



BOARD OF TRUSTEES MEETING MINUTES
November 17, 2021

Minutes of a public meeting of the board of trustees of the Washington County Water Conservancy District, held on Wednesday, November 17, 2021, at 533 East Waterworks Drive, St. George, Utah at 6 pm. Those board members present for the meeting were: Chair Ed Bowler, Chris Hart, Kevin Tervort, Victor Iverson, Chris Hart and Ken Neilson. Michele Randall and Adam Bowler were not present. Also present were General Manager Zach Renstrom, Associate General Managers Corey Cram and Brie Thompson. Jodi Richins, attorney, Karen Barnum, Senior Accountant and Roberta McMullin, Secretary/Treasurer were also present. Julie Gillins and Whit Bundy from the water district staff were also present. Other guests at the meeting are included in the sign in sheet.

Chair Ed Bowler welcomed everyone to the meeting.

The first item on the agenda was *review of the proposed preliminary 2022 budget* by Senior Accountant Karen Barnum. In a PowerPoint presentation Karen reviewed and summarized the information in the preliminary budget, a copy of which is attached to these minutes. She showed graphs of revenues by source and the expenditures by fund. She showed a salary comparison by department and summaries of the significant 2022 water projects and significant 2022 proposed capital projects.

Karen gave a brief review of each fund in the budget as we are now doing a more traditional governmental accounting format.

Ed said that Hurricane City should be listed in Fund 20 because they buy primary water, not just secondary water. Karen said she would make that correction.

Karen said on the interest income, this new budget reflects a lower interest rate moving forward because of lower interest levels. She also pointed out that Fund

23 is a new fund for unincorporated county funds and includes items that are not in our regional service area.

Zach told the board that the district has hired Kim Hafen to work a few hours a week to help with long term planning and budgeting.

Zach reminded the board this is a preliminary budget which they can take home and review call with any questions or suggestions. There will be some editing before the final budget is presented at the December 1 meeting.

After discussion the following motion was made:

Victor Iverson moved to adopt the tentative budget and set the public hearing on the budget for December 1, 2021, at 6 pm at the district office and that the notice be posted in three public places within the district and published at least 7 days before the hearing on the Utah Public Notice Website. Chris Hart seconded the motion and all voted aye.

Next on the agenda, was a **fraud risk assessment presentation** by Karen Barnum. This is required by the state to be presented to the board of directors every year. Karen also reviewed the points we have earned by implementing items suggested by the State Auditor. She reported that the district has now implemented a fraud hotline that is done through a link on our website which goes through the county and our staff is not involved. We also have an internal audit committee now that is involved with internal audit functions.

Consideration of approval of purchase card with \$500 limit for employee Shaina Buccicardi.

Zach explained that she is a part time employee who does water landscape checks but also takes the office cars for servicing and washing and runs other errands as requested.

Ken Neilson made a motion to approve a purchase card for employee Shaina Buccicardi with a \$500 limit which was seconded by Kevin Tervort. All voted aye.

Consider resolution authorizing submission of Water Smart Grant Proposal to the U.S. Bureau of Reclamation and authorizing a cooperative agreement with Reclamation and Grant match funds - Julie Gillins explains this grant is used to run landscape conversion programs such as removing lawn area and putting in

water efficient plants. It is cost matching at 51% for us and 49% for the Bureau of Reclamation.

Victor Iverson made a motion to the adopt the resolution authorizing submission of a Water Smart Grant Proposal to the U.S. Bureau of Reclamation and authorizing a cooperative agreement with Reclamation and Grant match funds. Chris Hart seconded the motion, and a roll call vote was taken as follows:

Ed Bowler	Yes
Victor Iverson	Yes
Chris Hart	Yes
Ken Neilson	Yes
Kevin Tervort	Yes

Consider resolution approving and commencing Dry Wash Reservoir as a district project – Zach told the board he has been working with the City of Ivins and been talking to Terry Martin, one of the major landowners. They are bringing this resolution to the board to update them on what has been done and to proceed with this project if the board wants to move forward. SITLA has some of the property needed for the project on hold for the district right now but would like an answer from the district as soon as possible.

Engineer Brent Gardner presented information to the board on this project. He passed out a drawing of the project for the board to review. It will have a 1200 acre-foot capacity. The dam will be earth filled materials. There is 141,000 yard of material needed to build above ground and they don't know how much for trench excavation yet. He said they have been meeting with the City of Ivins and the property owners. They are working on issues of rerouting trails and roads that go through the reservoir basin.

In the original environmental documents, it showed a larger reservoir than this but they have shrunk it down from 2000 a.f. capacity to 1200 a.f. to accommodate the property owners.

Chris Hart asked if we have a willing seller now. Terry Martin said depending on the compensation, but probably yes. Mayor Hart said this is vital for Ivins City and hopes that the water district and Terry Martin can work this out. Without this

reservoir, Ivins would be completely slowed down as far as growth and development.

Terry Martin said the footprint for the reservoir now is satisfactory. It is down to only about 10 acres from private ownership. He said he thinks this reduced footprint will make evaporation easier to deal with and they can still build a trail around the reservoir and have some aesthetic appreciation in this area. Terry also stated that some of the residents of Kayenta and Ivins are interested in this area and that it be managed properly. They have lots of questions that still need to be answered like pest control and sandy dust if the reservoir gets too low. They want to be sure there is a management program to deal with these issues. They believe that a conservation level needs to be established and agreed up on that would prevent some of these problems.

Chris Hart asked if these issues can be worked through, since this project is time sensitive with getting the land from SITLA to be able to move forward. Zach said there is also the NEPA analysis issues that are time sensitive so this action by the board tonight if approved would allow the district to start sending out RFP's which will take some time.

The resolution tonight is just to allow the district to move forward.

Ken Neilson moved to approve resolution approving and commencing Dry Wash Reservoir as a district project. The motion was seconded by Kevin Tervort and a roll call vote was taken as follows:

Ed Bowler	Yes
Victor Iverson	Yes
Chris Hart	Yes
Ken Neilson	Yes
Kevin Tervort	Yes

Discussion and consideration of approval of Drought Contingency Plan proposal

of AE2S – Zach said that the district got a grant for over \$100,000 so we put out a Request for Proposals for a drought contingency plan and got a proposal back from AE2S. The project fee options are shown on the handout the board has and is attached to these minutes. We need to get together with the cities, as a community, and figure out what we would do if, for example, a reservoir were empty. We need to come up with plan for a bad drought before it happens. We will use a consultant

to help us with this. Marie Owens from AE2S was introduced by Zach. She used to be over the Division of Drinking Water but is now a consultant with AE2S engineering firm.

Marie told the board a drought contingency plan identifies where you are at and where you are going. The district has a water smart 50/50 grant for this. The grant amount will pay for one-half of this plan up to \$245,000. They looked at how much they could put in this drought contingency plan for that amount. She discussed the fee options and what features were included for each of the three tasks options on the handout. Phase 1 is reviewing existing data, model combining, mitigation actions for each drought state, and the deliverables would be a written drought contingency plan, online dashboard for public communication and model calibration and the cost would be \$245,825 as shown on the handout. The 2nd phase would be additional time and preparation for Regional Partner engagement and this additional stakeholder engagement add-on and related issues would be \$40,000. Phase 3 would be for enhanced online dashboard work and would include a higher-level web interface that would provide transparent scientific and shareable background information for more technical users.

Marie said they will specifically focus in on our area and the plan will be specific for our region of Utah. Some of the board members expressed concern about federal agencies being shareholders and the possibility of them slowing things down. They all agreed that the municipalities and the biggest water users like canal companies, school district, etc. are the most important. Marie said the district would decide the shareholders.

The first phase putting together the actual drought contingency plan would take the entire grant amount \$245,000. After discussion and the answering of questions, the following motion was made:

Victor Iverson moved to award the contract for \$245,825 to AE2S with the additional stakeholder engagement add-on for \$40,000 and the Enhanced Online Dashboard phase add-on only if it is determined by district it is needed. The motion was seconded by Chris Hart. All voted aye.

Discussion and consideration for approval of IO Module Upgrade proposal from automation controls(WTP) was next on the agenda. Whit Bundy explained that most of the controls are original from when the plant was built. This is to upgrade controls that are outdated and provide some redundancy and security at the water

treatment plan. The software is outdated. They are proposing to do the work for \$189,000.

Ken Neilson moved to approve the IO Module Upgrade by Automation & Controls in the amount of \$189,526.91. The motion was seconded by Chris Hart. All voted aye.

Discussion and consideration of bid from Interstate Rock Products for the Well 4 to HVWS Pipeline Replacement Project – This project is going to be done on the west side of Sand Hollow. They will be replacing the existing 8” HDPE line with ductile line from Well #4 building to where the pipeline crosses SR7. It was sent out to bid and they only got one bid from Interstate Rock Products for \$306,564.91. Zach said this needs to be done as this pipeline is failing and has lots of leaks.

Victor Iverson moved to accept the bid from Interstate Rock Products for \$306,564.91 for the Well 4 to Hurricane Valley Water System Pipeline Replacement Project. Kevin Tervort seconded the motion and all voted aye.

Status reports on projects:

Water year - Zach told the board the USDA data reports on snow water equivalent and soil moisture in our area are now showing normal. They recently came in and took these sites and now are showing normal for the last 10 years and the gray line is now the new normal which is about 5” less water by shifting that new normal. It shows the last 20 years have been drier than normal. They are starting to change the definition of normal throughout U.S. Zach said he will start showing the board these graphs. October 1 was the start of the water year. We are going into this winter better than last year.

Lake Powell Pipeline – Zach said the BLM is coming out with new modeling on the Colorado River and they have to wait for that modeling but are continuing to work on other areas of the project.

Ashcreek Project – Corey gave a brief report that they are working up at the outlet of Ashcreek Dam to slip line that and that it is coming along nicely. Everything else is pretty much in the engineering stage.

Development of Secondary Water System – The Dry Wash discussed in this meeting is part of this development of the secondary water system. Zach said they

are going to start working on the Regional Water Supply Agreement on how this will work and are talking to the cities about it.

Manager's report – Zach said projects are getting more expensive. The federal infrastructure bill might have some funding opportunities and Marcus Faust is looking at this for us.

Victor asked about the results of the water summit. Zach said the cities agreed on many issues but wanted some more information on a few things. We will provide draft ordinances for them and will keep reaching out to the cities to see how we are going to make this happen.

Zach also told the board the district is doing a Title 16 study now specifically on water reuse and when this is done, we can try and get some funding.

Approval of Board of Trustees Minutes from October 6 and October 28, 2021 meetings: The minutes of the October 6 and October 28, 2021 board of trustees minutes were reviewed by the board after which the following motion was made:

Ken Neilson moved to approve the Board of Trustees' minutes of the October 6, 2021, and October 28, 2021 board meetings. Chris Hart seconded the motion and all voted aye.

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

Secretary

