

**WASHINGTON COUNTY WATER CONSERVANCY
DISTRICT**

Minutes of Meeting of Board of Trustees

June 5, 2019

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, June 5, 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, Howard Bracken, Chris Hart, Ken Neilson, Jon Pike and Victor Iverson. Also present were General Manager Ron Thompson, Associate General Manager Brie Thompson and Attorney Jodi Borgeson. Other staff included Secretary Roberta McMullin and Public Information Manager Karry Rathje. Ed Bowler conducted the meeting and welcomed those present.

The first item on the agenda was a *public hearing to levy the annual contract assessment within the Kolob Water Service area.* Ed Bowler opened the public hearing. Ron said there was no proposed increase this year, but we are required to have a public hearing and approve this by resolution. There was nobody present from the public. Ron explained that there is presently a standby fee of \$250 per standby and there are 105 on standby. There are 76 connections at \$320 per connection, plus two water exchange contracts with Under Canvas and Zion Helicopters, who are paying \$375 per ¼ acre foot for a total of 183 and a total of \$54,695 on tax assessment rolls. There are also four water hookups billed yearly for the LDS Oak Grove girls camp which brings the total to 187 and \$55,975 total for all assessments.

After the discussion, the following motion was made:

Jon Pike made a motion to approve the resolution authorizing the levy of assessments for 2019 within the Kolob Water Service Area. Ken Neilson seconded the motion and a roll call vote was taken as follows:

<i>Ed Bowler</i>	<i>Yes</i>
<i>Howard Bracken</i>	<i>Yes</i>
<i>Chris Hart</i>	<i>Yes</i>
<i>Victor Iverson</i>	<i>Yes</i>
<i>Ken Neilson</i>	<i>Yes</i>

Jon Pike *Yes*
Kevin Tervort *Yes*

The public hearing on the 2019 assessment for the Kolob Water Service Area was closed.

The next item on the agenda was a **public hearing regarding proposed municipal contract wholesale water rate increase**. The chair opened the public hearing. Ron explained that this increase was consistent with the district's long-term finance plan of raising this rate 10 cents a year. The wholesale rate would go from \$1.14 to \$1.25 per thousand gallons of water. Ron said this should raise about \$800,000 a year but could be less this year due to the good moisture. There was some discussion and then the chair called for comments or questions from the audience or the board. There were no questions. Jon Pike commented that it is nice for the cities to know and be able to plan for the 10 cent increase each year.

Chris Hart moved to approve the resolution authorizing a rate increase for wholesale water. Kevin Tervort seconded the motion, and all voted aye and a roll call vote was taken as follows:

Ed Bowler *Yes*
Howard Bracken *Yes*
Chris Hart *Yes*
Victor Iverson *Yes*
Ken Neilson *Yes*
Jon Pike *Yes*
Kevin Tervort *Yes*

The public hearing on a rate increase for whole water was closed.

Next was a **public hearing regarding a proposed secondary water rate increase**. Chair Ed Bowler opened the public hearing and Ron indicated this would be a proposed increase to the raw water rate usage. There is not a lot of this, a few golf courses, some industry and the fair grounds. It would be a ten-cent increase from .60 cents to .70 cents per thousand gallons. There was comments or questions from the audience or the board and the public hearing was closed.

Victor Iverson moved to approve the 10 cents per thousand gallons rate increase on secondary water. Howard Bracken seconded the motion and a roll call vote was taken as follows:

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

The public hearing was closed.

Next on the agenda was consideration for approval of \$50,000 to help Ivins City complete the Fire Lake Park Trail (concrete pathway) as discussed at the last meeting. Ron said district staff recommends assisting Ivins with a \$50,000 contribution as it will substantially enhance this area and help disburse crowds there. After some discussion among the board a motion was made:

Jon Pike moved to approve the district contributing \$50,000 to help Ivins City complete the Fire Lake Park Trail. The motion was seconded by Ken Neilson and all voted aye except Chris Hart who abstained from voting.

Ratifying the award of bid to Interstate Rock for pipeline under Southern Parkway. Ron told the board they had opened the bids for putting an 84” line under the Southern Parkway as previously discussed with the board to assist in planning for the future of the Lake Powell pipeline. There were two bidders, Royal T Enterprises and Interstate Rock Products. The low bidder was Interstate Rock Products at \$50,754.88. Royal T Enterprises bid was \$93,800.00

Ron said the staff recommendation is to award the bid to the low bidder, Interstate Rock Products.

Jon Pike moved to ratify the award of the bid to the low bidder, Interstate Rock Products in the amount of \$50,754.88 for installation of pipeline under Southern Parkway. The motion was seconded by Chris Hart and all voted aye.

General Manager Ron Thompson gave status reports on the following items:

Lake Powell Pipeline - Ron told the board the project continues to move along. They are expecting to see final EIS in fall and a Record of Decision by 2020. Ron said the Bureau of Reclamation seems to be doing a good job in overseeing all the agencies. He said the comments periods are over now until the final draft is out. They seem to be following the timeline well right now. They are working closely with the Pipe Spring Kaibab tribe even though the alignment is missing them and we are going around the reservation. They are also working with the Army Corp of Engineers on permitting necessary to pass Paria Wash and Kanab Creek. The LPP management committee continues to meet monthly.

Sand Hollow Regional Pipeline – Ron said hopefully the board can take another field trip out on this project before it is done. They are about three and a half miles of pipeline in now and they are now about out of the potential tortoise habitat. They still have got to bore underneath the freeway and tie it into where the west dam springs is. The other part of the contract is the part that is going back through the area by Stucki Farms. That part will go slower as there is a lot of utilities in that area. The contractor has told district staff that he will bring in one more crew to speed it up in that area. Ron told the board he feels like the Fellers are doing a good job on this project so far and our staff is happy with their work.

Ashcreek Reservoir – Ron reported that the environmental documents are all in the hands of the BLM now so hopefully we will have a record of decision this fall. There will be a meeting with the regional director of the BLM next week to make sure he has everything in his hands he needs.

Water year update – The river is running 750 cfs. Ron said this doesn't happen very often. All the reservoirs are full and there is a lot of this water which will carry over into next year.

Resolution updating personnel policy regarding administration and employment selection. Ron told the board that we are going to need a special board meeting to approve the audit because it isn't quite done yet and he would like to have this item moved to that meeting agenda.

Manager's Report by Ron Thompson:

Request for additional staffing – Ron told the board two employees left in the last month and they have been replaced. He said we need an additional staff member with an engineering background to help lighten the load and free Brie up to do more administrative work. This position has not been advertised yet, but with

board authorization they will move ahead and advertise for this position. He told the board the district needs to check the market for a salary range. They have been working on a contract with the Employers Council to do a salary survey which will be really helpful and make sure our salaries are competitive as we move forward. –

Victor Iverson said if we have money in the budget for it he feels we should move ahead.

Ken Neilson moved to authorize Ron to advertise to hire an additional in-house engineer at the district to help with the workload. Kevin Tervort seconded the motion, and all voted aye.

Grass Valley area – Ron gave the board some history and background on this area. He said we should probably have a board trip up there look at it. It is the valley just north of Pine Valley and a tributary. It has historically flowed down the Santa Clara River. In the early 1900's the people in Enterprise put together a project and built a tunnel. Ron showed the board on a map where the tunnel is located. They would like to have help from the district to fix the levy. Ron said he thinks the district should do some geotechnical investigation. He has asked Brent Gardner to do some preliminary work but wants to make sure the board is okay with moving forward on this. They will meet with New Castle people and bring costs back to board for fixing levy and putting a weir in. The work would have to be done when things dry out this summer and fall. Ron said they are recommending a tower with multiple level outlets and spillway. Chris Hart said if this optimizes the benefit of the water then he would be for moving this ahead. Ed added that we either have to do this now or we lose it. It is too good of a source of water, particularly as we go down the road, to lose it. It will be important and now is the time to do it. Howard said he thinks it is important to get it done and the sooner the better. After discussion and the answering of questions, a motion was made as follows:

Chris Hart moved to have the district move forward in working with New Castle water people to do the work necessary to optimize the use of this water. Victor Iverson seconded the motion, and all voted aye.

Ron discussed the **proposed Cove Reservoir is Kanab** with the board. This is the reservoir that Kanab is proposing to develop in the Long Valley area. IT would store about 6000 a.f. of water and have a yield of 2800 a.f., plus or minus. They want the water district to participate for several reasons. They have the land for the site and they got a grant that will give them 75% of the costs for the ag uses. They will put 4,000 af water right into Lake Powell. There was discussion among

the board. Ron said he doesn't know all the costs yet but wants to cap our exposure there since some reservoirs are coming in more costly than expected. They have diverted it, have permit for hydropower plant, property and grant, so they have the backbone of this put together. They are working on environmental documents right now. Ron said if this is done correctly it could be a win-win for both districts. We would get all the storage except what they need. We would have to have an operating agreement to make sure this will work as planned for us. Ron said he will continue the negotiations with them but wanted the board to understand and be aware of what is going on with this.

The next on the agenda was the purchase of property for a booster station. This would be property for a booster station with St. George City to move some water on the Gunlock culinary system to the Kayenta area which will require a booster station. Ron told the board it crosses the line we have coming out of Kayenta (Anasazi wells) and there is small piece of SITLA ground, and he would like authority to buy it to put the booster station on it. He said he would like to make a deal with ST. George to trade culinary water and this gives us some redundancy we don't have now.

Chris Hart moved to authorize Ron to negotiate the purchase of this property for the booster station as described. Ken Neilson seconded the motion. All voted aye.

Ron told the board the staff is negotiating a contract with USGS regarding net depletion. He further explained that we are being compared constantly against communities that only look at net depletion. He said they will have the final information soon, but this may take a couple of years.

Ron also told the board he got the tax information for the certified tax rate. We went through a hearing this fall and raised another \$650,000. Our mill levy would have gone to .00069, but the certified tax rate is going to drop to .00059. The tax based increased \$19 billion dollars. Ron said we are going to have watch and deal with this, and it may take a little longer to get where we want to get.

A summary of district expenditures for the last two months were distributed to the board members for their review.

Approval of minutes of the last two board meetings was the last item on the agenda. The minutes of April 17 and May 1, 2019, were reviewed by the board. After review, a motion was made as follows:

Jon Pike moved to approve the April 17 and May 1, 2019 minutes. Ken Neilson seconded the motion, and all voted aye.

There was no further business and upon motion, the meeting was adjourned by motion.

Secretary/Treasurer