on his pivot this summer. Our current agreement does not allow him to run his pump that much until we drill a new well. ▪Nelson-said that if he is going to pump is well it will probably increase our drawdown about 80 feet. The shaft increased about 5 kilowatts. It would cost us about \$20 a month for the Rocky Mountain

Power Bill. Allred-said that he was concerned that it is really going to impact our well. *The Board discussed the options for several minutes.* Feltner-Said that he was not comfortable with Bob turning is well on. Every time they have turned that well on it has pumped sand. He is worried about the impact of it on our well. It could draw us down another 100 feet. He is concerned about Holt trying to pump it full blast. Chekshani is a standalone system which is a concern. He thought that a new well should to be drilled before this would be an option. ▪Myers-wondered if we only had one well at Chekshani. He said we shouldn't risk the well we have, and work towards drilling a new well. ▪*The Board discussed the option for several minutes, and they eventually voiced their disapproval of Holt pumping the full amount that he would like to pump in that well. They were fine with him pumping the 40-acres that he is allowed currently.*

(1:50:46)

DISCUSSION OF GROUNDWATER MANGAGEMENT PLAN: ▪Jones-Noted that the State Engineer proposed increments of 10 years each at the last meeting. The committee is wondering if there will be flexibility in those increments. **(1:52:29)**

WAH WAH AND PINE VALLEY: UPDATE AND DISCUSSION: ▪Monroe-Said Hunter signed the settlement agreement yesterday, and it has been sent to the next signers. **(1:53:38)**

BOARD MEMBER REPORT: ▪Hunter-Mentioned the Utah Water Users Conference again. It will be held March 19th&20th. ▪*Next meeting will be changed from the 21st to the 28th.* **(1:55:30)**

ENGINEERING REPORT: UPDATE AND DISCUSSION: ▪Nielson-Said Rural Water Conference is next week. Feltner, McKee, and Nielson will also be going to a training by Rural Water Technologies. **(1:57:05)**

Next meeting date: March 28th, 2019.

Board Member Harris motioned to close the regular session and go into a closed session. Second by Board Member Allred. Motion unanimous at 8:29 PM.

Roll Call as follows:

Hunter-Aye

Stratton-Aye

Jones-Aye

Allred-Aye

Harris-Aye

Myers-Aye

Board Member Stratton motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Myers. Motion Unanimous at 8:47 PM.

Board Member Allred motioned adjourn the regular session Board Meeting. Second by Board Member Harris. Motion unanimous at 8:47 PM.

Meeting Adjourned at 8:47 PM.