

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT

Minutes of Meeting of Board of Trustees

July 11, 2018

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, July 11, 2018, 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, Ken Neilson, Chris Hart and Jon Pike. Howard Bracken and Kevin Tervort were not present. Also present were General Manager Ron Thompson, Associate General Managers, Barbara Hjelle, Corey Cram and Brie Thompson. Other staff included Carly Merrill, 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.

3:00 PM Work Meeting:

The first item on the work meeting agenda was a report on **treatment at Quail Creek Reservoir by Brie Thompson.**

Brie told the board that this was a treatment of some blue-green algae at the reservoir that gives the water a musty or earthy odor. People are very sensitive to these odors even though they do not indicate a health concern, but just affect the aesthetic quality of the water. Routine sampling for these compounds occurs at the water treatment plant and at several sites in both Quail Creek and Sand Hollow Reservoirs. Some of the things that triggered treatment are the odor compounds increased from 3 to 24 ppt in just 12 days in the area where Quail Creek discharges into the reservoir. Dives and subsequent sampling identified odor-producing algae along the west shore in patches. There are some low levels of odor compounds also present in Sand Hollow Reservoir.

Brie report that a planned treatment took place today. They made arrangements for the shutdown of the reservoir today and tomorrow and reserved a helicopter and

pilot. The water treatment plant switched to treating Sand Hollow Reservoir water. She said they applied 23,000 pounds of copper sulfate via the helicopter and agricultural spreader. It went every well and quicker than previous treatments, taking less than three hours.

She showed the board some video footage of the helicopter applying the copper sulfate into the selected areas. Additional water quality sapling will help determine when to switch back to Quail Creek Reservoir and they will see how effective the treatment was.

Ron skipped to Item #5 on the agenda, **a discussion regarding impact fees and equivalent residential units.** Ron said there needs to be uniform approach with our regional cities as far as equivalent residential uses rather than meter sizes. There has already been some discussion with the regional cities. Ron said, for example, a home will use 250,000 to 300,000 gallons a year using a ¾” meter. A restaurant using a ¾” meter may use three million gallons and they would be paying the same impact fee as the home.

Engineers have recommended that we have one standard for all the cities. Ron gave some additional background on this issue.

Ron gave the board some recent examples of impact fees where this problem was evident. Ron stressed that we need to set a uniform standard from Ivins to Virgin, and work with the regional cities through the Regional Water Supply technical committee.

Ron said they will probably have to do some amendments to the Impact Fee Facilities Plan and then get everybody on the same page regarding this.

Corey Cram gave an update on the Southern Parkway. - Corey gave a brief presentation on two projects that must be addressed as a result of planned construction of the next segment of the Southern Parkway extending from 4300 west to where the new road will connect to SR9.

The Lake Powell pipeline is planned to cross the Southern Parkway where it extends to Sand Hollow Reservoir. We plan to get ahead of UDOT’s work and install a 84-inch concrete pipe through the 300-foot right of way allowing the LPP to be slip-lined into it in the future. The concrete pipe is estimated to cost \$425/foot. Materials are expected to be over \$144,000 and total construction well be over \$200,000. We will be moving ahead with a design for the project.

Public Outreach presentation by Karry Rathje – Karry said the key messages that she has been working on are:

- conservation is essential
- the county has reduced its water use
- our water use is comparable to other desert communities
- we have accomplished great things - more is on the horizon

Karry talked about the #HighFives Campaign which is that we've increased in population but decreased our water use by more than a billion gallons. She said this is on the home page of the district's website. There have also many some radio ads on this.

She also passed out copies of the Water Smart Washington County handout that shows that from 2010 to 2015 Washington county added more than 16,000 new residents but decreased its water use by more than one billion gallons while being the fastest growing county in Utah.

It highlights for areas with graphics, graphs, etc. They are:

1 - population is up and water use is down

2 - Washington County uses less water than most of Utah despite being the hottest and driest region in Utah.

3 – how Washington County uses its potable water with a breakdown of residential, institutional, commercial and industrial use.

4- how Washington County uses its secondary water and a breakdown of residential, commercial and institutional secondary water usage.

Karry said this campaign has gotten a very favorable response. She said she has broken this water smart handout into separate ads. She also sent a press release out on this resulting in media coverage. Ron had a recent editorial in the Spectrum and there have been online media ads in Spectrum and St. George news. There have also been radio ads on the campaign.

Karry said they would like to have the counties and cities to have more vocal support of water projects, water use, and be more aggressive in communication of water and she is willing to help them with that

She indicated that Ron and others at the water district have done 50 presentations at service clubs, city councils, etc. already this year.

Karry told the Board that 79% of our county population is under age 64. In the 18-29 age range they get more than half of their news online through social media. She said this is changed how the district advertises and significantly more money is being spent online.

Ron Thompson introduced Dan Higgins who was present at the board meeting with John Fredell. Ron said Dan was involved in the RWT introduced Board to Dan Higgins was involved in the Colorado Springs Delivery System project. He is retired now and came to this area to look at our project. Ron said they would like to recruit him to help take the LPP from permit to design to build.

Budget to Actual report for 2nd quarter 2018 – Ron distributed copies for the board to take home and review. He told them we were considerably underbudget in all the funds. He told them after they review it if they had any questions or comments to let him know. He said that the past six months have been challenging as we have gone through a transition in the accounting and then getting the audit done. He said Carly and Heather had done a very good job in trying to get caught up and helping get the audit done.

Impact Fee Overview – Ron gave a breakdown of impact fees from 2006-2018. He showed a graph of impact fee revenue by city for 2018 to date. Approximately 9 million dollars in impact fees has been collected year to date for 2018. He also showed the board a graph with impact fee revenue by year. The total collected since 2006 to date is about \$122 million. Ron also reviewed the qualifying expenditures by year.

Discussion of tax rate increase - Ron discussed the need of the district to bring the property tax levy to .001. It has dropped down to .00006 and the goal is to get it up to .001 by 2030. In the 6 pm public meeting he will present a statement of the district's intention to levy a tax rate that exceeds the District's certified tax rate. The cost would be to an average home of \$300,000 about \$10 a year. There was some discussion among the board of raising it in smaller amounts over a number of years rather than raising it a lot at one time.

6:00 pm meeting

The first item on the agenda was a statement of intention to levy a tax rate that exceeds the District's certified tax rate by the General Manager, Ron Thompson. He said he wants to start the process tonight by stating the district's intention to do this since we don't have a formal board meeting in August or September. There is not meeting scheduled for August and there is a board field trip scheduled for September. This meets the statutory requirements of putting that notice out. This increase in the certified tax rate would raise an additional \$650,000. We will have to go through this procedure each year that we intend to increase the certified tax rate.

Ed said this statement of intention would require a roll call vote.

Chris Hart moved to approve the statement of intention to levy a tax rate that exceeds the District's certified tax rate. Jon Pike seconded the motion. A roll call vote was taken as follows:

<i>Chris Hart</i>	<i>Aye</i>
<i>Jon Pike</i>	<i>Aye</i>
<i>Ken Neilson</i>	<i>Aye</i>
<i>Ed Bowler</i>	<i>Aye</i>

Approval of bids –

Chemicals for water treatment plant – Brie Thompson explained that there were two bids that came in for chemicals at the water treatment plant One was for polymer which is added to the coagulation/flocculation process at the plant, and there was one bidder which was Polydyne. Their bid came in at .70 lb. about \$64,00 annually. They are the current polymer supplier to the plant. This was a 25% increase from the previous bid of .56 per pound in 2012, which comes out to about a 4% increase per year.

The other chemical bid was for power activated carbon (PAC) which is primarily added to remove taste and odor and other constituents, at approximately \$1 a pound for about \$160,000 a year. Brie said they have received bids for 8 different types of PA. They will apply a multiplier to the bid prices based on how well the PAC removes taste and odor compounds. They are waiting for performance test results to award the bid, but they should have those by the end of the week She

said she would like the authority to award the bid when they get the results of testing.

A motion was made by Jon Pike to approve both chemical bids for the water treatment plant as presented. Zach Renstrom seconded the motion, and all voted aye.

The second bids that needed approval was for materials and installation for the Sky Ranch Pipeline Repair Project. The low bidder on the materials bid was Scholzens for \$16,971.33. On the installation bids there were two bidders and Interstate Rock was the low bidder at \$46,249.85.

Zach Renstrom moved to approve the bids on the chemicals for the water treatment plant and the two bids for materials and installation on the Sky Ranch Pipeline Repair Project to the lower bidders. Chris Hart seconded the motion, and all voted aye.

Consideration of a Resolution Updating Personnel Policy regarding Personal Time Off – Ron told the board that this an update to the personal time off policy which would change it to allow employees to use time off as they accrue it and not have to wait a year. The board was given a copy to review the proposed change to the policy.

Jon Pike made a motion to approve the resolution updating the personal time off policy. Zach Renstrom seconded the motion, and all board present voted aye in a roll call vote.

Consideration of a Resolution Updating Personnel Policy regarding Unlawful Discrimination - This is a newly written policy on unlawful discrimination. The board was also given a copy of this policy to review.

Jon Pike made a motion to approve the resolution approving the Unlawful Discrimination personnel policy. The motion was seconded by Chris Hart and all board presented voted aye in a roll call vote,

Manager's report – Ron said the drought continues to worsen. Streams are loss across the entire watershed. All tributaries on the east side are dry and this happens very rarely. The Virgin River is down in the 20% range. All junior water users have been curtailed. On the Santa Clara River unless you have a 1890 priority you are curtailed and getting about a 45% allocation. Ron told the board both of our reservoirs are operating well and keeping our cities in full water

supply. He said he feels very good about both the field staff and the water treatment plant staff. They are doing a very good job.

Ron reminded the board members who will be attending the NWRA conference on August 1-3 in Park City.

Lake Powell Pipeline report – John Fredell was present for the board meeting and gave a brief report. He said they have lots of balls in the air right now, but some things are starting to move and other things are frustrating. On the FERC process it appears that they are on the verge of making a decision. He said they think July 19th is the magic date and they should know tomorrow if it is on their agenda for the 19th. He said they have been waiting seven months for this. He told the board they have assistance from Marcus Faust and Senators Lee and Hatch and that all helps. He is hopeful that they can get the decision they need as far as keeping jurisdiction as it has been laid out the whole time.

John told the board that another thing that is important in moving forward is the EIS process on the resource management plan amendment that the BLM is doing for Kanab Creek. It is moving forward. The notice of intent came out last month. The public meetings for scoping were announced and they are coming up this next week. John said that is good progress and they need to get that done to fit it into the EIS and complete the EIS.

John mentioned a couple of other things that need to be done. There is an existing utilities corridor that BLM somehow allowed an area of critical concern to go on top of. He said they brought it to light that it needed to be fixed. He said they want them to be as noninvasive as possible with the ACEC.

They have gone out of the energy corridor to the north for about 3,000 feet and have identified a number of cliff faces along the edge. They don't want to have to destroy those cliff faces, and they would never be able to mitigate the damage that would be done and wouldn't be able to put it back like it was. John said it is environmentally smarter to go out around it even though it will cost more money. They want to make sure that they are allowed to make that slight diversion in building outside of the corridor for the right reason

John said we will have a small presence at the scoping meetings, but it is not about the Lake Powell Pipeline.

Ron said the water district is having a lunch tomorrow to talk about these scoping meetings with the mayors, commissioners, legislators. We need the mayors and others to know what is going on here and come to the scoping meetings.

John Fredell said that this next week he, Barbara, and Joel Williams are going to Washington DC and will meet with the Department of the Interior, Council on Environmental Quality and some executives from the Army Corp of Engineers. Ron said they are hoping to set up support for our position and it is important to have everyone working together and to ask for help from their staffs. They would like to get their support to later go to FERC and say this is the way we want to do it.

Approval of Minutes of two June board meetings - The minutes of the board meetings of June 6 and 26, 2018, were reviewed by the board and the following motion was made:

Zach Renstrom moved to approve the June 6, 2018 and June 26, 2018 Board of Trustees' Meeting Minutes as presented. Chris Hart seconded the motion, and all voted aye.

Impact fee matter – Ron said the county is doing an addition to jail and have asked us to waive an impact fee for a ¾” meter for that addition. Ron said the district has done it for other county buildings such as fire stations. The board agreed to the waiver of that impact fee and directed Ron to move forward with it.

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

Secretary

