

Central Iron County Water Conservancy District
Board Meeting Minutes
June 16, 2022



Board Members

Brent Hunter
Tyler Melling
Spencer Jones
Terri Hartley

District Staff

Paul Monroe-General Manager
Mandi Williams-Office Manager
Tracy Feltner-Water Operator
Jessica Staheli-Public Outreach
Kelly Crane-District Engineer

Others in Attendance

Jay Grimshaw-Grimshaw Drilling

CALL TO ORDER: ▪Board Member Hunter called the meeting to order at 6:34 PM. Kelly Crane to lead the Pledge of Allegiance. Paul Monroe offered the invocation.

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: ▪None.

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD MAY 19, 2022:

Board Member Melling moved to approve the minutes from the Board Meeting held May 19, 2022 Second by Board Member Jones. Motion unanimous: 6:36 PM.

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS MAY 14, 2022 THROUGH JUNE 9, 2022: ▪Williams-Said there wasn't a lot out of the ordinary. There were a few deposit refunds. There was a payment for the second work truck. There were some regular clean ups and the Chekshani assessment fees on the transaction registers. Approximately thirty long term contracts have been set up for the remaining Chekshani customers that did not pay in full.

Board Member Hartley moved to approve the payment of bills from May 14, 2022 through June 9, 2022. Second by Board Member Melling. Motion Unanimous at 6:38 PM. (4:27)

▪Williams-Asked if the Board was okay with increasing our credit card limit, as there are some higher costs during certain times of the year, especially near events. Our current limit is \$2,500. Monroe-Said we present the Visa statement to the Board every month. ▪Jones-Said he didn't see any issue. ▪Hunter-Voiced is approval.

REVIEW 2022 FINANCIALS: ▪Monroe-Highlighted the financial report. We are in a good place for our water revenue. He highlighted the traveling and conference expense line and the lease expense line. He went over state grants and Quichapa project that was completed. He explained how the projection numbers worked to the Board. He also went over the property tax line. He went over the capital side of the budget. He highlighted the auto and truck line, the checking account, PTIF account, debt service account, and PVWS project account. ▪Hartley-Asked where the PVWS account money originated? ▪Monroe-Said part came from the checking

account and part from the general PTIF. He said that there may be additional money that could be moved to that account as well. ▪Jones-Said he really liked that as we can keep moving money into it as it comes. ▪Monroe-Said it is a regular savings account that will have money set aside for the PVWS project.

PUBLIC COMMENT: ▪Grimshaw-Said he knows that the local governments are looking at several new areas to drill wells in the valley. He wondered if these ideas have been discussed with the State, because at some point they might not allow us to put in any more straws into this basin and tell us to go somewhere else where we have water rights, like in Pine Valley. ▪Hunter-Mentioned the GMP (groundwater management plan). ▪Melling-Said Cedar City is looking into diversifying well locations in the basin to have a more even effect on the aquifer. However, ultimately the DWRi does recognize this as one basin. He mentioned the GMP which will cut junior water rights. The District is looking into drilling a well in the Iron Springs Gap in basin 71. ▪*There was discussion for several minutes.* ▪Grimshaw-Said we just need to make sure our solutions are sustainable. He said that the PVWS project is better sooner than later. ▪Monroe-Said we have a limited resource of water and money, and at some point, those resources are better spent bringing in water from another area rather than inside our basin. Grimshaw-Said the basin is all interconnected so eventually drilling in other areas of the basin will still have an effect on our current resources. ▪*There was discussion for several minutes regarding developing water in this basin and other basins.*

CONSIDER THE APPROVAL OF A RESOLUTION ADOPTING FINAL TAX RATES AND BUDGETS: ▪Monroe-Said we just need to approve the county tax resolution. The rate has decreased to 0.00398 so that we will receive the same amount of tax money as last year. **(31:02)**

Board Member Jones motioned to approve the Resolution Adopting Final Tax Rates and Budgets. Second by Board Member Melling. Motion unanimous at 7:05 PM. (31:06)

Roll Call as follows:

Melling-Aye

Jones-Aye

Hartley-Aye

Hunter-Aye

CONSIDER THE APPROVAL OF A MOU FOR WWTP CONNETION TO THE CICWCD WATERLINE BY CEDAR CITY: ▪Monroe-Said the city would like to connect to the system for their Wastewater Treatment Plant. They have concerns of transferring water rights to the District where they are a municipality. They are potentially just needing this water for emergency purposes. ▪Hartley-Mentioned they may need more water than just the emergency water. ▪Monroe-Said basically it says that the City will extend the waterline, and will use this connection for processing and as an emergency backup and will pay the going rate for the water to the District. He proposed that we add into the memo, that if Cedar City frequently uses water beyond emergency purposes, that the city will be required to file a change application to move water rights into district wells but can retain ownership of those water rights. ▪Jones-Brought up concerns about that type of change application bringing ownership of wells into question, and that it might set a precedence for future water rights being moved into that well. He said we need to make sure that this agreement is carefully put together and well defined. We need to make

sure we protect the District from the possible encroachment of more water being taken out of that well than previously agreed upon. ■Melling-Said maybe we should add that the District has the sole discretion of any water rights being added to that well. ■Jones-Said or the District could lease the water to the city, so it stays very clean. ■Hartley-Said the city doesn't want to give any water rights to the District. ■Crane-Said the amount of water rights they need was very unclear for the time being. ■Jones-Said we just need to protect things for the future. ■Crane-Said he'd be curious for Justin to look into the case law. ■Jones-Said we just need to clear up the water right question. ■Feltner-Brought up concerns about the District being able to supply that much water to the City with our current infrastructure. ■*There was discussion regarding the ability for pumps, etc. to be able to provide that much water to the City if they need 1 acre-foot per day for processing.* ■Melling-said we may need to add into this agreement, that this is only for emergency purposes. ■Jones-Didn't see any issues with providing emergency water just like we do for Enoch City. ■Monroe-Said we required them to pay for an 8-inch line, and we would pay for the upgrade to a larger line. ■*There was discussion for several minutes regarding making that a larger waterline, the RFP that Cedar City will be putting out ideas on how they can use wastewater treatment plant water, and wells that have been drilled out near the Treatment Plant.*

■This topic was tabled until there is more information about the water right situation. (1:07:46)

WATER IMPROVEMENT PROJECT: ■Monroe-Said we approved last month that Sunrise Engineering will be designing the tanks. We met onsite with them. We have a fully executed agreement with Linford Nelson on the tank site for the Cedar Highlands tank. We are also moving forward with BZI on the Iron springs line. They are working on ordering pipe and getting easements for the waterline. We did settle on a cost sharing of 60-40% split with the District at 60% at the last meeting. When we drill this well in Iron Springs, should we drill a test well or a production well right off? ■Jones-Said he thought a test well would be good. ■*The other Board Members agreed.*

CHEKSHANI CLIFFS: ■Monroe-Said we are wrapping up the liens for the assessment.

SUNSET SUBDIVISION (HARVEST FIELDS): ■Monroe-Said the Harvest Fields line out there is done. The operators did a great job on the install. We are now working on the system that Henry's place is going to be doing in that area. (1:16:25)

PINE VALLEY WATER SUPPLY PROJECT: ■Monroe-Said the BLM wants us to study a few more things and have asked Formation to look at more hydrological things. We will have a change order for that. We are also going to adjust the Financial Business Plan and Water Needs Assessment. We have reached out to Carollo. We need better population projections in the report. We are going to update costs as things have increased and will continue to increase. We really need to look at this hard, because the sooner we do this, the more feasible it is. ■Crane-Said we went out and put in the base for the weather station. ■Jones-Recommended a cell booster if we have trouble with service for the weather station. ■*There was discussion regarding the cell service or radio signals for several minutes.* (1:21:41)

WATER CONSERVATION: WATER FESTIVAL, AQUIFER RECHARGE, & REUSE WWTP WATER: ■Monroe-Said the Water Festival is next weekend on June 25th. We will have a foam cannon. After last year's significant drought, we have cut down on the water use at the

Water Festival. There will be several booths there. Southwest Plumbing has been the keynote sponsor since the beginning. ▪Monroe-Said we there hasn't been any aquifer recharge as there isn't any water currently. ▪Melling-Said on Reuse, there should be more to discuss next month once they look at all the Cedar City council's priorities for that water. He then discussed for several minutes a study that he is trying to put together regarding efficient water use and irrigation methods. **(1:29:25)**

GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION: ▪Monroe-Said that we were able to take the State Engineer, the Assistant Director of Natural Resources, the Director of PLCO, State Representatives, SITLA representatives, and others out to Pine Valley. We toured just a small portion of Pine Valley and it was interesting to observe and hear the conversations that were going on. There were discussions on how large Pine Valley is. Representative Albrecht understands the need for the water project, and is willing to help support the project. ▪*There was discussion about the water rights in Pine Valley and Wah Wah.*

BOARD MEMBERS REPORT: ▪Hunter-Said he went to a meeting about coal creek flood mitigation. ▪*There was discussion on flood mitigation for several minutes.* **(1:42:23)**

ENGINEERING REPORT: ▪Crane-Said they will work on getting the test well going. There was discussion regarding the potential timeframe for the Record of Decision on the EIS. **(1:46:00)**

NEXT MEETING DATE: June 16, 2022

Board Member Jones motioned to close the regular session and go into a closed session for contracts, imminent litigation, or acquiring real property and/or water rights. Second by Board Member Melling. Motion unanimous at 8:21 PM.

Roll Call as follows:

Hartley-Aye

Melling-Aye

Hunter-Aye

Jones-Aye

Board Member Jones motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Melling. Motion unanimous at 8:54PM.

Board Member Melling motioned adjourn the regular session Board Meeting. Second by Board Member Hartley. Motion unanimous at 8:54 PM.

Meeting Adjourned at 8:54 PM.