



DRAFT

BOARD OF DIRECTORS MEETING

CENTRAL IRON COUNTY WATER CONSERVANCY DISTRICT

**Board Members in attendance- Brent Hunter (Board Chair), John Black, Paul Cozzens, Keith Williams, Tim Watson, and Spencer Jones, Paul Monroe (District Manager).
Excused: Rick Bonzo**

Others in attendance-Curtis Neilson (District Engineer Ensign Engineering), Doug Hall (CICWCD Water Conservation), Representative John Westwood, Kit Warham, Roice Nelson and Gary Player (Citizens/Geologists),

Agenda October 16, 2014

Brent Hunter called the meeting to order at 6:31 PM

6:30 1. Declaration of abstentions and/or conflicts of interest by Board members
No abstentions

2. A. Consider approval of minutes from the meeting held Sept. 25, 2014.
Spencer Jones Motioned
John Black Seconded
Motion passed unanimously at 6:32 PM (4:41)

6:35 3. Presentation on planning for large water projects, bonding, and the vital role of water in the community: By Ronald Thompson, General Manager, Washington County Water Conservancy District.

Brent turned the time over to Ronald Thompson at 6:33 PM. Ron spoke to the board about the importance of water for future generations and advised for an adequate plan to provide for infrastructure replacement through the years. Not only is it going to be a challenge to provide water to the people but also to supply the cost of replacing aging infrastructure which is more expensive than a new water supply.

He stated that it is crucial to know how important water is to the economy. Utah is one of the fastest growing states in America per capita and it has been projected that by 2060 the population in our state will double to over five million people. (9:15) In this state one acre foot of water is equal to \$120,000.00 a year-and 3 jobs per acre foot of water. In terms of one acre foot of (11:30) water in Washington County. One acre foot of water supports 3.4 residences, it produces about \$85,000.00 of gross metropolitan income and \$91,000.00 personal income for local residents. Ron posed a question, if you spend a billion dollars on a water project in Washington County, what does that mean? You have your preliminary impacts that produce about 10,000 jobs and adds approximately 425 million in income. What happens then is that income rolls through the community at about 1.5 million dollars.



Ron stated that it is nice to learn from others mistakes. He spoke of WCWCD's historic model, what it has been and what it is today. 6:45 PM (17:35) Traditionally they sold water in big blocks to cities of between 2,000 to 10,000 ac/ft blocks. The cities had to take or pay for them whether they used them or not. This created a great conflict, while it looked good when you needed to bond against it, it went against what you were working to achieve as far as water conservation. So they did away completely with paying contracts for a number of reasons, but the main driving forces behind the reasons were: 1) they decided that the water should go where the growth is, and shouldn't be locked up and hoarded by one city to the detriment of another. 2) They wanted to be in a position that everyone could promote water conservation. 6:48 PM (19:00)

Ron said he is very pleased to see representatives from the different cities that make up our board members. For a District this kind of board is very healthy. He brought this up because he wanted to stress the importance of having the cities interconnected. WCWCD has been able to join all of their cities into a Regional Water Supply Agreement. The Regional Water Supply Agreement pooled (6:49 PM) the water resources between the District and the cities. They did this because they could see a long term growth curve. In order to prepare for the things needed to accommodate growth they put an impact fee on all new platted lots, or on the building permits, whichever occurred first, for the development of water. The cities had the option to buy whatever amount of water they needed from the district. They could buy as little or as much with the caveat that they had to keep their water resources viable. (22:39) They didn't want to get into a position where the cities were turning off and not maintaining their own infrastructure and totally depend on the water district for water supply. In addition to the Impact Fee that is charged on only new growth, they put a surcharge that every residence pays. This charge goes into a "Rate Stabilization Fund". The purpose for the charge was, as you watch economies that go up and down, and you are really building projects on impact fees you have got to have a base revenue source to make sure that you can pay your bonds. If you think that you can take your bond into the big markets and you say that you are going to do it on impact fees you will have a junk rated bond. Right now the WCWCD has a Double A+ rating for GO Bonds which is very high, and they've got a Double A+ rating for Revenue Bonds which is also very good.

A couple of important things WCWCD did prior to the implementation of impact fee, and surcharge. They created two committees. One is the Administrative committee, made up of the mayors and city managers that were part of the Regional Water Supply Agreement. They meet every quarter and discuss where they're headed, how the systems are tying together, and what they are doing. The second committee is the Water Task Force and Technical Committee, made up of all the engineers and water managers. This committee meets once a month and they spend their time discussing new project timelines and more of the technical details of what those projects might look like. So the Administrative committee is more of the "big picture" committee and the Technical Committee is very detail oriented.



Another requirement of the WCWCD for all of the cities that joined the District in the Regional Water Agreement was to review and approve the Capital Facilities Project Plan (25:00). If the district wants to bring in another project to the plan, that project would first have to have the consent of the majority of all the cities. The district cannot just go out and add projects and then require the cities to pay for it. The cities all vote equally, so far that has never been a problem for WCWCD. Most of the board members are made up of people who've been mayors, city council, or legislators. Ron believes there's a healthy relationship there when you have some public experience with a board. (26:10)

Ron stated that water districts are here to partner with the cities. They (the district) are a tool that the cities can use in ways they can't do it themselves. Water is not a unique sole commodity that only comes up in one city. It is regional in nature and it's regional in nature in this valley. Ron knows he doesn't have to tell the board, but being an old time Cedar City boy he feels he can tell the board that long term, you cannot continue to over mine the aquifer and not have it come back to haunt you. So whether you take agriculture out of production or do something else, you have to meet that deficit. (27:06)

At 6:55 PM Ron started to speak about cost of water projects. He asked if anyone in the room believed water conservation to be free. He said that they have done several studies to and the average cost of conservation is about \$14,000 per acre foot of water saved. So if you can develop water for less than \$14,000.00 you should certainly make that evaluation. He doesn't want to talk down conservation but he thinks that sometimes people push conservation beyond the pale without thinking about the cost. Some people literally want you to take out every blade of grass and every tree to consume every gallon municipally, you dry up all the rivers and ruin the Hibernian habitat (28:02) and add another 10% of heat to the homes in the area. Those are unintended consequences that have to be dealt with, with a good conservation plan.

Ron stated that as we plan and move into big projects, make sure that your three or four cities are firmly behind these projects. Make sure they have a mechanism to participate one way or another. You can sustain projects in the early stages with property tax, but long term you are going to have to have a program where the water users pay, not try to sustain it on subsidized revenue, it just won't work. On the other hand any of us know that when you open a new business, (29:00) you can't put 100% of the cost on items that you are expecting anyone to buy it. You have to have a mechanism in place. Some have complained that nobody else has these property taxes, but pragmatically the shareholders in the water districts are the tax payers. (29:20) They put money in it just like shareholders in a cooperation invest capital. The difference is that you have a prodder base, and you really are representing the public interest.

Ron continued, "It has been interesting that the biggest advocate against your revenue source is the environmental community, and I've always been taught that if someone has no stake in the game, you need to decide whether you can trust them or not." (29:45)

At this point Ron stated that he hoped he had covered everything and he opened the discussion to questions. Paul asked about the cost of water projects in other



communities that Ron has had experience with. Ron said that we have all watched the Nevada endeavor and that cost is going to be way over \$50,000 an acre foot. Colorado Springs is just finishing a billion dollar project. Another interesting project that Ron mentioned is if you know the Colorado River, 80% of Colorado's water is made on the Colorado side of the divide, and 80% of the population is on the East Slope. So all of those big communities from Pueblo Colorado all the way up through Colorado Springs and above are very dependent on Tran's mountain conversions from the Colorado River. For more than one or two decades before this, Colorado Springs had a project that was going to cost them at the time about ½ a billion dollars. (31:09) Similar to talking about some others. In 2002 there was that enormous drought, and as we all know the head of the ditch sometimes dries out first. For the first time in history they were rationing water all the way across the Front Range, Colorado Springs in particular. Marginally, they were able to meet their indoor use, and stopped everyone from watering outside. Their City Council said that the people were not going to (31:40) tolerate water rationing and they wanted to move forward with this project immediately and they wanted it done in 4 years. At that time they hadn't started any permitting. Other than preliminary planning, nothing had been started, they did know that from an Engineering perspective it was feasible. That was in 2002 and they are projected to begin delivering water next year. Today they are at about \$1 billion dollars for 30,000 acre feet of water, or roughly \$33,000 per acre foot. (32:05)

Ron then talked about the Aurora project. They've just finished the project on the Platt River, that was over \$40,000 an acre foot. We are seeing a lot of projects in the West that are \$25,000 to \$30,000 an acre foot and up. Sometimes we think that is a lot of money but if you go to a development committee and tell them to bring their own water with them they argue about the cost. But if you tell them to gather the cost to buy the water, drill a well, and then they still have the impact fees. They can see that those costs are far greater, then just bringing the water with them, and letting us manage it and provide water to them. He has yet to find someone that can do their own water cheaper. (33:10)

In Colorado Springs, they went out and did two things. They went to the people and asked them if they would pay \$.01 a gallon to ensure that they had a reliable water supply. That doesn't seem like a lot when you go down to the grocery store and buy a small bottle of water for \$1.49, but their people overwhelmingly supported a bond that would increase their rate from \$.002 to \$.01 a gallon. Another thing you don't think a lot about is last year in our regional cities, WCWCD delivered about 16 billion gallons of water in 2013. Just this summer they delivered over 37-38 million gallons of water a day into those cities out of the treatment plant and wells. (34:00) WCWCD is selling this water to the cities in terms of a wholesale rate of about \$.83-\$.84 per thousand gallons. So can people pay more, Ron believes the answer is yes. People are not willing to let water *NOT* come out of their taps. You still deal with a fundamentally based commodity that people depend on so when we get criticized in Utah because the rates are too low. Which, that might be true if you take the big cities like Portland and average their rate, it is about \$8.00 per thousand. Ron doesn't know what the average rate is in Cedar City, but the average rate in Washington County is about \$1.60 per thousand gallons. Water is relatively cheap



here, on the other hand, Washington County has a lot of senior citizens on fixed incomes, and their Income Rate is well below the National Average. So water rates have to be kept reasonable, due to its high priority and necessity. (35:04)

Ron stated that this is the model they have and the model they are using to build projects with. Ron also added that in their wholesale rates they also have a repair and replacement fee, which is really tied into the cost per thousand gallons. They've looked intently and he thinks they will see this come to the cities.

By statute a couple of years ago, a requirement was issued to the four major water districts in Utah, the Jordan Valley, the Central Utah, the Weber Basin, and the Washington County had to come up with an asset management plan (35:37) and program to show how they were going to prepare enough funds to repair and replace their existing systems as they wear out. The four districts are two years into that process. Today WCWCD has about six or seven million dollars in their repair and replacement fund.

Ron said, it is amazing how often you have to use the replacement fund. Quail Creek is about 30 years old. About a year ago, they were inspecting their big gate on the river. It is two 20 ft. x 40 ft. gates that work in tandem and it has deteriorated to the point that many sections of the gates were just like paper. The metal had just worn out. You can imagine their consternation, because this was really the heartbeat of everything they deliver. (36:33) They went right to work, they got a new gate and used stainless steel, for about 30% to 40% more they could get a gate that lasted 90 years instead of 30. They had to spend a million dollars, but because they had been putting money away every year, this didn't create a hiccup in their rate structure and they were able to pay for it.

One of the challenges he sees is as he meets with City Managers and none of them have put money away for the repairs and replacements, and uniformly this is the answer. They say that whatever they can get from their city councils is what they spend. This is a very poor way to run a utility that is such a fundamental resource. When you think of the population growth, we have a duty to repair and replace what infrastructure has been in the ground for the last 100 years, but you will need to add for the new growth. This can be a very daunting task and problem if you don't plan for it. On the other hand, if they take about \$.06 per thousand gallons in their district and put it aside in a reserve fund it appears to them that if you figure in inflation and plan on when these facilities for water wear out and surpass their useful life, that repair and replacement fund will be there to keep their facilities where the industry standard ought to be.

Ron then gave the board members some economic handouts that he said would be beneficial to read. He asked if there were any further questions. (38:13)

Brent asked Ron's opinion on what he thinks is going to happen with the Southern Nevada Authority, and what he thinks their opinion might be if we take action on the water filing we have in Hamlin Valley. Ron answered that he thinks "we should get it if we can". He said they just went through this kind of process themselves. Ron put together an advisory committee of about 25 community leaders from all across the country to talk about water. One of the things really stood out was when the question was asked. "What kind of water surplus these community leaders kept in front of



them”, the answer was almost universally the same. They all said that they look at the plan for projected population growth and want a 15 year water supply to have on hand. They are not willing to take many risks with their public water supply.

Ron said that in their county they have a kind of luxury because they can take more risk with their surface supply because of the large ground water basin that has been recharging from Sand Hallow Reservoir. There has been a lot of water put in over a number of years. So if they have another year like last year, they could tap that more vigorously and then shut it off during wetter years.

Ron said that he doesn't suppose anyone has started worrying very much about climate change, and some don't even think that climate change is there. Ron took a moment to just share what they know about their own basin. If you took what's happened since the year 2000 in the Virgin River Basin. The average is about 30% less and their median flow is about 40% less than the historic 100 year average on records they have. That is not a particularly comforting position to be in. (40:10) Ironically enough two of the five wettest years they've had in this 100 year history, occurred in about 2005 and 2010-11.

There is something different going on. They've looked at a lot of models. The models are all over, but if you look at what the Bureau of Reclamations is doing they are probably more trustworthy, in his opinion, then most. They're projecting for this middle zone about a 10% to 11% reduction across the board. Ron said that even more troubling is that he thinks this is going to ring true of Coal Creek and some of our other water surface drainages which is the obvious recharge of our ground water basin.

They're forecasting that our spring runoff will occur about 6 weeks earlier. What this means is that though the quantity of moisture might be the same, you're going to shrink it in. That is going to be a challenge and he thinks we should start planning and thinking because for the people that rely on Coal Creek it will never run enough. As that continues to happen we will see our spring flows impacted. In their county this is particularly troubling because their big reservoirs are off stream, and if you take 6 weeks of fill time away from those reservoirs the impact will be significant.

Ron believes that we are headed in the right direction and that we have a daunting task in front of us. He will tell all of us to make sure that we keep a revenue base under us. Keep our cities and our County Commissions firmly in support of the district and what we are doing. He said that kind of relationship only comes with hard work. He said that he tells his Commissioners that they can appoint whomever they'd like, he only asks two things, they come to the meetings and they have some common sense. It is his belief that the members should come to the meetings and educate themselves.

Really our strongest supporter when it comes to the end, is an educated community. (42:20) They just finished some surveys on whether or not there conservation plans are effective. Ron said that we see a lot of surveys about education and transportation, but if you put a pole out there to rank in order of importance, education, transportation, water and air. He says that double fold or more will rank water and air above transportation and education. Water is right on the top of that list, because of the dry year we've had certainly people are cognizant of the need for additional water supply. Brent asked if Ron could ever see their district going in to the



Enterprise area for water supplies. Ron said that before they ever got into the Lake Powell Pipeline, they looked at the Enterprise area pretty intently, and when they saw that they had 100,000 ac/ft of water rights and an annual recharge of 30,000 ac/ft. It surely didn't look appealing to them then and still doesn't. One challenge that they do have in their basin is that they have the hot springs between Hurricane and LaVerkin that produce about 5,000 gallons a minute of water that is 170 degrees and it's TDS is over 10,000 parts per million. There is not a whole lot that can be done with this water, they have converted it to agriculture water. (44:19) Brent asked if they can dilute the water. Ron said no, the farmers use it and their hay only last two or three years and some grains survive, but they cannot produce fruit or anything that isn't very salt tolerant. They leach a lot of water and they try to pull water through the fields in the winter time. Ron stated that they don't have a lot of fields in Washington County.

He said there will come a time when food and fiber will someday be as important as water. About 6 weeks ago there was a meeting and the Denver people were in talking about projects they have planned. They talked about the economics of water on the Front Range. They say that an acre foot of water is producing about \$130,000 an acre foot a year of economic output. Of that agriculture is producing \$6,000. (45:37). They are very quick to say that they can't get by without the Ag. The people there are still going to have to have the agricultural production so it is a balancing act. Ron sees a lot of changes on the horizon as we move into the next quarter and half century as we decide how to be more efficient and productive, and even how to use our water more wisely.

Ron says that he believes that at least the 4 large districts in Utah have a mantra that goes, "we need to protect the water we have, we need to use it wisely, and we need to get more." Ron thinks we will see that kind of slogan out there a lot over the next couple of decades. As we try to meet the challenges of this next century.

Spencer Jones reference what Ron had said earlier, about there being 3.4 residence per acre foot. Spencer asked if that water is allocated or is that what it is producing. Ron answered, that is what it is producing. 7:14 PM (46:30) He passed out the documents he brought with him about water economics. Paul Cozzens asked Kit Warham what the Cedar City water rates were, Kit thought them to be a little over \$1.00, so comparing the average of Washington County, Cedar City is quite a bit lower. Ron stated again that their average is about \$1.60 per thousand gallons, but in the water district it is quite a bit more. Connections managed by WCWCD are only somewhere around 300 connections. They only handle connections outside of cities where there is not another option. Their retail rate is \$2.00 per thousand gallons and goes in 5,000 gallon increments up to \$10.00, but they also put a cap on how much water can be used in a year. If they exceed that amount then they pay \$15.00 per thousand gallons. They are in communities where they were inherited with a certain structure and only had a certain number of water rights and they are trying to hold them to that amount of water.

Most of the Washington County cities have a base rate on their water rates. He said that it appears that a future trend will be looking water budgeting where your base rate, just for the availability of water, without any (49:01) water coming to it, will be what it costs to cover your variable and fixed costs. Then the 1st tier will be based on



what the efficient home should be using, then go from there. He touched again on conservation at 7:17 PM (49:35).

When conservation comes up, quite often what one hears is someone saying, "Look when I built here the city had a landscape ordinance, and they promised me a level of service and I paid an impact fee for that. Now you are telling me I ought to go to a desert landscape and have less turf. I don't have the money to do that and besides that I paid for the water, why should you take it away from me and give it to someone else." Ron stated that he really doesn't know how you respond to that. Being a conservative Cedar boy, he really has a problem with that.

WCWCD next conservation & facilities plan will address new growth, and deal with it differently. Have a different level of service for them, to pay for the new growth, where they pay for a more conservative landscape. So they will get the conservation that comes with desert and water-wise landscaping. Ron doesn't see the district going out and telling people they are going to tear up their lawns.

He saw that this summer in California, they were paying \$3 to \$4 dollars a square foot to tear out lawn and replace it with desert landscaping. To get a feel for that, look at the \$2 a square foot which is a longstanding program that Southern Nevada has had. The cost for them is over \$17,000 an acre foot. WCWCD has a very aggressive toilet rebate program, trying to target those who have older toilets, to replace them with low flow toilets. When you look at the cost to the consumer and to the district, it costs about \$8,000 an acre foot to implement that program. As far as conservation programs go, their toilet rebate program is a fairly inexpensive program.

Ron said no conservation program is cheap. It is important and it has a place, but it can't be the only place. We have to have additional supply. Frankly, this valley has to find a way to either get more water from agriculture or find another way, but somehow we have got to bring this basin into balance. If you just let the economy do it. You will get to a place where the only people who will be able to pump the water will be the municipal, industrial, and commercial complex. Because Ag users can only afford to pump so far.

Brent expressed his thanks to Ron for being here and hopes to continue a good working relationship through the years. Ron said they are certainly willing to help us any way that they can. One thing he has noticed in the water industry is, we don't have to reinvent the wheel on a lot of these things. There are a lot of people that have been there and have gone through things that you deal with at some point.

Ron said that as a district they have gone to a lot of other districts to learn things that they didn't know how to handle that were challenges and they continue to do that, and if they have something that can help us, their door is always open to do that. at 7:19 PM (53:11)

John asked if WCWCD had any dealings with major industry. Ron stated that they have had some, and certainly industry that creates jobs is important, on the other hand, an industry that comes in and takes up all your surplus only to create 100 jobs that just doesn't equal out. So when he is approached by economic development people, his question is always how many jobs are you going to get for this many acre foot of water. Ron knows that an acre foot of water in other endeavors will produce X amount jobs. They've been approached by people who would come in and take 1,000



acre foot of water a year in terms of supporting them and they haven't been particularly supportive. They do not encourage water intense businesses. You want to diversify the economy. At the same time any economy has to keep itself balanced. He believes that Washington County is probably still a little bit heavy on growth orientation not enough on manufacturing and other things that they ought to have in their economy.

They are very dependent on a big service economy and the problem is that service jobs for the most part are not high paying jobs. So that brings some issues, on the other hand they have a got a lot of things going on in their county. It seems like every day there is another subdivision going in and new businesses. It is an interesting dynamic. Ron expressed his thanks to our board for giving him the time to speak with them today. In closing, Ron wanted to let the board know that they made a good choice in luring Paul away from Kane County. (55:13)

7:05 4. Wah Wah and Pine Valley: at 7:23 PM

Paul updated the public on where we are on the West Desert. He said the challenges that we have here in the valley are obvious. We are over mining our aquifer. The and being able to find some other water sources to balance out our aquifer to ensure that we are able to provide water for the future. 7:27 PM (59:45). As a District we have a lot of big decisions to make. We need to really consider Ron Thompson's presentation tonight especially concerning the projected jobs for our county when it compares to water usage. Paul also expressed his thanks to this board. They have taken a lot of time away from their jobs and lives to put into this project, to do right by the community and ensure water for future generations.

Gary Player asked what the total amount of water we would have access to, Paul answered that we have been awarded a little over 21,000 acre feet of water between Pine and Wah Wah Valleys. Brent asked if we have any timelines from our legal counsel on our appeals. Paul stated that some will be a year and others will just be played by ear. 7:34 PM (1:07:12)

7:10 5. Water Conservation: Update

Update was given by Doug Hall. He addressed the preliminary numbers that Candace had presented to the board last month. Doug stated that we are looking at around a 50% savings. Paul C. asked what the payback on the system is on that kind of system. Doug stated that it is really hard to answer that kind of question. If you are talking about monetary savings, you have to look at a number of things, not just water savings, but savings in workload and efficiency in the work being done by one person. He also referenced Ron Thompson's presentation and what he said about putting money aside for future repairs, Doug would like to see the cities start putting money aside for these kind of systems. 7:38PM (1:11:08) Paul talked briefly about the convention that he went to last week about some of the new technology that is already being marketed. Doug added that the systems we put in are upgradeable. They can be upgraded wirelessly. John asked how we are evaluating the aesthetic impact, condition, and quality. Doug answered that he is corresponding with the people who maintain those areas and he has personally been



by two of the parks. He believes they look better. Doug closed by letting the board know that he has a meeting scheduled with Paul and Curtis to finish

7:15 6. Regional Aquifer Balance Project & WECCO: Update

(1:15:35) Paul will be in a meeting November 7th, with the Division of Drinking Water to hopefully receive the funds for the planning grant to proceed with the test wells in the WECCO and Rush Lake areas.

7:20 7. Discussion on the secondary water system in Big Meadows Ranchos:

7:45 (1:17:02) During the special meeting the board decided to waive impact fees for the Big Meadows Ranchos secondary system because it was not in our plans to construct a secondary water source within 6 years as stated in statute for impact fees. Paul stated that the best way to deal with the secondary system is to look into the way the rates are structured. Spencer agreed and added that there has to be some equilibrium in the culinary and secondary rates if we have no intent to have a secondary water source, then we won't have any problems dropping the impact fee on that secondary meter. Paul stated that we will have something put together to have on the agenda for the public hearing in November. Discussion on possible scenarios continued for several minutes. **(1:20:00)**

7:30 8. Financial Report

1. Consider approval of adjustments and payment of bills from September 23, 2014 through October 13, 2014.

John Black motioned to approve the adjustments and payment of bills
Keith Williams Seconded
Motion passed unanimously at 7:49 PM **(1:21:42)**

2. Review 2014 Financial Report

Paul wanted to call out a few lines in the 2014 budget. First was the water revenue, we projected \$450,000 and we are at \$490,000. Next, the legal fees line we budgeted \$75,000 and we are at \$97,000.00 there are obvious reasons there with the West Desert. We do still have our water contingency line that we haven't used so we will be able to reallocate those funds, we should be in good shape at year end. Our Impact Fees are also exceeding our projections. We are at 108% of what we had projected on our budget. On the capital side on not much has changed other than we budgeted for a new truck but haven't had time to really shop around for one. **(1:23:41)**

3. Review 2015 Tentative Budget



Paul asked the board members to take time and look over what he has projected and get back with him on any changes they would like to see.

Spencer asked if in the insurance line if all board members were covered by O & M insurance. Paul stated that we will look more into that, due to changes on the bond for the 2015 year. Paul stated that he would like us to think about putting more money toward the aquifer recharge projects. Obviously our main goal is the WECCO & Rush Lake project and he would like to put more than \$200,000.00 towards that in the upcoming year. Paul C. asked how much it would cost to punch an exploratory well up in the woods ranch area. Gary Player stated that it would be approximately \$40,000.00 7:58 PM (1:30:52) Gary Player talked briefly about the Brian Head well that had collapsed. Spencer suggested that it would be nice to see how much of the Woods ranch land is public and how much is private. Spencer thinks that a lot of that area is private land. Gary Player wanted to add one more thing about the well that was punched towards WECCO in the 80's...8:01 PM (1:33:48) Gary reiterated to the board that they aren't against things the district's doing, they think they are good things, they are just trying to present alternatives. Roice added that another exciting thing about the Woods Ranch area, it is possible to avoid any pumping costs because it would be gravity fed. Discussion continued for several minutes 8:09 PM (1:41:57).

7:35 9. Aquifer Recharge: Nothing new to report.

7:40 10. Subsidence Monitoring: Paul referenced the amount in 2015 that is tentatively budgeted for subsidence monuments. (1:43:02)

7:45 11. General Managers Report:

a. Public Affairs

Paul spoke about his convention in Las Vegas last week. He stated that there were people from all over the nation, and they all had their own ideas and shared their input about conservation. Paul feels like it is an interesting time and there will be a lot of interesting things involved with the projects that we have planned. (1:44:00)

Paul also informed the board where we are on our additional educational outreach projects. We'll have the High School and Middle School putting together conservation videos that will be played at local events. He also mentioned #ironwater, which is another outreach project we will be rolling out soon.

b. Next meeting date – November 20, 2014

7:50 12. Board Members Report:

John expressed his concern that was spurred by what Ron said about the cities and communities really getting on board with these water projects. He doesn't know everything that is being done and this point, but he stressed that we really need to start



aggressively working towards these relationships. (1:45:53) 8:15PM Brent stated that the cities interconnecting will help with a lot more than the big projects. He talked about how working together as one unit will help streamline the aquifer balance projects. Paul C. asked Paul to talk with Rick Holman, and other public officials and get a meeting in place. All the board members agreed that we need to actively move forward. Doug hall said that one thing he took from Ron's presentation, is the importance of putting money aside for future infrastructure repairs and maintenance. The board agreed that that is something that needs to be looked at in the next budget year. 8:20 PM (1:53:45).

Tim Watson motioned to close the regular meeting and adjourn to closed session
Paul Cozzens Seconded

Roll Call is as follows:

Tim-Aye

Paul C-Aye

Spencer-Aye

John-Aye

Keith-Aye

Brent-Aye

Motion passed unanimously at 8:22 PM (1:54:45)

8:00 13. Request Closed Session: For litigation

8:30 14. Adjourn

Tim Watson motioned to adjourn

Keith Williams seconded

Motion passed unanimously at 8:37PM