

Cedar Valley Water Conservancy
Board Meeting Minutes
August 20, 2026



Board Members

David Harris
Paul Nelson
Steve Nelson
Tyler Melling
Tyler Allred

Conservancy Staff

Paul Monroe-General Manager
Mandi Williams- Administration
Tracy Feltner-Conservancy Operator
Curtis Nielson – Conservancy Engineer
Justin Wayment – Conservancy Attorney
Jeff McKee- Conservancy Operator
Tyler Glover – Conservancy Operator
Christy Tullis – Office Manager
Holden Miller – Conservancy Operator
Kimberlee Trower – Public Outreach

Others in Attendance

Vern Maloy – Sunrise Engineering
Peter Townsend – Formation Environmental
Mike Tietze – Formation Environmental
Brad Jeppson – Stantec
Linda Hahne – Iron County Board of Realtors
Aaron Kraft – Black & Veatch
Lindsay Pollock – Black & Veatch
Sam Fankhauser – Black & Veatch
Joe Phillips – Sunrise Engineering

CALL TO ORDER: ▪Board Member Harris called the meeting to order at 6:32 PM. Tyler Allred led the Pledge of Allegiance. Steve Nelson offered the invocation.

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

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD July 16, 2026:

Board Member S. Nelson moved to approve the minutes from the Board Meeting held July 16, 2026. Second by Board Member Allred. Motion Unanimous at 6:34 PM. (9:59)

PUBLIC COMMENT: ▪ None

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS JULY 10, 2026 THROUGH AUGUST 10, 2026:

▪ Williams reviewed the payment approval report and highlighted several payments, including Cedar Valley Pumps for pulling and replacing the Park West Well pump, David Fuller for work on the security gate and the hot box at the Eagle Valley Well, and Kimball and Roberts for the Conservancy's annual audit. A payment was also made to Shumway Exploration for brushing and rehabilitating the Park West Well due to ongoing issues. The annual lease payment to Wheeler CAT for the Conservancy's backhoe was also noted. The Conservancy recently borrowed a track loader from Wheeler CAT to assist with flood cleanup in Beaver. The Tracy Jeff and Kimberlee volunteered their Saturday to help.

Williams went over the Credits & Debits.

Board Member P. Nelson moved to approve the payment of bills from July 10, 2026 through August 10, 2026. Second by Board Member S. Nelson. Motion Unanimous at 6:37 PM. (13:21)

REVIEW 2026 FINANCIALS: ▪ Monroe – reviewed the operational budget and highlighted a few items. Insurance costs have been adjusted to account for the addition of the Eight Mile Hills and Cedar Highlands tanks, as well as the new building. These adjustments will need to be considered in next year's budget. The state grant revenue includes the \$500,000 reimbursement received for Phase One of the reuse project after the Conservancy paid Cedar City. The remaining \$17,000 was for meters. The reuse project expenses include approximately \$18,000 for engineering and design work, along with the \$500,000 payment to Cedar City. Monroe also reviewed the Conservancy's other projects. Most of the Basin 14/Pine Valley Water Supply Project expenses to date have been legal fees. With all parties having withdrawn their IBLA appeals and no current lawsuits pending, the project is moving forward. The water system expenses were higher than budgeted due to unexpected well work. One well was rehabilitated, cleaned, and returned to production, and is now producing significantly more water. Another well had to be re-drilled. Although the budget currently shows a projected deficit of approximately \$1.4 million, property tax revenue is not received until December. The Conservancy expects to receive more than \$1 million in property tax revenue, along with other revenues before the end of the year. A more detailed review of the budget and finances will take place at the next meeting as the new budget process begins. Monroe also reviewed the balance sheet and current cash balances. The Cache Valley Bank investment savings account was highlighted, noting that the initial \$5 million investment has earned more than \$100,000 since it was established. (18:44)

Review and Discuss Tax Liability for the Parity Water Revenue Bond Anticipation Note,

Series 2023: Williams reviewed the arbitrage requirements related to the 2023 Water Revenue Bond and explained that, because the Conservancy earned more interest on the bond proceeds while the funds were held at Bank of Utah than the interest rate on the bond, the IRS requires a portion of those earnings to be paid back.

The initial estimate was approximately \$52,000, but the final calculation, including interest for the late payment, resulted in a total amount due to the IRS of \$110,177.46. The payment has

been processed and will be sent to the IRS. No action was required from the Board; the item was presented for informational purposes.

Justin Wayment arrived at 6:47 PM

WATER CONSERVATION: UPDATE, DISCUSSION:

- a. Aquifer Recharge: Update & Discussion: Monroe highlighted the Quichapa recharge and reuse project and discussed the progress made in capturing and using flood water. Approximately 200 acre-feet is expected to be captured and used through the system. The agricultural producers in the area have not had to turn on their wells, which has helped conserve groundwater during the hottest part of the year. The project uses diversion gates and sediment basins to remove debris and sediment from flood water before it reaches the pumping system. The water then moves through five settling areas, each approximately 50 feet wide and 500 feet long, before being pumped for agricultural use. Two 30-horsepower pumps can move approximately 1,000 gallons per minute each. The system is designed to capture water that would otherwise be lost to evaporation and put it to beneficial use through exchanges with agricultural producers. This helps reduce groundwater use and preserves higher-quality drinking water for residents. The project is a partnership with the property owners and also provides an opportunity for ongoing research. A video demonstrated the process, from the initial flash flood water coming from Cedar Breaks through the settling basins and ultimately to the agricultural users. Monroe thanked Tracy and Kimberlee for their work on the project and the video.
- b. Reuse WWTP Water: Update & Discussion: Nielson reported progress on the reuse project and noted that additional grant funding is now available to move forward with the majority of the project. Following a regional water meeting, the Conservancy will proceed with designing a booster station to convey treated reuse water back to the south for use in Cedar City and Enoch. The booster station will be designed with a large manifold that can accommodate additional pumps as more reuse water becomes available. Cedar City also received test results indicating that a UV system is needed at its new treatment facility. The Conservancy will assist Cedar City with developing an RFP to engineer and install the UV system so the treated water can meet standards for broader reuse. The project alignments and sizing have been established, and the Conservancy is now moving forward with the engineering and design work.

WATER IMPROVEMENT PROJECT:

■Basin 71 Well and Waterline and the BZI Innovation Park Well – ■ Nielson provided updates on the Basin 71 and BZI Innovation Park wells. The Basin 71 pilot hole is currently at 910 feet, with a goal of reaching 1,000 feet by Friday. Once drilling is complete, the cuttings will be sent for sieve analysis, which will be used to finalize the screening and casing design. Drilling is progressing well, averaging about 40 feet per day, with some days reaching 50 to 55 feet.

Geophysical mapping is also being completed to help identify water-bearing areas and guide the well design.

For the BZI Innovation Park Well, the pre-construction meeting with USDA was held, and the notice to proceed will be issued Monday. The contractor is moving equipment to the site and plans to begin drilling on Monday. The access road and fencing are complete, and the start card has been received. Updates will be provided as drilling progresses.

BASIN 14 (PVWS) PROJECT:

▪ Monroe introduced Mike Tietze and Pete Townsend with Formation Environmental. Mike Tietze presented information on the groundwater resource impact assessment and monitoring program. The program will use existing wells that are no longer suitable for water supply to continuously monitor groundwater levels, along with annual measurements. The program also includes monitoring 14 springs identified with the BLM, including Wawa Springs, to track any potential impacts to spring flows. Monitoring methods will include piezometers, water-level sensors, spring flow meters, rain gauges, evapotranspiration data, and photo points. Two reference areas, one in Tule Valley and one south of Sevier Lake, will also be monitored for evapotranspiration, soil moisture, rainfall, and other conditions. Subsidence will be monitored through survey points checked annually. The monitoring program includes established triggers for additional action if conditions change. Next steps include developing the engineering design request for qualifications and request for proposals, incorporating the monitoring and adaptive management requirements into the project design and phasing. Monitoring, mitigation, and adaptive management plans will also be developed, along with the monitoring networks. The importance of building local capacity was discussed, including working with local resources and academic partners to provide training and support rather than relying solely on outside consultants. The Board discussed the 50-year period used in the analysis. Mike explained that the 50-year period is the timeframe for the current project approval and analysis and does not necessarily determine how the Conservancy will manage its water supply in the future. Data collected during that period will help determine the long-term response and sustainability of the aquifer. Any water extraction beyond 50 years would require a separate NEPA review and approval. The stipulated judgment recognizes that the parties disagree on the safe yield of the basin. The project and ongoing monitoring will provide additional information to help determine whether the safe yield is greater or less than 15,000 acre-feet per year. The 50-year timeframe provides a reasonable period for evaluating the project and its impacts without relying on assumptions about conditions far into the future. The Board thanked Mike Tietze and Pete Townsend for their work on the project and for helping develop and explain the EIS and groundwater analysis.

Consider the Approval a Resolution Adopting Progressive Design-Build Procurement Procedures for the Pine Valley Water Supply Project and Authorizing a Two-Stage Solicitation for Design-Build Services.

Board Member S. Nelson moved to approve the Resolution Number 2026-8-20, a Resolution of the Board of Directors of Cedar Valley Water Conservancy adopting a Progressive Design Build Procurement Procedures for the Pine Valley Water Supply Project and Authorizing a Two-Stage Solicitation for Design Build Services. Second by Board Member Melling. Motion Unanimous at 7:43PM. (1:19:38)

Harris – Aye
P. Nelson- Aye
S. Nelson - Aye
Melling – Aye
Allred - Aye

GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION:

- Public Education – Nothing to report
- Operations – Nothing to report (1:20:40)

BOARD MEMBERS REPORT: ▪ None

ENGINEERING REPORT: ▪None

NEXT MEETING DATE: September 17, 2026

Board Member S. Nelson 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 P. Nelson. Motion Unanimous at 7:47 PM.

Roll Call as follows:

Harris-Aye
P. Nelson-Aye
S. Nelson – Aye
Melling-Aye
Allred-Aye

Board Member S. Nelson motioned to adjourn the closed session and resume the regular session Board Meeting. Second by Board Member Melling. Motion Unanimous at 8:06 PM.

Board Member S. Nelson motioned to adjourn the regular session Board Meeting. Second by Board Member Melling. Motion Unanimous at 8:06 PM.

Meeting Adjourned at 8:06 PM.