

**WASHINGTON COUNTY WATER CONSERVANCY
DISTRICT**

Minutes of Meeting of Board of Trustees

May 3, 2017

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, May 3, 2017, at 533 East Waterworks Drive, St. George, Utah beginning at 6 pm. Those board members present for the meeting were: Chair Ed Bowler, Zachary Renstrom, Ken Neilson, Kevin Tervort and Chris Hart. Jon Pike and Howard Bracken were not present. Also present were General Manager Ron Thompson, Associate General Managers Barbara Hjelle, Corey Cram and Brie Thompson, Karry Rathje and Secretary Roberta McMullin. Other guests at the meeting are set forth on the attached sign in sheet. Ed Bowler conducted the meeting and welcomed those present.

The *first item on the agenda* was a public hearing regarding a proposed municipal contract wholesale rate increase.

Kevin Tervort made a motion to move into the public hearing. Zach Renstrom seconded the motion and all voted aye.

Ron opened the public hearing by explaining that the district has notified each of its wholesale customers and also told them a year ago when there was a \$0.10 increase that the district would be adding another 10 cents per 1,000 gallons this year. This is 1/100th of a penny per gallon. Ron said this helps us maintain our reserves. He said the district delivered 7.4 billion gallons of water last year. So, this will produce about \$740,000. All of the city councils have been notified and district staff has also talked to all the water superintendents and they are aware this increase is coming up.

Ed asked for comments from the public in the audience or the board regarding this proposed rate increase. There was no comments or questions.

Ken Neilson made a motion to close the public hearing and the motion was seconded by Kevin Tervort. All voted aye.

After the public hearing was closed, the following motion was made:

Ken Neilson made a motion to approve the wholesale contract increase of 10 cents per 1,000 gallons to become effective July 1, 2017. The motion was seconded by Kevin Tervort and all voted aye.

Associate Manager Corey Cram gave an update on some of the districts projects.

Corey updated the board first two areas in the **Hurricane Valley Water System: Sky Ranch and Cliff Dwellers.**

Sky Ranch area – Corey said the project in the south area of the Sky Ranch area involved replacing about 2800 ft. of 8 inch and 11,700 ft. of 10-inch problem, failure prone pipe. He said the pipe now loops the system for better reliability, redundancy and better fire flow conditions. This project is basically done and they are just finishing some final punch list items. He showed various pictures of the project and the work done.

Cliff Dwellers – This project also involved replacing leak prone pipe. We acquired these systems back in about 1998 and it had some substandard pipes and had become an operational nightmare with continual breaks. The pipe was on cinder knoll and lava rock causing a lot of the leak problems. He also showed pictures of the work done here. He said the project went well and they are now finishing up.

Sand Hollow wellfield – Corey told the board that last month he gave a report on the aquifer recharge and recovery project and the wells in and under development. He provided the following update on the well fields:

The new wells they are currently working on are 5, 6 7 and 10.

Wells 5 and 6 are completely and actively pumping, 220 gallons per minute (gpm) and 260 gpm respectively.

Well 10 was redrilled and is now being test pumped. The initial testing showed greater capacity than the pump they were using (2,000 gpm) and so they are now mobilizing a larger pump.

The district is trying to make arrangements to purchase Well 7 property from SITLA.

Corey also reported on plans for upcoming wells 11, 12, 13 and 15. Corey said, for these wells, they are finalizing design and specifications for drill pads and access roads and expect to advertise for bids later this month.

Ash Creek Project – Ron told the Board the work continues on this project. They have had a new hydrology study done which is very detailed on the Ash Creek System and they are getting that incorporated into the document. Jodi Richins is working on the editorial changes on the environmental documents. Ron told the board they hope to get that done in the next two months.

Sand Hollow Regional pipeline – Corey said this line will connect with our well field in Sand Hollow and take water to the south block of St. George and Washington. This gives us greater redundancy and efficiency. The district is presently working our way through that and working on a draft Environmental Assessment (EA). There are a lot of environmental issues we must address such as tortoise, flycatcher, migratory birds, etc. Corey told the board that we are still optimistic that we can build this project this winter.

Lake Powell Pipeline– Barbara Hjelle reported that they are continuing to pursue getting various reports finalized and filed. The archaeology report and related matters are taking a lot of time as there are 15,000 pages of documents. This is going to be a big focus going forward. There are a number of issues with the agencies that they are working on. John Fredell has been very diligent and he is pushing hard and trying to move things forward. Barbara said she would be glad to answer questions for anyone or give more detail if desired, but things are moving forward.

Ron added that the state is working very well with this new team and they are getting more control of this process. Ron also reported that they now have the water infrastructure fund created and have a dedicated funding stream coming into it.

Ron Thompson gave his General Managers report – Ron asked Brie Thompson to start with a report on the **Quail Creek pipeline repairs and reservoir conditions**.

Brie said that there were two different areas on the Quail Creek line that needed repairing. She showed the areas on a map. South of the river near the old La Verkin canal tunnel, the line was exposed. They had a contractor come in and use boulders and shore things up and then they used onsite material to bed and cover

the pipeline. They found the valve for the drain line and raised that up. Now that area is repaired and protected.

The second area is close to the Quail Creek diversion. It is below the diversion where the pipe was originally laid in a cut and the limestone rock sloughed off leaving the pipeline exposed. This happened in the mid 1980's. So, in that area, where it was exposed, there were rocks falling off the cliff above and damaging the concrete pipe coating and in some of the areas, erosion allowed water to come in contact with the coating. The contractor removed the damaged coating, cleaned the steel pipe surface, and then they recoated it and added wire mesh to add strength to the pipeline. They also repaired the concrete liner inside.

Update on Reservoir Conditions - Sand Hollow is at 49,940 a.f. and 98% full. There is six or eight inches left to fill. Quail Creek Reservoir is at 31,080 a.f. and 77% full. There is only one more foot to fill it to where they want it to be. Gunlock is at 8080 a.f. and 93% full and Kolob has 5,620 a.f. and is spilling.

Brie also reported on **water use reports** - Brie said they starting working more closely last year with our municipal partners and went over what each city was recording regarding water usage and what we were recording and made sure that meter readings were being recorded. She said she feels like we have a better handle on the numbers being reported this year. It has taken a lot of cooperation, but is much better now.

Mayor Hart asked a question about ag use in the canal companies and how conservation is encouraged and water use monitored. Ron explained which companies are metered and a discussion followed.

Water Conditions - Ron said we have a lot of high water and there is still a fair amount of water in the river (350 cfs). It is good water as the turbidity is low right now. This water year, as a whole, we have gone from above average to average since we had such a dry March and April. We have had less than a ¼" rain in the last two months, but it is still better than the last few years. We could really use some more rain right now.

Karry Rathje gave a report on **Lake Powell Pipeline (LPP) Project outreach** - Karry said the district's message is that we have had a good water year but we still have to conserve. She reviewed the contents of the recently released Waterline newsletter. This issue is all about water conservation and has a summary of the

district's water conservation efforts. She distributed copies of the newsletter to the board.

Other outreach efforts include a new logo for the LPP project which Karry showed on the screen. She said she is also working on a more comprehensive fact sheet that will have information about the project. She said she is also working on a top 10 list which is a more concise summary that can be easily distributed at community events, presentations, talks, etc. She said she submitted a guest editorial from Ron today to the Spectrum so that should be in the paper fairly soon.

She reviewed the following educational materials:

Education materials

- PowerPoint presentation – refined the LPP presentation that will be used for educational purposes at community events, speaking engagements, etc.
- Quarterly Newsletter – this will be an E-newsletter that will get information out on a timely basis. She said the first one should be going out in the next couple of weeks.
- Setting the Record Straight – this will be a document to try and clarify facts and misrepresentations that are being put out there and help individuals better understand the facts behind the project
- Project Website – this will be a website exclusively for LPP which is still being worked on. The domain will be lpputah.org
- Media Plan – making sure we keep the press and subsequently the public informed of key milestones and what we are working on and to be proactive with our outreach.

Ron gave a report on population growth and a preliminary report the state came out with. The draft report is the Policy Institute's Utah 2017 Projection. Ron showed the actual growth curve in Utah since 1900. The last few months we passed the three million mark. He then reviewed Washington County's historical growth rates. He reviewed in the presentation the economic indicators for the past year which he said indicates a robust economy.

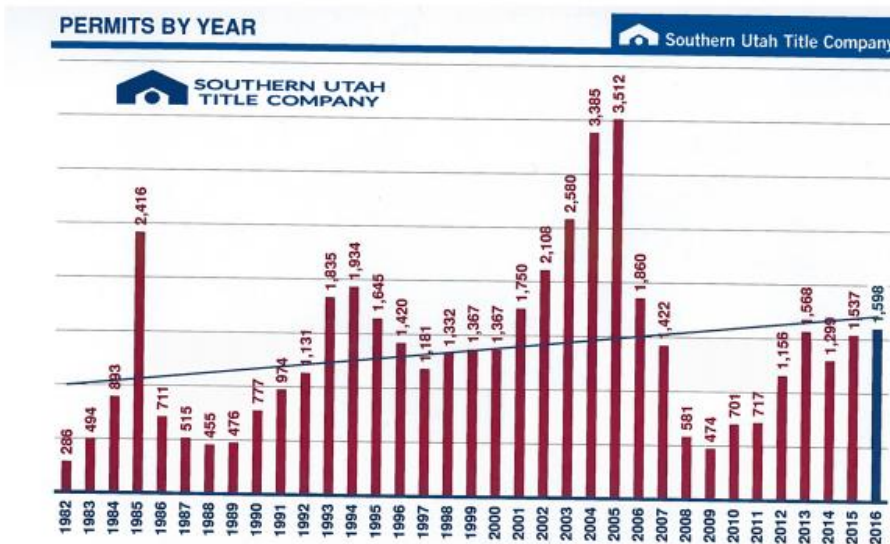
Washington County's Economic Indicators

		Percent increase vs. prior year
• Gross Domestic Product	\$4.658 billion	5.9%
• Personal Income	\$4,881 billion	7.2%
• Labor Force	68,797	5.8%
• Employment	66,263	6.3%
• Median Household Income	\$54,398	8.4%
• Taxable Retail Sales	\$276 million	10.8%
• Room Tax (tourism)	\$6.8 million	20.5%

Source: MyResearcher, 041717

He also showed a slide which showed the building permits by year

Housing Permits by Year



He showed the increase in Equivalent Residential Units (ERU's) from 2012 to 2016.

Washington County School enrollment increased over 2000 children last year and there is a tremendous amount of in-migration in Washington County.

Another issue that Ron said the district staff intends to work hard on this summer is what the economic impact is of secondary homes. They all demand a significant amount of service and these are not in the population projections. Ron said the district has an engineering master's student that is working on the filter study now at the water treatment plant now, but they are going to get him to work on getting with the cities and gathering information this summer. The city has gone to the assessor's office and gathered up all the second homes information and then will check usage in these second homes to try and gather data to see usage as compared to full time residents. The current method in population projection is flawed because this information is not included.

He said they don't feel like these state draft population projections deal with how robust our economy is and the tourists that come through this county.

Ron told the board he has talked to about the authors of this draft population projection report and they realize they need to do a better job. Ron said this population projection issue is very important as we move forward and the district's input is critically important. The state water use numbers appear, for our area to be too high for indoor use and low for outdoor use.

There was some discussion and Ron answered some questions. He said there is always discussion about how good our per capita water use numbers are . The cities are working hard and we have better data now than we have ever had. All our regional cities now have automatic meter reading systems and they can now give hourly data off the system and peak data information.

There was some discussion among the board regarding population projections. Mayor Hart expressed concern about how important this is to get this data collected and the record set straight as we move forward. Kevin Tervort said he feels like we need to make it simple enough that the average citizen, like him, can understand this data and information, because it is too complicated for most people.

Ron said we are going to work our way through this. The district is working with the Regional Water Supply Technical committee and the state on this. He said when we have more data from the intern's work, we will bring it back to the board and have more discussion.

Calendaring item – The summer meeting for NWRA is August 7-9 in Santa Fe. Roberta needs to start working on reservations and registrations so let her know as soon as possible if you will attend.

Approval of Minutes of the April 2017 board of trustees meeting – The board members, having reviewed these minutes, made the following motion:

Zachary Renstrom moved to approve the April 5, 2017, Board of Trustees minutes as presented. Kevin Tervort seconded the motion. All board members present voted aye.

Adjournment of Meeting - After asking for any questions or comments from the board or audience and there being none, the meeting was adjourned by motion.