

**WASHINGTON COUNTY WATER CONSERVANCY
DISTRICT**

Minutes of Meeting of Board of Trustees

October 18, 2017

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, October 18, 2017, at 533 East Waterworks Drive, St. George, Utah beginning with a work meeting at 3 pm. Those board members present for the meeting were: Chair Ed Bowler, Zachary Renstrom, Howard Bracken, Kevin Tervort, Jon Pike, Ken Neilson and Chris Hart. Also present were General Manager Ron Thompson, Associate General Managers Barbara Hjelle, Corey Cram and Brie Thompson 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.

Ron Thompson introduced Marcus Faust, Olivia Sanford and Clay White from Washington D.C. to the board. Marcus Faust said they appreciated working with the district and were happy to be at the meeting briefly. He introduced Clay White who is the Legislative Director for Congressman Chris Stewart. Clay White said they are consulting with the district on a couple of bills that are coming down the pike. He said the Lake Powell Pipeline project is a huge priority for his boss and also the Northern Corridor route. He said they are hoping to get these both across the finish line very soon.

The first item on the work meeting agenda was a presentation on the Biological Filtration Study. Ron introduced Stetson Bassett who is working on a Master's Degree at Utah State University and Eva Nieminski, Utah Department of Environmental Quality. Ron said Eva has been instrumental in the Utah Water Alliance and done a lot of work helping water utilities provide the best, safest water. She is also an adjunct professor at Utah State University. Ron then turned the time over to Brie Thompson and Stetson Bassett. Eva Nieminski said she has enjoyed being involved in this project and it was important to have the state lab involved in the project. She thanked Stetson for his good work and efforts on this project. Stetson took the board through the project using a PowerPoint and explained the filtration process with the chemical addition, removal of large particles and removal of small particles and disinfection. He explained how ozone

can be introduced before biological filtration to break up complex molecules into more biodegradable components. The smaller, more biodegradable compounds are then easily trapped and consumed by biological activity on a filter. He said the district plans to install ozone at the plant within the next five years and they want to understand the potential benefits of ozone/biofiltration and test the plan before the installment of ozone. He explained the results of the study, the conclusions drawn from the study and the recommendations which were:

- If converted to biofiltration, will continue to monitor filters for 1 year
- Half of plant will have chlorinated backwash water
- Other half will have non-chlorinated backwash water
- Further optimization of coagulant and polymer dose
- Re-evaluation after 1 year

Stetson and Eva answered questions from the board regarding the study. Ron added that he can't see a downside to this process and looking at it very simply it is better water at less cost.

Stetson also gave a **presentation on the water use study** he has been working on. Brie said she had been working with Stetson on the biofiltration study and told him the district would like to take a closer look at water use numbers. He was able to get data from the district's regional water partners. The objectives of this study were to investigate residential peak and average water use patterns and to investigate average residential indoor and outdoor water use. Stetson explained the methodology used, sample size and the equation and calculations used. He presented the data collected and the following summary:

- Differences between communities need further investigation.
- In most communities, water use by second homes averaged the same as water use by primary homes.
- Winter use was slightly lower than average indoor use
- Peak value and day differed between communities
- Additional data is required to make better estimates for indoor and outdoor use
- Study will continue the next few years

He answered various questions and there was some discussion. Ron said he was surprised to see that second home water use was about the same as use by primary homes.

The next item on the agenda was a review of the current financial report and a discussion of preliminary 2018 budget. Ron first reviewed the actual budget expenditures through the end of September and the percentage of budget used. Ron referred the board to the preliminary budget handout, a copy of which is attached to these minutes. Ron indicated that as of September 30 there was \$160 million dollars cash on hand. Twenty-five million dollars is from the bond just closed. He said he expects by the end of the year to collect approximately another \$120 million dollars, mostly in property taxes and some impact fees for total cash available of \$180 million dollars. He told the board that impact fees have been up this year. Ron reviewed the various funds in the budget. He said there was an error in the capital project fund showing \$113 million dollars that needs to be fixed. He reviewed total revenues and then total expenditures. He said there is 3% increase in proposed expenditures from last year. Ron answered a few questions and asked the board to take this preliminary budget home and review it some more.

Ron also reviewed the projects in the capital fund budget.

Ron told the board the preliminary budget needs to be approved 30 days before the final budget hearing which is in early December.

Ron said there will be changes to this preliminary budget but this gives us something to work with. Ron asked the board to call him with any questions or concerns they may have.

Corey Cram gave a status report on the Sand Hollow Regional Pipeline - Corey told the board they are working through issues with Fish and Wildlife Service. They mapped and looked at habitat and looked at areas that were decimated by ATV. They are redrafting and rewriting some of the conservation efforts that we think are reasonable. They have looked at the tortoise population in the project and any threat to them and have found very little. Corey said we are asking them to be realistic as we are not going to threaten the tortoise population. Larry Crist will be down for the Virgin River Program AC meeting and he will review it with him.

Lake Powell Pipeline status report by Barbara Hjelle – She said the BLM needs to amend the Resource Management Plan (RMP) on the Arizona Strip because there is a conflict between the existing utility corridor and the ACEC. The plan

amendment would address these issues by potentially changing the ACEC prescriptions and expanding the utility corridor to accommodate the entire alignment of pipeline in that area.

Barbara said this could be a significant bottleneck because of the nature of bureaucracy. Also, there must be preparation of information for the plan amendment with the goal that it would be incorporated into the Federal Energy Regulatory Commission Environmental Impact Statement. The BLM wanted the state to conduct the procurement and pay for it. The state procurement process is expected to cause extra delay. The state was willing to let the district pay for it and the BLM is willing to let the district pay for it. Barbara told the board they will invite bids on the BLM's scope of work and they hope to have that go out the door in the next few days and hopefully get the notice of intent filed. It is in the Arizona BLM director's office now.

Barbara also told the board that on August 11, FERC filed an additional information request, the largest of which was additional information regarding cultural resources. Barbara said this had taken a very big effort to complete. She said they got the Class III report filed with the Utah and Arizona State Historic Preservation offices (SHPO). That was also a major challenge to accomplish. There were lots of changes by the archaeologists and there were thousands of pages. This has to be filed with FERC by January 4 of next year after the SHIPO review.

Barbara said they weren't able to complete the socioeconomic responses requested by FERC on schedule. Ron added that we had our part done weeks before as far as what the district could provide and then the Governor's office got involved in it at the last minute on Columbus Day, the day before it was due, and redrafted it. Ron said they were very well-done documents that shouldn't have been controversial to anyone. Eric Millis and his staff made a big effort to help with that. They got it done and ready to be filed. Ron said it wasn't as good of a document as it was before, but they had to move forward.

Barbara gave an update on the Bureau of Reclamation negotiating meetings. The first one will take place in Vernal on October 30 regarding the Green River. There will be another one in St. George coming up on December 4. Eric Millis, Ron Thompson and Gawain Snow are on the negotiating team. She said they need the board to attend that negotiating meeting in St. George and make comments. They

also need support from the regional water supply cities. Barbara said they will send the dates to the board.

She also reported that they had some meetings with the group of attorneys which have been retained. She said she feels like they have a good group of attorneys.

Barbara told the board that it won't be long before the water right application will be filed. That will be a public process and they will keep the board informed of that.

Barbara reported on a recent trip (Oct. 2- 4) to Washington D.C. with Zach Renstrom, John Fredell, Mike Noel and Joel Williams. They met with the Department of Interior, congressional staff and FERC. The primary purpose was to remind them that we exist and have an important project and need them to provide support to their local people to allow this project to move forward to completion. The trip went very well and it was all positive.

Zach reminded the board and those present that whenever you are meeting with our delegation or any of their staff, bring up the project and ask how it is going.

There was a break taken before the 6:00 p.m. meeting began at which the following took place.

Approval of preliminary 2018 budget – The preliminary budget was presented, reviewed and discussed at the work meeting and the following motion was made:

Jon Pike moved to approve the 2018 preliminary budget as presented and attached to the minutes of this meeting. Zach Renstrom seconded the motion and all voted aye.

Approval of Minutes of September 2017 board of trustees meeting –

The minutes of the board of trustees meeting of September 20, 2017 were reviewed by the board after which the following motion was made:

Ken Neilson moved to approve the minutes of the September 20, 2017 board of trustees meeting. Kevin Tervort seconded the motion and all voted aye.

Meeting adjourned - There was no further business to come before the meeting and Chris Hart moved to adjourn.