



DRAFT

**PUBLIC HEARING & BOARD OF DIRECTORS MEETING
CENTRAL IRON COUNTY WATER CONSERVANCY DISTRICT**

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

Others in attendance- Kelly Crane, Curtis Neilson, and Josh Nowell (District Engineer Ensign Engineering), Justin Wayment (CICWCD Attorney), Doug Hall (CICWCD Water Conservation), Shaun Draney (CICWCD Water Attorney), Richard Peterson (citizen), Jennifer Salas (rep. for Robert Sheets, item #6), JD Frisby (Sunrise Engineering), Dave Miller (Iron County Commissioner), Jeremy Williams (Carollo Engineers), Paul Bittman (Cedar City Attorney), Roice Nelson (Geologist), Danny Stewart (Cedar City Economic Development), Linford Nelson (Cedar Highlands).

Agenda November 20, 2014

Brent Hunter called the meeting to order at 6:32 PM

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

- 2. Consider approval of minutes from the Special Meeting held October 6, 2014, and Board Meeting held October 16th, 2014.**

Tim Watson motioned to approve minutes from the special meeting on October 6, 2014 and the regular meeting held October 16, 2014, with the correction of the date on the special board meeting minutes.

Second by Keith Williams

Motion passed unanimously at 6:34 PM

- 6:35 3. Financial Report**
1. Consider approval of adjustments and payment of bills from October 14, 2014 through November 17, 2014.

Paul addressed some of the bills that are outside of the bills paid monthly. We cleaned and relined the water tanks at Bridle Path and Chekshani. He made reference to the cost savings on our Rocky Mountain Power bills. This is a great way to reflect the work that John and Tracy have been doing to improve efficiency in our system.

Rick motioned to approve the adjustments and payment of bills from October 14th through November 17th, 2014.

Keith Williams Seconded

Motion passed unanimously at 6:38 PM



2. Review 2014 Financial Report

Paul met with each of the board members individually to review the budget for 2015 and receive any input from them. The draft budget has been posted for review on our website, and available by request at the district office. Paul was able to move quickly through our budget to this date in 2014. He wanted to note that our district is in very good standing to end out the year.

3. Review 2015 Budget

Paul discussed the proposed budget for 2015. (6:47 PM 16:31)

Rick asked about budgeting money for Coal Creek. Paul stated that he just received a call a few hours ago that there are new state monies available. He questioned the board about how much money they want to put toward that project. There was discussion between board members. 6:50 PM Paul asked that before we move into the Public Hearing if the board would talk about money allocations for some of the projects on the capital side. Spencer and Kelly gave recommendations. (20:58) Several board members gave their input. Kelly reiterated what we would like to see in funding or grants through the state. (6:55 24:05) Discussion on Coal Creek continued. Paul suggested that we put \$50,000.00 in the budget for Coal Creek and Woods Ranch together.

John Black and Paul Cozzens arrived at the meeting at 6:57 PM (26:18)

Spencer Jones recommended that \$50,000.00 be moved into the project line for Woods Ranch and Coal Creek. (6:59 PM 28:33) Roice Nelson asked if there is any kind of time table for the Woods Ranch area. Roice offered his assistance and asked that the board use his knowledge.

7:00 4. Public Hearing:

Motion to move into Public Hearing made by Rick Bonzo

John Black Seconded the motion

Motion passed unanimously at (7:01 PM 30:40)

Paul informed the public that there have been minor changes made to our Water Right requirements. The priority dates have not changed; the changes affect the submission process and proof of beneficial use.

Secondary Water Rates-There has been a change to the base rate on the Secondary water. The base rate will increase from \$10.00 monthly to \$20.00 monthly

Construction/Fire Hydrant Use-There will be a monthly base rate added to this service

Impact Fees-The impact fee would increase on a per size basis. The standard one inch meter will increase from \$2,500.00 to \$3,500.00.

Richard Peterson addressed the board and asked how the increase would affect the subdivisions have agreements that say the base rate would stay the same as they were at that time. Paul answered Mr. Peterson, that there are no agreements that he is aware of state that the impact fee will be paid at the rate where the agreement is approved.



7:08 PM

2015 Budget

Paul went through the 2015 proposed budget and asked for public input at 7:09 PM. He went through each line, and paused for discussion. Richard Peterson asked about the budget line for Utilities. The line shows a decrease in amount due to the CML Metals shutting down.

Doug Hall answered a few questions when we went over the conversation line. 7:14 PM Paul stated that the Capital side of the budget hasn't seen a lot of changes. He asked if public comment on the budget.

Rick asked if we have budgeted for monitoring of new monuments. (7:16 PM 45:45) Paul stated that there is currently \$5,000.00 in that line item. Tim asked for a reminder on what the cost per benchmark would be. Paul stated that he couldn't recall right off hand but he will review that and let the board know. Paul asked if there is a goal in mind. Tim said he would like to see six. Rick asked if there is any funding help with the monitoring from the county or Enoch. Dave Miller stated that there is money in their budget at the County for benchmarks, and suggested that we get together with the county to work on these benchmarks.

(7:19 PM 48:55)

Brent asked again for any comment or questions from the public before he entertained a motion. Richard Peterson talked about our Fire Hydrant charges and questioned why we weren't doing what we have always done and let people use their own meter. The answer was to keep an accurate record as well as consistency among the other utilities. 7:22 PM Dave Miller asked about construction companies if they have their own meter can they avoid the deposit if they have it read monthly and billed for the usage. The response was no. There was discussion for several minutes.

John Black motioned to adjourn Public Hearing
Second by Spencer Jones
Motion passed unanimously at (7:26 PM 55:20)

7:20 **5. Consider an amendment to the June 7, 2013 Interlocal Agreement by and among Cedar City Corporation, Iron County, and Iron County School District, the Central Iron County Water Conservancy District, and the Cedar City Redevelopment Agency**

Danny Stewart, who is the new Economic Development Director, stated that last year (7:30 PM 59:12) an Inter local agreement was passed for Cyberjet. After this had all gone through, they noticed that there was a need to add an additional 1.2 acres to the agreement. This will change the value of the property by adding \$102,000. This doesn't change anything but the size of the property and the assessed value. He repeated again that the amendment to the agreement is to add a portion of property which would change the base value of the original agreement.

Paul Cozzens motioned to approve the amendment
Tim Watson seconded
Motion passed unanimously at (7:32 PM 1:01:00)



7:25 6. Consider Requests from Robert Sheets for Billing Charges and Services

Paul brought the board up to speed on the situation for Robert Sheets. Jennifer Salas, a relative of Mr. Sheets was present as a representative for the property. Salas and her mother Barbra Jean Hunter, are the ones who received notice of the property lien and made the first contact with the district. The property is for sale and there is no living facility on the property.

Jennifer addressed the board members and told them she was the one acting as property manager, because she lived here locally. She presented the last bill that they said they had received for the property in March 2011. It reflected a credit balance of \$13.56. This property location is in the Sky View Subdivision, and when the district took over the water system, they purchased water rights from the property owners, so up until the time they received the last billing they had a credit balance and payment was never required. When Salas received the last billing in March 2011, there had been a massive water leak in the trailer that used to be on the property. Salas called the office and had the water shut off and locked. That was the last correspondence between them and the district until they received notice of the lien which was placed on the property by the District for no payment and an outstanding balance of \$831.91. The Sheets and Salas' claim they haven't been receiving the bills. The District records show otherwise.

Paul stated that they are coming before the board today seeking special payment arrangements due to the substantial amount owed.

Spencer's thought is that we need to try and help where we can, but he recommends that we put the charges to this account on hold and we table this until the next meeting. He asked that the board have some time to research the policy and procedures to avoid setting precedence on policy. (7:43 PM 1:13)

Spencer motioned to table agenda item #6 until next meeting

Tim Watson seconded

Motion passed unanimously at (7:46 PM 1:15:16)

7:30 7. Consider Approval of Black Waterline Extension Agreement

Paul stated that we can wait on this agenda item. Justin would like his input added on this agenda item and had an emergency to address. 7:48 PM.

7:35 8. Consider Approval of the CICWCD 2014 Master Plan

Rick motioned to table agenda item #8

Keith Williams seconded

Motion passed unanimously at (7:49 1:18)

7:40 9. Water Conservation: Update by Doug Hall

Doug briefed the board on the meetings that Candace Schiable attended in St. George. A lot of the examples came from California and showed how they are structuring their water rates, to both increase revenue and customer satisfaction, and decrease water usage. Their philosophy is to go to the home level, and know how many people live in each



house. They measure their lots and what they have growing in their yards through GPS. The rate of the home is based on this information. They budget 55 gallons of water per day per person. Because they separate the inside water use and outdoor water use, it gives a better perspective of how much water is being used in their landscaping. Ultimately they have found a way to increase their revenue and decrease the usage and managed to keep everyone happy. The water companies give a monthly graph on each of their billings to give a better picture of what has been used. That has made a difference for the consumers to be a lot more aware of the water they are using. (7:54 PM 1:23:50)

Doug stated that he would really like to start small with a bar graph on their bills. Then work up to being able to tell a customer what their indoor usage is compared to outdoor usage. (7:58 1:27:13) Doug said that they should have the numbers together to show the water savings at the parks and early next year he would like to see some more of those kind of projects go into place. (1:28:00)

7:45 10. Regional Aquifer Balance Project & WECCO: Update

Kelly stated that they were able to acquire \$200,000.00 from the Division of Drinking Water on the grant funding for this project. They would like to begin by bidding out the test and exploratory wells on the North end of the valley and also the WECCO area.

First they want to get the land squared away. There have been preliminary conversations with the land owners of the two properties and he would just like to have everything solidified before moving forward. Both of the landowners, Mayor Burgess and Frank Nichols, are in support of us using the land while doing the exploratory work needed. There will be some sort of agreement in place before moving beyond the exploratory stages. Spencer stated that he would like to have an agreement in place before doing the exploratory work. Kelly would like direction from the board on land arrangements so they can move forward with putting together the bid documents. They want to price everything out and maximize the districts dollars. Kelly would like to put the bids out with both a 6" and 8" bid amounts, (9:05 PM 4:50) so the bids will be broader to include all options.

Spencer stated that Enoch has had concerns with the aquifer balance and how that would affect their water situations. Spencer believes that Enoch would be less concerned if we moved west towards the property that Mayor Burgess has offered us. John asked if we weren't making a point to move (7:15) towards making Cedar City more apt to join with the district and be an active partner. Paul answered yes that was one point to move more west to collect the 3,000 ac/ft of discharged water from Cedar City's plant, but the further west we go the more it will cost.

Rick stated that his only concern is that several years ago Cedar City put some wells in up around Summit that dried up some of Enoch's wells. The State Engineer stated that they wouldn't be affected and it did dry up two of Enoch's wells. Rick just wants to make sure that if we decide on moving North, that the interest of Enoch is protected. (9:11 PM 10:37) Spencer doesn't want our decision on this project to affect the progress that has been made with everyone coming into the district. Discussion continued for several minutes about pros and cons to each area of concern. Spencer mentioned the work that has been done in drilling a well at Woods Ranch. Roice



Nelson has offered his services in exploring the water there.

Tim asked Kelly what size of pipe we would need to bring water down from Woods Ranch, for an example Kelly said if we wanted to pull 16 Acre foot per year we would need an 18 inch pipe. (19:58) Kelly said that he knows that it isn't all that far of a drive to Woods Ranch but, it would be a very expensive pipeline. The construction costs alone would be astronomical. Kelly wanted direction on who to address these concerns in Enoch.

Agenda item #10 was moved behind item #12 the District entered a closed session at 8:00

Rick Bonzo motioned to adjourn regular meeting and go into closed session for Item #12 Cedar Highlands Springs and Wells.

Second by John Black

Motion passed unanimously at 8:01 PM 1:31:01

Roll Call is as follows

Tim Watson: Aye

Paul Cozzens: Aye

John Black: Aye

Keith Williams: Aye

Spencer Jones: Aye

Brent Hunter: Aye

Close session adjourned at 8:59 PM

Regular session called back to order at 9:00 PM

Chair moved back to agenda item #13. Time was turned over to Kelly Crane.

7:50 11. Wah Wah and Pine Valley: Kelly stated that we have been in contact with the USDA Rural Utilities and they are looking for places to obligate their funds over the next few years. They would like an application from us for this West Desert project. Their funds last about 5-7 years you can obligate them and then you can start construction or you can relinquish it. It would really bode well for us in our overall process if we were in the process of acquiring funds, permitting, and environmental development plans. Kelly asked if we should be putting together an application. Should we be moving forward with the USDA as the lead agency on the environmental work? Should we be working on all of this work on the front side? (9:27 PM 27:06) Kelly asked the board if they would like them to move forward with the USDA, and the application process. John asked if we had any kind of dollar amount. Paul and Kelly said they would put together some cost estimates before our next meeting. The board agreed that we do have to start and it would be beneficial to proceed.

Moved to agenda item #17 Closed Session for litigation



7:55 12. Cedar Highlands Springs: Closed Session

8:00 13. Aquifer Recharge: Update

No Update

8:05 14. Subsidence Monitoring: Update

No Update

8:10 15. General Managers Report:

Paul stated that the next meeting date is December 18, 2014, there will also be a Christmas Dinner held for the board members and their spouses. The Board meeting will be held directly after the dinner.

8:15 16. Board Members Report:

Nothing to report.

8:20 17. Closed Session: For Imminent Litigation

John Black moved to adjourn from Regular session and go into the second closed session

Keith Williams seconded

Motion passed unanimously at (9:30 PM 30:00)

Roll Call is as follows:

Tim Watson: Aye

Paul Cozzens: Aye

John Black: Aye

Keith Williams: Aye

Spencer Jones: Aye

Brent Hunter: Aye

18. Closed Session: For Personnel Matters

No personnel matters were discussed

19. Adjourn

Regular Session called to order at 11:07 PM

Motion to adjourn meeting by Keith Williams

Second Rick Bonzo

Motion passed at 11:07 PM