

Central Iron County Water Conservancy District  
Board Meeting Minutes  
October 19, 2023



**Board Members**

Brent Hunter  
Tyler Melling  
Tyler Allred  
David Harris  
Andrew McCrea  
Paul Nelson

**District Staff**

Paul Monroe-General Manager  
Mandi Williams-Office Manager  
Jessica Staheli- Public Outreach  
Kelly Crane-District Engineer  
Curtis Nielson-District Engineer  
Justin Wayment-District Attorney  
Tracy Feltner- District Operator  
Jeff McKee- District Operator  
Tyler Glover- District Operator  
Christy Tullis-Billing Clerk

**Others in Attendance**

Clint Rogers-Stantec

**CALL TO ORDER:** •Board Member Hunter called the meeting to order at 6:32 PM. Tyler Allred led the Pledge of Allegiance. Brent Hunter offered the invocation.

**BOARD OF DIRECTORS BUSINESS**

**A. Swearing in of New Board Member Paul Nelson:** •Paul Nelson took the oath of office.

**B. Board Organization**

- **Chair - Tyler Allred nominated David Harris. Tyler Melling second. Andy McCrea moved to suspend the rules and install by acclamation. Tyler Melling second. Motion Unanimous.**
- **Vice Chair – David Harris motioned to nominate Spencer Jones. Andy McCrea second. Motion Unanimous.**
- **Treasurer/Secretary – Tyler Allred motioned to nominate Terri Hartley. Tyler Melling second. Motion Unanimous.**

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

**CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD AUGUST 17<sup>th</sup>, 2023:**

Board Member Allred moved to approve the minutes from the Board Meeting held August 20, 2023. Second by Board Member McCrea. Motion Unanimous at 6:48 PM. **(14:32)**

**PUBLIC COMMENT:** None

**CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS AUGUST 11, 2023 THROUGH OCTOBER 10, 2023:** •Williams-Highlighted 2 large invoices to paid to

Cedar Valley Pumps. A payment was made to Chemtech Ford for water sampling. There were several fire hydrant meter security deposits that were refunded. There was a payment to Sunrise Engineering. Sunrise is 66% complete on total setup of the design of the tanks and the preliminary design is 100%. There was a payment to Willowsticks for well locating. She then went over the credits and debits record. There were some payoffs for long-term contracts. The return payments have tapered off. ▪Nelson-Asked why there is an accounts receivable? ▪Monroe-That is the water revenues line. It floats and adjusts month to month on the amounts that come in.

**Board Member McCrea moved to approve the payment of bills from August 11, 2023 through October 10, 2023. Second by Board Member Allred. Motion Unanimous at 6:53 PM. (22:19)**

**REVIEW 2023 FINANCIALS & PROPOSED 2024 BUDGET:** ▪Monroe-Highlighted that this is the annual budget meeting for 2024. The goal is to review and discuss the budget and if there are any changes we can adjust. Next month is the public hearing and then it is the Board's prerogative to approve the budget. If that happens, we will skip the December meeting. The 2024 budget needs to be approved before the end of the year.

▪Monroe-Started the discussion of the 2024 budget. He went over the net increases in cash over the last decade. The District has increased the cash on hand. There was a budget meeting held with the previous executive committee (Hunter, Allred and Harris) earlier this month. There is a need to create a new executive committee.

**Board Member Melling motioned to have the Executive Committee be made up of the Chair(Harris), Vice Chair(Jones) and Secretary/Treasurer(Hartley). Second by Board Member McCrea. Motion Unanimous at 7:33 PM. (25:28)**

He went over the amounts the District has in the different accounts. Construction in progress: there are projects that are outstanding and haven't been capitalized on the budget. He highlighted those projects. Pine Valley Water Supply (Basin 14) – still in progress. Water Improvement Project – the District put in an 18" water line along Iron Springs Road and we partnered with BZI on that. Chekshani – we are waiting to build a fence. Sunset/Bumblebee Water System – the retrofit of the well will begin this winter. This is a partnership with the District, Henry's Place and The Hope Group. Recharge projects – the District has spent \$1M to date.

Monroe-Talked about the loan and the terms for the WIP. ▪Crane-bids are out for the pipeline, 90% drawings for the tank should get those soon and review and get them out to bid. Once those bids are in hand, we will be able to close the loan with USDA, it is a month to two-month process most of the time. ▪McCrea- Asked how long is the project going to take? ▪Crane-Said a year to a year and a half.

▪Monroe-went over where the District is at this year. He went over the water sales for 2023. He showed the forecast in revenue. The projection on revenue is \$1.3M. He talked about the average monthly bill of the iron mine in 2022 and compared it to the average monthly bill in 2023. There were 60 new connections this year. He went over the tax revenue. He highlighted the other revenue which includes Henry's Place and Savage Services and the sponsors for the Water Festival and other conservation programs. He talked about the public relations work done in Pine

Valley (Basin 14). He went over the temporary employee salary and that they located about 90% of the system. He said that we are 69% below what was budgeted in the total operating expense and 80% through the year.

▪Monroe- Said on the capital side of the budget there was a significant decrease in water usage in 2022. This year to date significantly higher and may align closer to 2021. ▪Melling- wondering about the water consumption and the rates, is the consumption in reasonable use parameters? ▪*There was some discussion among the Board Members about the reduction in 2022.* ▪Monroe- highlighted the book value of the trucks. He highlighted the water improvement project. The next item in direct purchases is building and structures. He went over the water system tenure. The District had to redo 3 wells (pumps and motors) at Sunset and Derby 2 and Northridge this year. The two notes were paid off. He went over the capital resources we haven't received revenue for the rest of the year on taxes and the water revenue.

▪Monroe- Said the executive committee is proposing giving employee raises to keep up with inflation. He went over the professional and technical line it was reduced because much of the engineering is capitalized in the large projects (WIP and PVWS[Basin 14] Project). He went over legal fees briefly. He went over the property tax revenue, and because of new growth in the District, it will have an increase. Impact fee revenue has reduced and we are anticipating 70 new connections this next year. He went over the impact fees from the last couple of years compared to this year. ▪*There was a small discussion about the focus of the Board and the things that the District does* ▪Monroe asked if there were any questions or any specific line item that the Board wanted to talk about? ▪McCrea-asked if there was anything in the capital budget that was going to cause expense changes? ▪Monroe-Said he doesn't see anything that would increase the operation costs. ▪Crane-asked about the USDA grant? ▪Monroe-Said typically don't list them at this point, but there are 2 grants that will potentially come in. One would be a federal grant of \$4M, and there is a state grant that the district has co-applied with the cities and county for additional recharge and diversions for \$1M. He went over the sources and uses. The 2024 bottom line is clear \$423,000, will talk more about that in the budget. He went over the Coal Creek recharge, Pine Valley, the rehab of the Sunset well, and the Water Improvement Project. He briefly talked about the new office building near Westview, land and water rights, water system tenure, we need to line a tank at Cedar Highlands (lower tank), new meter replacement we replace about 10% year of the system annually. The tank cleaning company cleans and relines the tanks. He mentioned the backhoe lease, and the autos and trucks and that the District is looking for a larger dump truck. He wanted to highlight the State Bank CD, it was at 4% a year ago but the PTIF account is way outperforming that. There is \$500,000 in the cd and \$400,000 budgeted in excess. He'll bring back the same budget next month for a public hearing and approval. (1:01:52)

**Board Member McCrea motioned to have a Public Hearing at the next meeting. Second by Board Member Allred. Motion Unanimous at 7:33 PM.**

**SCADA SYSTEM: REVIEW, DISCUSS AND CONSIDER PROPOSALS FOR SCADA SYSTEMS IN THE DISTRICT :**

▪Monroe-Said the SCADA system is DOS, it is outdated and makes things difficult with supplier. The reporting on the current SCADA is failing. We'd like to upgrade now because we are looking at purchasing another server. Not happy with the service that we are getting. There are new opportunities through the other software. ▪*There was some*

*discussion about the current system and the things that aren't working.* He said for those reasons we asked for proposals, this is not in the budget, but it could be. There are 3 proposals that Monroe and the operators went through and scored. They ranked them before they saw the costs. They sent in separate sealed bids. The District submitted schematics and images of everything. *▪There was several minutes of discussion among the Board Members and the operators about the longevity of the system and what these other SCADA companies do.* *▪McCrea-asked what kind of guidance from the board are you looking for?* *▪Monroe-said that there is one more item that is a similar amount that he will discuss in closed session. He would like to have direction at the end of the meeting.* *▪Melling-asked if we had talked to Enoch or Cedar staff if they like their new Dorsett system.* *▪Glover-said that he has talked to Hayden White at Enoch City, and he has really liked it so far.* *▪Feltner-said that they went to Cedar City and met with Burke Smith and went over the SCADA system. They said that Dorsett has been responsive, and they really like the system. Dorsett has no annual fee, and the others have an annual fee.*

**WATER IMPROVEMENT PROJECT: REVIEW, DISCUSS AND CONSIDER SELECTING A MATERIALS SUPPLIER FOR THE 6000 N, 4000 N AND 8 MILE HILLS WATER LINE PROJECTS:**

*▪Nielsen-Said per USDA guidelines, we need as many bids as can get for the materials. There were 5 or 6 interested, 2 or 3 said they couldn't do it. Ductile Iron is twice the cost of HDPE. There were 3 bids: HD Fowler, Peterson Plumbing and Southwest. Southwest Plumbing came in as the lowest bid. The engineer's recommendation is to award the bid to Southwest Plumbing.*

**Board Member Melling motioned to approve Southwest Plumbing as the material supplier for the 3 waterline projects. Second by Board Member McCrea. Motion Unanimous at 7:53 PM. (1:23:18)**

*▪Nielsen-said for the contractor there will be a prequalification process. There have been a few contractors calling and want to bid, they are very favorable that the District is taking the material side. It will be an open and competitive bid; it will take some time. Luckily we locked in rate, because USDA changed from doing AIS (American Iron & Steel) to BABA (Buy America Build America). Right now, we have to track AIS, but with BABA you have to track everything.*  
*▪There was some discussion on other costs and things that will be done for this project.*

**REVIEW, DISCUSS AND CONSIDER SELECTING A MATERIALS SUPPLIER FOR THE MAINTENANCE BUILDING/OFFICE SPACE:**

*▪Monroe-said that we went out to proposal for the building (just the materials side). The bid tabulation and recommendation is to go with CO Building in Ephraim. We would like to get approval for that and get that purchased this year and get started on dirt work. We did get a favorable recommendation from the planning commission. The next step is to go to the commission. *There was some discussion about the building and what is expected for the construction of the building.**

**Board Member Melling made a motion to approve CO Building as the materials supplier for the building. Second by Board Member McCrea. Motion Unanimous at 8:04 PM. (1:33:51)**

*▪Monroe asked for direction on whether to get a general contractor or not.* *▪Allred-said we could try to find a contractor to work with, that would give us some leeway to let us use their license*

and them not have to manage everything. *▪There was some additional discussion about getting a general contractor or doing the building in-house.*

**WATER IMPROVEMENT PROJECT: REVIEW WILLOWSTICK REPORT FOR IRON SPRINGS WELL LOCATION:** ▪Crane-Said Willowstick did a good job of looking at the sites. They looked at 5 different sites and 4 of the sites were out in basin 71. They use a gamma system, then rpz system, that does a more defined look at the underground and creates the profiles that the District is looking for. *▪There was quite a bit of discussion about the recommended site.* The recommended site is out by the fuel station. ▪Monroe-Asked the operators to get a water sample from the wells in that area.

**PINE VALLEY WATER SUPPLY PROJECT:** ▪Monroe-Said there is not a lot on this. We are still waiting to hear back from USGS on the ground water source report. **(1:47:38)**

**WATER CONSERVATION: AQUIFER RECHARGE, REUSE WWTP WATER & SUBSIDENCE MONITORING:** ▪Monroe-Talked about the grant application with the State. We hope to hear back soon. Talked with Mayor Green about Cedar City exchanging property with Western Rock and use the old sewer treatment plant so that the District can use both pits for recharge. They are going to work on that. *▪There was some discussion on whether the recharge is actually working.* **(1:53:15)**

**SUBSIDENCE MONITORING:** ▪Monroe-Went over the recent monitoring results from the graben area. In the last 9 years there has been a significant decline there. This is the data from Woolsey Land Surveying, he goes out and surveys our different locations every year. This is just data and wanted to let the board know about it. *▪There was some discussion about why this is being done and for how long it has been done.*

**GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION:** ▪  
▪Monroe-highlighted the Public Education. The District was part of the Iron County Home Builders Assoc. Festival of Homes. Jess came up with a great idea to recognize the water smart landscapes and participate annually. We put signs/fliers at the houses with waterwise landscaping. ▪Allred said that there were over 25,000 tickets sold for the parade of homes.

**BOARD MEMBERS REPORT:** ▪None. **(2:01:46)**

**ENGINEERING REPORT:** ▪ Crane-said that he will continue the reports and will move forward with things on the WIP. This project is massive and we will try to get it moving forward as quickly as we can.

**NEXT MEETING DATE:** November 16<sup>th</sup>

**Board Member McCrea 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 Allred. Motion Unanimous at 8:32 PM.**

**Roll Call as follows:**

**Melling-Aye  
Nelson-Aye  
Allred – Aye  
McCrea-Aye  
Harris-Aye**

**Board Member Allred motioned to adjourn the closed session and resume the regular session Board Meeting. Second by Board Member Melling. Motion unanimous at 9:14 PM.**

**SCADA:**

**Board Member McCrea motioned to approve Dorsett as the low bid for the SCADA system. Second by Board Member Melling. Motion Unanimous at 9:14 PM.**

**Board Member Allred motioned to adjourn the regular session Board Meeting. Second by Board Member Melling. Motion unanimous at 9:14 PM.**

**Meeting Adjourned at 9:15 PM.**