

Central Iron County Water Conservancy District
Board Meeting Minutes
April 25th, 2019



Board Members

Brent Hunter-Chairman
Tyler Allred
Spencer Jones
David Harris
Joel Myers
Terri Hartley

District Staff

Paul Monroe-General Manager
Mandi Williams-Office Manager
John Juergens-Water Operator
Tracy Feltner-Water Operator
Jeff McKee-Water Operator
Jessica Staheli-Public Outreach
Kelly Crane- District Engineer
Curtis Nielson- District Engineer
Justin Wayment-District Legal Counsel

Others in Attendance

Cory Dow-Carollo Engineer
Russel Reber
Rob Dotson-Enoch City
Stephen Brown-D&B Real Estate

DRAFT

CALL TO ORDER: •Board Chairman Hunter called the meeting to order at 6:35 PM. Curtis Nielson lead the Pledge of Allegiance. Rob Dotson offered the invocation. **(2:09)**

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: •None. **(2:19)**

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD MARCH 28, 2019:

•Board Member Jones moved to approve the minutes from the Board Meeting held March 28, 2019. Second by Board Member Harris. Motion unanimous 6:38 PM. **(2:58)**

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS MARCH 23, 2019 THROUGH APRIL 18, 2019: •Williams-Said the District paid Dalton and Associates for writing the BOR Grant. It paid the yearly water level measurements for the West Desert to USGS. There was also a yearly fee to the Division of Water Rights for water monitoring in the West Desert. **()**

•Board Member Harris moved to approve the payment of bills and the adjustments register from March 23, 2019 through April 18, 2019. Second by Board Member Hartley. Motion Unanimous at 6:40 PM. **()**

•Williams-Went over the Transactions Register. There was a one-time leak relief credit. There were a few paperless billing credits given to customers.

REVIEW 2019 FINANCIALS: •Williams-Said the budget is 33% through the year. There were some large payments for trainings and water sampling expenses which are typical for the start of the year. **(7:47)**

GENERAL MANAGER'S REPORT: ▪Monroe-Said for last month's WAC meeting the presentation was given by Brian McInerney about climate change in Utah. Today the presentation was given by Don Barnett who has done a lot of work for the West Desert project. He is an engineering water consultant. He helped do the initial hydrology in the West Desert. He spoke about water in the West. Kelly Crane also presented about the West Desert Project at the meeting.

▪Monroe-Said the water operators are continually working on infrastructure upkeep. They have done a lot of work with the recharge this year. It has been a great year for snowpack and water. He invited the Board Members to a tour of the recharge projects. There will also soon be a visit out to Pine Valley to check on the wells.

▪Monroe-Said there have been some discussions with Cedar City on a possible interconnection agreement between the City and the District. This was brought about by a developer who would like to hook onto the line near Spring Creek but is in Cedar City Boundaries. They have had a few meetings. Monroe said that they have a sample agreement from WCWCD. These conversations have also brought the issue of financing the West Desert between the entities. They discussed the possibility of a surcharge holding account.

▪Monroe-Said the District is working on an RFP for the water needs assessment and financial business plan. The water needs assessment will look at the needs of the whole basin, including the GMP Plan, growth, and current supply. The financial plan will look at the total cost of the project. It will look at financing methods such as loans, grants, bonds, repayment, etc. (18:35)

WATER RIGHT ACCEPTANCE POLICY DISCUSSION AND CONSIDERATION FOR APPROVAL:

▪Monroe-Said the District received an appraisal from Hymas & Associates a few hours prior. Paul was impressed by the information that Cody Hymas gathered. It shows a lot of data on water rights and compares some of the data to the possible cuts in the GMP Plan. He suggested that the data is reviewed further before the acceptance policy is approved. ▪Jones and Hartley-Mentioned they would like to look at the report further before the next meeting. ▪Harris-Asked if this is holding people up on their projects. ▪Monroe-Said that Steve Brown is here with a 1944 water right, so there are a few that may be held up by this. ▪Monroe-Said that he didn't believe it appropriate to accept any rights that would be in the first cut. (26:40)

▪Board Member Jones moved to table the Water Right Acceptance Policy and move the Public Comment Section to the next subject discussed. Second by Board Member Allred. Motion Unanimous at 7:03 PM. (27:25)

PUBLIC COMMENT: ▪Brown-Introduced himself as a real estate agent. He has a lot under contract in Big Meadow Ranchos. The seller has a 1944 WR of .9 acre-feet. He also mentioned that Angus Water Company transferred some water to the District. Would the WR be acceptable for the District? ▪Wayment-Said because it wasn't on the agenda, the Board could not approve the water right currently. He mentioned however, that the policy they spoke of before this could possibly allow that in the future. He asked when and why the water was transferred by Angus? ▪Staheli-Said that 1AF was transferred to the District for the lot 17, but not on lot 6 which is the

lot Brown was speaking of. The transfer on lot 17 was done via the Angus Agreement. She said that both lots are owned by the same owner and are not currently occupied or connected to the District's water system. ▪Hartley-Wondered about the Angus Water System. ▪*There was discussion on Angus Water Company being a company that turned over a portion of their water rights to the District so that the District could supply water to a portion of Big Meadows.* ▪Wayment-Said that administratively water could be transferred from lot 17 to lot 6. ▪Brown-Said that both of the lots are currently under contract. ▪*There was some discussion on the .9 acre-foot amount. This issue could possibly be resolved through the Water Right Exchange Policy.* ▪Monroe-Said there is a good chance the 1944 priority right could be approved in the future, but it would have to go through the proper channels, and the right would need to meet other district criteria as well.

▪Reber-Introduced himself as the developer of the Peak View Subdivision. He mentioned that he is in a similar situation with water rights that are 1945 priority. Water rights have been transferred for the first 2 phases of Peak View, but he is in the process of transferring more water rights. He reiterated that there are people who are waiting on the Acceptance Policy. (39:32)

REVIEW AND CONSIDER A PROPOSAL FOR DEEP WATER MAPPING IN CEDAR VALLEY FROM PRIMARY WATER RESOURCES & PRIMARY WATER

TECHNOLOGY: ▪Monroe-Began describing the PWT/PWR Proposal. PWT and PWR would like to map the underground water in the Cedar Valley. They believe there is new water flowing in the fissures, faults, etc. It would cost \$50,000. PWT has presented to the Board previously; however, the Water Advisory Committee received the presentation a few months ago. He said that the WAC is going to also be reviewing the proposal and would like to give their recommendations as well. ▪Dotson-Said that a few years ago, the District provided some money for Enoch for some studies to locate wells. He mentioned that good data drives good decisions. Enoch City is willing to put some money towards this proposal. Enoch will probably be doing this anyway but would like to join with the other entities. They would be willing to pay up to \$20,000, but would not like to pay more than the larger entities in Cedar Valley. He said that they believe this would help with the GMP Plan as well. PWT uses passive seismic technology to find weak spots in the ground, where there is a higher possibility of water available. ▪Allred-Said they should probably talk to Kanarraville as well. ▪*There was continued discussion on involving all the entities in Central Iron County with this proposal.* ▪Monroe-Said the best-case scenario is that someone could drill a well into one of these fractures, and it might not contribute to the current aquifer decline. On the other hand, the fractures could be connected to the aquifer, and then there would be just a high producing well. ▪*There was continued discussion on the science of this technology.* ▪Dotson explained more about what the company provides and offers. ▪*There was more discussion on asking different entities to be involved.* ▪Crane-Wondered if the District is just looking for good passive seismic information. He discussed the District's Procurement Policy. The District may need to send out an RFP if there are other companies that can do these same studies. ▪Harris-Wondered how much more information we would gain from this study in regard to the information that is already available. ▪Crane-Said he would need to look into it. ▪Jones-Said that a lot of what USGS and others are using is older technology, whereas this is new technology that looks into the possibility of "new-water." He voiced his approval of getting more data. ▪Monroe-Said they would need to look into the Procurement Policy further in regard to this proposal. ▪Jones-Asked that Monroe and Dotson speak with other entities about this and the possibility of an RFP for this proposal as well. ▪Hartley-Said that they should approach and

involve Paul Bittmenn from Cedar City. *▪There was more discussion about the data that is currently available.*

Board Member Jones made a motion for Paul Monroe and Rob Dotson to meet with Kannaraville, Cedar City, and the County to discuss the PWT/PWR Proposal. This will be to see if the District should move forward with an RFP for a basin wide study. Second by Board Member Hartley. Motion Unanimous at 7:48 PM. (1:13:08)

WAH WAH AND PINE VALLEY: UPDATE AND DISCUSSION AND CONSIDER THE APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN BLM, DISTRICT, AND TRANCON ENVIRONMENTAL FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT STATEMENT FOR THE PINE VALLEY WATER SUPPLY & CONSERVATION PROJECT AND CONSIDER THE APPROVAL OF A CONTRACT FOR THE ENVIRONMENTAL IMPACT STUDY OF THE PINE VALLEY WATER SUPPLY & CONSERVATION PROJECT BETWEEN THE DISTRICT AND TRANCON ENVIRONMENTAL INC. *▪Monroe-Briefly explained the documents that are on the agenda to be approved. This topic was discussed at the previous meeting. (1:14:45)*

Board Member Harris made a motion to approve the Memorandum of Understanding between BLM, District, and Trancon Environmental for the preparation of an Environmental Impact Statement for the Pine Valley Water Supply & Conservation Project and approve the Contract for the Environmental Impact Study of the Pine Valley Water Supply & Conservation Project between the District and Transcon Environmental Inc. Second by Board Member Allred. Motion Unanimous at 7:50 PM.

▪Monroe-Said they have met with Transcon. The owner is very serious about our project. Things are on track, but the District just needs an initial meeting with Transcon and the BLM. ▪Crane-Began an update on the West Desert Project. The 16-24 month process has began for the EIS process. There are meetings scheduled weekly with Transcon and the Staff. Monthly meetings will be held with the BLM. The water right settlement was completed a few months ago. There is an RFP for the business plan and water needs assessment. These are large steps that will move the West Desert Project forward. He said there has been a lot of progress.

▪Monroe-Said that Nielson applied for a \$40,000 grant with Division of Drinking Water to pay for a portion of the business plan and water needs assessment. It will also be used to update the District's master plan. (1:24:10)

AQUIFER RECHARGE: UPDATE AND DISCUSSION: *▪Monroe-Said they are constantly filing for grants to be able to build a reservoir near Quichipa. Feltner has been looking at different options to help mitigate erosion at the Western Rock Pit. They are currently looking at the economic benefit of doing that as well. ▪Tracy & John-Said there is a lot of water going by, because there are not enough places to put it. ▪Monroe-Said that the County Seat came down and visited the recharge projects so they could make a video. (1:28:31)*

WATER CONSERVATION: UPDATE AND DISCUSSION: ▪Monroe-Said the Annual Water Festival is June 29th at the Cedar City park. Candace Schaible received about \$75,000 from USU to pay for the landscaping on a row of homes. This is in part with the BOR grant that we approved in the last meeting. (1:30:30)

DISTRICT INFRASTRUCTURE IMPROVEMENTS: ▪Monroe-Said we are still waiting on the grant funding right now for Chekshani Cliffs. Continual samples are being taken.

We are also waiting on the grant for Cedar Highlands. Linford Nelson would also like us to revisit a partnership with him on his well. This year the District probably won't need an additional source, but we may need to in the future. The agreement from last time took a lot of time and resources. ▪Wayment-Mentioned that there was some discussion on the possibility of Cedar Highlands taking the system back. ▪Monroe-Said that the grant previously mentioned is to rehabilitate the springs in Cedar Highlands. He suggested we take some time to think about Linford's proposal until hearing about the grant. (1:34:49)

DISCUSSION OF GROUNDWATER MANGAGEMENT PLAN AND LOCAL WATER RIGHT CHANGES: ▪Monroe-Said that at the last GMP meeting they added a few changes and sent it to the State Engineer. There won't be a meeting in May unless the State Engineer wants to meet. He said there haven't been any concerning water right changes lately. (1:36:15)

BOARD MEMBER REPORT: ▪None. (1:36:23)

ENGINEERING REPORT: UPDATE AND DISCUSSION: ▪None. (1:36:33)

Next meeting date: May 16th, 2019.

Board Member Harris motioned to close the regular session and go into a closed session regarding acquiring or relinquishing real property and/or water rights. Second by Board Member Jones. Motion unanimous at 8:12PM.

Roll Call as follows:

Jones-Aye

Allred-Aye

Harris-Aye

Myers-Aye

Hartley-Aye

Hunter-Aye

Board Member Harris motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Hartley. Motion Unanimous at 8:38 PM.

Board Member Allred motioned adjourn the regular session Board Meeting. Second by Board Member Jones. Motion unanimous at 8:38 PM.

Meeting Adjourned at 8:38 PM.