



BOARD OF DIRECTORS MEETING
CENTRAL IRON COUNTY WATER CONSERVANCY DISTRICT

May 16, 2013

BOARD MEMBERS PRESENT: Brent Hunter, Keith Williams, Tim Watson, Paul Cozzens.

Others present: Kelly Crane (District Engineer), Justin Wayment (District Legal Counsel), Doug Hall (Self), Brennan Wood (Economic Development), Curtis Nielson (Ensign Engineering), Curt Neilson (Cedar City Corp.), Candace Schaible (CICWCD/USU), Louise Lewis (Self), Dave Miller (Iron County Commissioner), News Reporter Kristen Daniel (Iron County Today).

Meeting called to order by Brent Hunter at 6:32

(5:57)

(6:32) **1. Declaration of abstentions and/or conflicts of interest by Board members**

Paul Cozzens has done work and planning future work for MSC Aerospace. No Objections

2. Consider approval of minutes from meetings of April 18, 2013

No Corrections

Motion to approve minutes by Tim Watson

2nd Paul Cozzens

(9:17)

(6:35) **3. Consider approval of payment of bills from April 12 through May 10, 2013**

Mandi Williams addressed the high balance paid for the office lease. Paul M. or Mandi W. weren't aware that payments were sent to the county monthly.

Tim Watson spoke about interest on credit cards for home depot. He mentioned setting aside funds in a separate checking account for expenses that would be run on a debit card. He would like to keep the district away from the possibility of paying interest. Paul M. feels safer keeping things on the credit card that is only able to be used at Home Depot, and he also made the Board aware that with the credit card we get a 5% reduction. Paul M. questioned the Board on having an office credit card for expenses.

Motion to approve the bills Tim Watson

2nd Keith Williams

Motion passed unanimously

After further discussion about credit cards. Paul Cozzens made to the motion to get one credit card from State Bank of Southern Utah for the district with a \$2500.00 limit with an itemized statement to be brought to the board monthly.

2nd Tim Watson

Motion passed unanimously

Paul Monroe presented the charges and credits Transaction Register. He let the Board know that this register will be in their packets each month for review. This is per recommendation from our auditors Kimball and Roberts.

Paul C. motioned to approve the transaction register from 1/1/2013 to 5/16/2013

2nd Keith Williams

Motion passed unanimously

Tim Watson made the motion to adjust the agenda. Item #12 was moved to Item #5

2nd Paul Cozzens

Motion passed unanimously

(22:30)

(6:45) **4. Cedar City Economic Development:** Consider Approval of Economic Development- Inter-local Agreement.

Economic Development Incentive for MSC Aerospace the main points of the agreement between the four taxing entities, Redevelopment Agency, who receives the tax increment, and MSC Aerospace (formerly Cyberjet, Metalcraft & Cedar Building Associates).

- Very similar to GAF & GENPACK agreements.
- 15 years starts in the year 2013. The base year was 2012.
- Meet the employee benchmarks (1st year 25%, 2nd year 50%, 3rd year 75% etc. up to 600 employees) Only 10% of their overall employment can consist of PTE
- April 1st of each year is the deadline date for all documentation to be provided proving by notarized statement from the company that the company has met all incentives as per agreement. These numbers will only be salary based. Will not include benefits. Position-Hours-Salary is all averaged to make sure the company is meeting the employment benchmark.
- If during any of the years the "Company" fails to qualify for payment for the incentive, RDA will send the tax increment money back

Paul C. addressed the discussion that took place during the Cedar City Council meeting the night before. The concern is the percentage of PTE versus FTE. They would like to be able to keep that relationship with the students at SUU

Justin Wayment asked if the form will require a breakdown of each salary based on job title. Brennon answered that it is an average of each job title here in Utah.

Tim Watson motion to approve agreement

2nd Paul Cozzens

Motion passed unanimously

(40:57)

(6:55) **5. Third Party Field Surveyor:** Discussion

Tim Watson asked that this item be put on the agenda to see if there was the possibility of the board approving the hiring of a 3rd party surveyor to locate and recalculate the subsidence on existing benchmarks that the Utah Geological Survey (UGS) used in their study and to conduct all future work for the district. Tim expressed two reasons for the surveyor: First, to verify UGS information so that we can compare and have documentation from a secondary source. Second, is to add benchmarks in our basin for continuous monitoring of subsidence in our valley. A 3rd party surveyor would reduce any type of bias or possible conflict of interest.

Paul C. stressed the importance of having accurate information for the district and the public to reference. Curt Neilson presented key points for the board to consider once a 3rd party surveyor is hired. There was a lengthy discussion about past surveys that have been conducted and the importance of setting our own benchmarks and expanding those benchmarks to meet the needs for the citizens of Iron County now and in the future.

Tim W. proposed that we go out once a year and get information that is set in stone, this will be information that we can refer to year after year. Tim W. also remarked that we have a responsibility to know what is going on; to take care of the historic benchmarks we currently have and expand out to new benchmarks to better understand the subsidence in our Valley. Kelly agreed and reiterated the importance of having information that is continually updated. Paul C. wanted to make the board aware that Cedar City is fully supportive of having this 3rd party do the survey. Mayor Burgess has even stated that they would possibly help with the funding.

Tim Watson motioned to contact a 3rd party surveyor, Doug Grimshaw, and get a cost not to exceed. An estimate will be presented to the board and other interested parties before final agreement is made to locate and record the data of these historic monuments and other areas in the valley that we see fit so that we have our own information. Doug G. will need to present this information to the board and be willing to give the information to the district for our use.

2nd Paul Cozzens

Doug Hall has a couple of questions about this agenda item.

1. UGS used tax payer money to hire the surveyor. So why is it that we cannot get this information?
2. Why can't Doug Grimshaw use the information done previously?

Answered by Tim W.: Doug G. would do his own work and then would be able to compare his information to the information published by the UGS.

Motion passed unanimously

Unanimous Motion was made to move agenda item #6 to #5 (1:25:05)

(7:05) **6. Water Conservation:** Update

Candace received information from Julie Breckenridge with WCWCD on grant rebates. This grant is from Bureau of Reclamations, it is a 50/50 grant that we would need to apply for by Oct. 2013. The Grant application is due by January 2014 and it is awarded in May of 2014. Candace would like the

board to start thinking about how much we as the district are willing to put towards this grant. Paul C. asked if anyone had been contacted for the suggested water conservation committee. Paul M. briefed the board on the information and ideas that have been discussed since last month's meeting. Paul C. stated that appointing someone like Doug Hall to head this committee would lighten the load in the office. Doug Hall has the time and interest to go forward with this and he would be able to do the majority of the heavy lifting for the committee. Paul C. has talked to a few other people who are also willing to come and serve on this committee. Doug Hall stated that he is retired and he would be willing to lay the groundwork, and do the work that time constraints keeps the office staff from completing. Tim W. and Paul M. both agree with having someone outside of staff head this committee as long as they stay productive.

Paul C. made a motion that we as a board appoint Doug Hall, under the direction of Paul Monroe and Candace Schaible, to chair this conservation committee to go out and lay the groundwork for the program.

2nd Tim Watson with amendment that evaluation is made at the end of the growing season around October 31st this will be on the agenda for the November 2013 meeting so we can see what needs to be adjusted.

Paul M. invited Doug Hall to attend the meeting already scheduled on May 30, 2013 at 10:30.

The amended motion passed unanimously

Candace was given direction from the board to continue to move forward with the grant process for the rebate program. (1:49:34)

(7:20) **7. Refinancing Bonds:** Consider Approval of Engagement (moved from Item #4)

Paul M. and John Black both addressed that even though it makes sense for the future there really isn't the funds in the budget to refinance these bonds. Kelly C. advised the board that the district is really not big enough to go out on the market looking for bonds. He stated that there are projects in the future that we would need to move forward with this, but not at this time.

Paul Cozzens made the motion to express our gratitude for the work conducted with George K. Baum and that we would let them know when we were in a better financial situation to solicit their services.

2nd Keith Williams

Motion passed unanimously at 8:15 pm (1:53:21)

(7:20) **8. Consider Approval of Purchasing Procedures & Lease or Disposal of District Property & Water Policy:**

Paul addressed the changes made to State Bill 190 by Utah legislation. Paul M. said that because of our partnership with Utah Assoc. of Service Districts will receive a template that they are going to put together for all service districts. Our policy would supersede this policy but we would be covered by state policy in the event that our policy didn't cover an issue. Justin W. suggested that we pass this policy regardless of the changes made by legislation to cover our district until such time as the state provides the district with a template for our policy.

Paul Cozzens motioned to approve the policy based on Justin W. recommendation.

2nd Keith Williams

Motion passed unanimously

(7:30) **9. Aquifer Recharge:**

Question was asked, should we hire UGS at this point to study the aquifer recharge options? Paul Monroe addressed the reason we would need to have them do the studies is at the time that we want to pump Quichipa their studies would be required.

Recommendation to Paul M. from the board is to not go forward with any additional studies from UGS this year. Meeting has already been set with the National Guard to see if they can offer any help to our cause. Rick B. is going to get with Colonel Dan Robertson. Brent has already met with Dan Robertson who went

to the General who is over the UNG Engineering battalion who agreed to come down here and meet with the mayor and the board to discuss ways that they can help us.

(2:13:46)

(7:40) **10. Wah Wah and Pine Valley:** Update

Kelly started off by stating that out at Wah Wah there are some things progressing. Barnett has met with the State Engineer who has said that he would need to see some updated test pump data using existing wells out there before he could make any decisions on our water rights. Paul M. and Kelly would both like to see a commitment from the State Engineer that states that this is the direction he would go, that once we had the test pump data results back from the USGS that he would make a final decision and award us those water rights. Paul M. said that the current bid we have is \$50,000 per test pump so a total of \$100,000. Paul will be meeting with USGS the Wednesday after Memorial Day May 29, 2013 and they want a commitment or plan from us before they move forward. There would be \$47,000 in the PTIF Bond Reserve account once the District paid off their Angus Loan that can be utilized for this. Tim W. asked if Barnett could try to get a commitment in writing. Paul M. said that it was unlikely for the State Engineer to sign anything but we might be able to get a verbal commitment. Paul C. stated that we should move forward especially if there is another party willing to match funds. This is the Cedar Valley's long term back-up source for water. Kelly recommends pushing Kent as much as we can. Paul M. said there is risk involved when you are not sure if you are going to get any water or the amount but it is our only straw outside of the basin to bring water into the Valley.

Tim Watson made motion that we pursue the other interested parties to cost share this project if not he moves that we still approve pumping the Pine Valley pump this year.

2nd Paul Cozzens

Further Discussion from Tim W. Tim wanted to stress again the importance of trying to get the commitment in writing. Paul M. invited any of the board members to attend the meeting on May 29, 2013 with USGS.

Motion passed unanimously (2:24:00)

(7:50) **11. Consider approval of Personnel Policy & Handbook**

Paul M. met with John B. John B. suggested that we take a portion of our policy each month and go over it at our board meetings. Further discussion about how we could implement County Policy as the district policy.

Motion was made by Paul Cozzens to have Commissioner Dave Miller give John Black the recently passed Personnel Policy & handbook from the county to compare and make adjustments to CICWCD's handbook.

2nd Tim Watson

Motion passed unanimously

(8:20) **12. Master Plan Study:** Update

Kelly and Paul have been discussing the main points associated with the updated master plan. The operators are collecting the GPS points and other information needed for the hydraulic modeling. Also, Bill Neilson from the county is helping us with our GIS/GPS systems. Kelly stated that we are looking forward to additional meetings with the cities inside the district boundaries. He stated that he would really like a good comprehensive look at the whole valley. Through this process the District will receive much needed in-the-field access to mapping, as-builds, and operators notes which will help eliminate the timely search of documents in the office. (2:27:48)

(8:35) **13. Other Items**

Paul addressed the abandoned well sights out in the Eagle Valley Subdivision. Property owners have approached us wanting to buy the property. Paul M. stated that these wells were closed off before we took over the Eagle Valley Water Co. Kelly is not sure if these wells are closed off and filled up completely. Tim stated that he would be in favor of selling the property as long as Justin puts together agreements and the bill of sale.

July 18th, 2013 is the date we would like the State Auditor to come and conduct the training required by the state. The training will start at 5 pm on the 18th of July. Regularly scheduled public meeting will be held after.

(8:40) **14. Adjourn**

Tim Watson made motion to adjourn

2nd Keith Williams

Meeting adjourned at 9:03 pm