

**WASHINGTON COUNTY WATER CONSERVANCY
DISTRICT**

Minutes of Meeting of Board of Trustees

February 6, 2019

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, January 2, 2019, 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, Ken Neilson, Chris Hart and Jon Pike. Howard Bracken and Victor Iverson were not present. Also present were General Manager Ron Thompson, Deputy General Manager Zach Renstrom and Associate General Managers Barbara Hjelle, Corey Cram and Brie Thompson. Other staff included Secretary Roberta McMullin and Celeste Mulloy. Ed Bowler conducted the meeting and welcomed those present. Also present was engineer Marv Wilson.

The first item on the agenda was *two resolutions regarding purchase cards*. Ron said the state auditor has recommended that entities go to using these purchase cards. Zach has been working on this. There is a resolution in the board's handouts to consider the policy of adopting purchase cards including the policy related to their use, and then a second resolution regarding the agreement with US Bank to issue purchase cards to the district. Ron explained to the board it is a little different than a credit card. An employee with a purchase card has an amount of credit and then they must turn in receipts. Ron said our policy will be if they don't turn in receipts it will be deducted from their paycheck. Ron told the board there are some interest rewards that are given quarterly.

Ed asked the board if there were any questions. Board members Jon Pike and Ken Neilson as mayors said they are familiar with this as their cities both use purchase cards and it works well.

Jon Pike made a motion to adopt A Resolution Adopting Policy on Use of Purchase Cards, as presented. Ken Neilson seconded the motion. A roll call vote was taken as follows:

Ed Bowler	Yes
Chris Hart	Yes
Ken Neilson	Yes

Jon Pike Yes
Kevin Tervort Yes

Chris Hart made a motion to approve Resolution # 2, A Resolution Approving NASPO Political Subdivision Addendum with US Bank for the Issuance of Purchase Cards. The motion as seconded by Kevin Tervort. A roll call vote was taken as follows:

Ed Bowler Yes
Chris Hart Yes
Ken Neilson Yes
Jon Pike Yes
Kevin Tervort Yes

The next item on the agenda was the **consideration of the purchase of a skid loader and cat loader using the state contract.**

Ron told the board that the skid loader owned by the district is now 16 years old. A new one through the State Contract with Caterpillar is \$61,158. The trade in value on the present skid loader should be about \$10,000. Ron said they also need a bigger loader as the present cat loader is about 13 years old and it is Case brand. Caterpillar also has these on state contract. He explained to the board if we buy it, they will buy it back after one year if it has less than 300 hours and pay us \$173,446, so we would make nearly \$10,000. The cost for this loader on the state contract would be \$164,320. The loader is used a lot for cleaning the sludge ponds out at the water treatment plant. Ron said they wouldn't put 300 hours a year on it. We need to keep good equipment.

Jon Pike made a motion to purchase a skid loader and a cat loader using the state contract for approximately \$225,000 as explained. It was seconded by Chris Hart and all voted aye.

Status reports were given on the following projects –

Lake Powell Pipeline – Barbara Hjelle reported to the board that on January 18 they filed all of our responses and the final filing with FERC prior to their issuing a draft Environmental Impact Statement (EIS). She said there had been preliminary comments filed earlier. There was some very robust oppositional response by different groups in these comments. They responded to all of those with a very

lengthy and cohesive reply memo and addressed all the major salient points that were worthy of discussion.

She said they now have a list of things to do.

- Still working to work out some arrangement to make the selection of the right-of-way south of the Kaibab Indian reservation a happy result for them and us. This will be an ongoing and extensive effort.
- Working on archaeology and the Section 106 agreement which will govern how to handle the archaeological issues during construction.
- Working with USFWS on biological assessment

Barbara said they are also working with the State of Utah on all of these issues. Celeste Mulloy is working on the two resource BLM management plan amendments.

Ed asked about when the final record of decision might be. Barbara said they are still hoping before the end of 2020. She said they need to get the draft EIS out and talking to FERC is almost impossible. They have The Deputy Secretary of Interior for Water and Power is over the Bureau of Reclamation and has taken some serious interest in the project as well as his chief of staff

Barbara said they are getting some attention from the Department of Interior but have been told they are working at about one-third of the staff they had. They aren't getting the appointments made that they need and are understaffed. She said they can't seem to get a copy of the FERC schedule so they just have to wait for the draft EIS, but the Bureau of Reclamation is taking more interest in moving this forward .

Sand Hollow Regional Pipeline – Corey Cram reminded the board this pipeline will provide redundancy and resiliency for the water out of the Sand Hollow area. This pipeline will go south down through Warner Valley and tie in and deliver water to Washington and St. George Cities.

Corey said the first phase is to prepare the pad while waiting for the pipe that has been ordered. He showed the board some drone footage showing the alignment work and pad work. The contractor is Brown Brothers out of Wayne County and the subcontractor is Carlisle out of Salina. All the pipeline is going to be in cut material, not fill material so they have stability. He pointed out various drainages, rights-of-ways, etc. along the easement. He said they are working hard as fast as it is a 45-day contract. There is 11 ½ miles of pipeline. He also showed footing of

Corey explained the phases of the project as follows:

- Phase A– 9.5 miles from SH to Warner Valley Tank
- Phase B – 2 miles from Warner Valley Tank to Washington Field Road
- Design of Warner Valley Tank – Bowen Collins and Associates

They had a pre-bid meeting last week and showed the pipe to the prospective bidders. He said they had about 15 interested contractors that came. Contracts for these phases are advertised and due next Tuesday. Corey said they will operate the project for about a year and then the tank will be added in. Ed asked if they had to get a permit from the Corp of Engineers every crossing on the project. Corey said yes they did and there was about 30 crossing to permit on the project.

Ash Creek Project – Corey said they are wrapping up the documents, working with the consultant and they are going to have our EA back to us soon after their review and cleaning it up. They have some questions and will have a list at the end of this week and then they will work with them on this and get it submitted to BLM. Ed asked about the timetable. Corey said they have all the studies done and we have no effect on the endangered species so this pulls USFWS out of the picture and should make things easier. They are hoping the process can be more expedited than it would normally be. As far as construction, they will have to build a dam and there will be steps associated with that. He said that while building the dam they can build the diversion on South Ash. They can have concurrent projects going with Ash Creek and other tributaries and it should move well. It will probably be a couple of years from now

The next item on the agenda was the **consideration of changing the April board meeting**. It is scheduled for first Wednesday on April 3 when Ron and Zach will be in Washington DC for NWRA meetings. Ron suggested moving it to the third week of April on April 17. Some of the board members were not available on that date and after discussion it was decided to cancel the April 2019 meeting.

Ron said there is a need for a special board meeting in the next two weeks to approve bids on the Sand Hollow regional pipeline project and a Request for Proposals that is out for governmental consulting services that will need to be approved. Ron said it should only take about an hour or less for the meeting. After discussion it was decided to set it for Thursday, Feb. 21 for noon as a lunch meeting.

The upcoming calendaring items on the agenda were reviewed:

March Board Meeting	March 6
Dinner during UWU	March 18 -- DSU 6:00 pm
Utah Water Users Conf.	March 19-20 -- Dixie Center

Ron Thompson gave his **Manager's Report** – Ron said we have been having a phenomenal storm. Sunday night there was about 40” of snow at Kolob and by this morning 84”. It added another 6” of water to the soil.

Ron reported that yesterday they met with a group that is buying a dude ranch in Virgin which is the Ruggles property who the district has had litigation with regarding trespass. They want to do a development here and want to buy a piece of the district's property. He was talking about a value of \$130,000-\$140,000 an acre. They want to put in cabin type units, some nicer RV camping area and some recreation. Ron says what they are proposing would probably make our property more valuable. He told them this would have to go through a public process. If the sale goes through it would end our litigation with Ruggles. Ron asked the board if there was any reason we shouldn't investigate this further. The board all agreed to this proposed purchase and Ron said he would keep them posted regarding this.

Ron reported that the district had received a claim on the Toquerville Secondary System from the Lowe family. Ron said the district has turned it over to their insurance and we are just to going to ignore it until they sue us.

The state auditor is asking for some information and so we are responding to that request.

Chris Hart mentioned that he would still like to have the district and board take a look at hot water recirculation as a conservation measure because he feels like there could be significant water savings. Ron said he will talk to Julie and see if there would be a possibility of any grant money for this.

The last item on the agenda was the approval of the minutes for the January 2, 2019 board meeting.

Ken Neilson moved to approve the board meeting minutes for the January 2, 2019 board meeting as presented. Chris Hart seconded the motion, and all voted aye.

There was no further business and upon motion, the meeting was adjourned by motion of Chris Hart

Secretary/Treasurer