



BOARD OF TRUSTEES MEETING MINUTES
June 3, 2020

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, June 3, 2020, at 533 East Waterworks Drive, St. George, Utah beginning at 6 pm. Those board members present for the meeting were: Chair Ed Bowler, Kevin Tervort, Howard Bracken, Chris Hart, and Jon Pike, and Ken Neilson. Victor Iverson was excused. Also present were General Manager Zach Renstrom and Associate General Manager Brie Thompson. Jodi Richins, WCWCD legal counsel, and Roberta McMullin, secretary, were also present. The other guests at this meeting are shown on the attached Attendee List.

Ed Bowler conducted the meeting and welcomed those present.

The first item on the agenda was a public hearing regarding proposed municipal contract wholesale water rate increase. Chair Ed Bowler opened the public hearing. General Manager Zach Renstrom reminded the board that we have been increasing the wholesale and secondary water rates by 10 cents (per 1,000 gallons) a year for the past few years as we incrementally raise the price to help pay for capital improvement projects. This would be an increase in the wholesale rate from \$1.24 to \$1.34 per thousand gallons and an increase of \$0.70 to \$0.80 per ten thousand gallons on the secondary rate.

The chair asked for any comments from the audience. There were none.

The second item on the agenda was a public hearing regarding proposed secondary water rate increase. Again, Chair Ed Bowler again called for any comments from the audience and there were none, so the following motion was made:

Ken Neilson made the motion to close the public hearing and Jon Pike seconded the motion. A roll call vote was taken as follows:

Ed Bowler	Yes
Kevin Tervort	Yes

<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

The third item on the agenda was *consideration of a resolution approving the proposed municipal contract wholesale water rate increase.*

Mayor Pike made a motion to approve the resolution increasing the wholesale water rate by \$0.10 per thousand gallons. The motion was seconded by Kevin Tervort. A roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

Item # 4 on the agenda was consideration of a resolution approving secondary water rate increase.

Ken Neilson made a motion to approve the resolution increasing the secondary water right \$0.10 per thousand gallons. Chris Hart seconded the motion and a roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

Item #5 on the agenda was Consideration of a resolution approving Interlocal Agreement for Governor's Water Conservation Team Media Campaign.

Karry Rathje explained to the board that this is Slow the Flow initiative that we have helped fund for years. This resolution approves the interlocal agreement for this media campaign and allows us to continue funding this with a new vendor. The funding will be used for the large-scale media campaign and also for local partnerships. The goal is to further expand the messaging platform. Karry thanked the cities for their cooperation and participation in the past on this.

Kevin Tervort made a motion to approve the resolution and the motion was seconded by Howard Bracken. A roll call vote taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

The next item on the agenda was Consideration of a Resolution updating Personnel Policy and Procedures regarding Time-Off Policies.

Jodi Richins, legal counsel, gave an overview of the changes. In the first two sections of the time off policy the only revisions are changing regular employees to benefited employees which makes it clearer for the Utah Retirement System. In the third section regarding military leave the language just tracks the statute better since this is governed by statute. Jodi said in the last section, holidays are clarified and there has also been some language added to clarify how we treat our field staff if they are working on holidays. Zach said Jodi and Sherrie have been doing a great job in clarifying and updating personnel and policy procedures as needed.

Jon Pike moved to approve the resolution regarding personnel policy and procedures regarding time-off policies. The motion was seconded by Chris Hart. A roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>

Victor Iverson

Absent

Item # 7 on the agenda was the consideration of a resolution regarding group health and benefits.

This removes the section of the policy entitled “Handling of Certain Benefits upon Retirement. Jodie said this resolution would remove the section completely from our policies to keep current with changes in the legal landscape.

Ken Neilson moved to approve the resolution regarding group health and benefits. Kevin Tervort seconded the motion and a roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

Next on the agenda was Steve Jennings from JMI Development regarding impact fee credits at the Commerce Point Project. Zach referred the board to their handouts and some pages with highlighted definitions from the Revised Regional Water Supply Agreement. The board reviewed the definitions for “abandoned connection”, “inactive connection”, and “Payments Required to Resume Service.”

Zach indicated this applied to meters that haven’t been used for a while and these definitions were created on how to handle that. The definitions indicate if a meter hasn’t been in service in 10 years it is considered abandoned. An inactive connection is defined as any connection where water service has been discontinued for more than one month and less than ten years (120 months). This has come into question on the Commerce Point Project by the new Maverick station on Bluff street. The 2” meter was removed, and usage stopped, ten years passed, and the developer is now trying to redevelop that area and would like credit for that meter. Since it has been over 10 years, Zach invited them to come in and present it to the board for their consideration. If it is considered abandoned, they would have to start over and pay impact fees, if it is considered inactive they just have to payback surcharges, whatever was missed in that under 10 year period.

Steve Jennings thanked the board for the opportunity to present this information and passed out copies of a site map to the board. He said he will not go into a detailed history but get to the bottom line. There were access issues with the hotel there and they tore it down. They started working on this project about 2005. They worked with the city to move Hilton Drive. They are asking the board to recognize that this project has been underway and moving since 2005. He indicated their expectation from day one was that they would have credit on that 2" meter. UDOT removed it and since the hotel was gone and there wasn't a demand, they didn't request the meter to be put back. Steve said they have been paying water usage fees on hydrant meters used at the project.

He said he is here to ask if they could apply the credit from the two-inch meter towards three one-inch irrigation meters or, alternatively, ask that the two-inch meter be put back in place, but then they would have to run piping through the project and bore under the streets to do that.

Various questions from board members were answered. Kevin Tervort said it didn't appear to be their choice to pull the 2" meter. Ed asked about what kind of standby fee or surcharge must be paid during discontinuation of use. Zach said there is a surcharge they have to pay every single month.

Mayor Pike said there has been a lot of water under the bridge, so to speak, on this project. It has been a very complex development and there has been tons of work done by the Layton and Jennings families to try and develop this. They have totally reworked Hilton Drive to the benefit of UDOT and St. George City and he feels it would be fair that we give them benefit of the doubt on this.

Chris Hart asked what the fees would be if this was determined inactive instead of abandoned, what would the costs be to reactivate it. He said he would be in favor of determining it was inactive and have them pay the \$2500 or whatever to activate it.

Mayor Pike said so much work has gone into this site and there has been so many complications and it has taken a long time to resolve this and move it forward. There were so many gas lines and utilities in this corridor it made it very difficult.

Steve said they will be doing xeriscape in the common areas and there will be no water features or anything like that. The 1" meters would just be for irrigation water for the common area. Zach asked if they really needed three one-inch meters.

He said possibly they won't need that big, maybe $\frac{3}{4}$ inch. Impact fees for meters will be paid by the individual businesses as they go in.

Zach asked the board no matter what they decide to make it very clear and specific as to why they are doing it and what the extraordinary circumstances are in any motion, so this doesn't set a precedent and cause future problems.

Jon Pike moved that an exception be made to our contract allowing this property developer to exchange one two-inch meter for up to three one-inch meter connections without impact fees, due to the fact that the two-inch meter was removed through the process of major realignment of the roads with UDOT and St. George City and also changing and relocating major utilities during a major nationwide recession. Ken Neilson seconded the motion. The motion was amended upon discussion to include that water has been used on this property during this period of time that they have paid for and this is not the same thing as a meter being abandoned because of non-use. Also, water fees are being paid on several meters that are supplying water for the improvements and during the construction on the property so it is not as though no water fees are being paid which would take it well before the 10-year time period. Jon Pike accepted the amendment and all voted aye.

General Manager Zach Renstrom gave the following project status reports:

Lake Powell Pipeline – Zach said they expect the draft EIS to come out in the next week. This will be a hot subject for the next 90 days during the public comment period. The Bureau of Reclamation will be holding two virtual public comment meetings. Zach said they haven't seen the final document yet. but they believe it will be a good document and fairly represent the project. If the board has any questions, they can call Zach or Karry.

Sand Hollow Water Treatment Plant – This project is on schedule. This project will add to the capacity. The District has been working with St. George City on this as they are building their plant at the same time with the same contractor but are a little ahead of the district.

Ashcreek Reservoir – Zach said the district got feedback from the EPA wanting more analysis and we are going through that process now. It has been slow, but it will all come together and hopefully construction will start next year.

Ken Neilson said he would like to thank the water district for their efforts in regard to the **boilers in Washington.** He said they are working in conjunction with the water district. They are going to be putting in a desert garden out at the boilers with the help of the district. It will be called The Boilers at Warm Springs.

Chris Hart also reported that at Ivins Reservoir they have completed the concrete trail around the west two-thirds around the swimming lagoon. The district dedicated \$50,000 towards this project which they appreciate, and everyone should walk around and take a look at it. They are going to finish the trail around the causeway. Mayor Hart said the money has been well-spent and this area is packed with people enjoying it all the time and they are grateful for that.

Ed Bowler asked for comments from the public present at the meeting. The men visiting from the Colorado City utility department introduced themselves and expressed thanks for letting them attend. They have been attending the Regional Water Supply meetings and appreciate the help of the water district.

The next item on the agenda was a **request for a closed session to discuss litigation.**

Chris Hart made a motion to close the open meeting and move into a closed session to discuss litigation. Ken Neilson seconded the motion and all voted aye. A roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

The board moved into a closed session.

Jon Pike moved to adjourn the closed session and go back into an open session. The motion was seconded by Chris Hart and all voted aye. A roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Kevin Tervort</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>

<i>Jon Pike</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Absent</i>

After consideration of the contract to retain the law firm of Parr Brown Gee & Loveless to represent the district, the following motion was made:

Chris Hart moved to approve the contract to for the retention of the law firm of Parr Brown Gee & Loveless as discussed with attorney Johnathan Hafen of the law firm with respect to all legal work undertaken in calendar year 2020 on three different matters as set forth in the contract agreement attached to these minutes and incorporated herein. Jon Pike seconded the minutes and all voted aye.

Manager's report – Zach reported that things are going well. The district is still practicing social distancing procedures as outlined by the state. The district has an excellent staff and they are all doing their jobs very well.

Approval of minutes – Ken Neilson moved to approve the May 6, 2020 board of trustees' meeting minutes as presented. Chris Hart seconded the motion and all voted aye.

There was no further business to come before the board and the **meeting was adjourned upon motion.**

Secretary