

MINUTES
ENOCH CITY WATER BOARD
April 11, 2019 at 4:30pm
City Council Chambers
City Offices, 900 E. Midvalley Road

MEMBERS PRESENT: Alan Miller, Steve Woolsey and Doug Grimshaw. Larry Gardner and Spencer Jones were absent

STAFF PRESENT: Rob Dotson, Julie Watson, Earl Gibson and Council Member Harris

PUBLIC PRESENT: Paul Monroe, Nate Wallentine

1. CALL TO ORDER OF REGULAR MEETING-By Doug Grimshaw at 4:30pm. Chairman Gardner was absent.

- a. **Pledge of Allegiance** –Led by Steve Woolsey
- b. **Invocation** –Audience invited to participate. Given by Council Member Harris
- c. **Approval of agenda for April 11, 2019** –**Steve Woolsey made a motion to approve the agenda with the change to have the report from the Conservancy District first in place of Staff Reports. Motion was seconded by Doug Grimshaw and all voted in favor.**
- d. **Approval of minutes for February 14, 2019-****Alan Miller made a motion to approve the minutes from Feb. 14, 2019. Motion was seconded by Steve Woolsey and all voted in favor.**
- e. **Conflict of Interest Declaration**-none stated

2. BOARD/STAFF REPORTS

Paul Monroe of the Iron County Water Conservancy District said he was here to give an update on the Groundwater Management Plan. The County water users have been working on this plan since 2017 to find solutions for the over mining of the aquifer. The plan was projected for the Water Board to see. Paul said the State Engineer came back with another plan which is a bit vague. Priority dates shown in red have been proposed by the State Engineer and the blue numbers are the committee's changes. We are pushing back on cut-off dates for 10 years and then 15 years. He directed the Board to the maps online for the cut off dates and he told how to find it online. He recapped the data saying it is being used for customers and rights for future growth. We are in pretty good shape in Enoch now and don't stand to lose too much water to protect our citizens. There was more discussion about the cuts and dates in the future. He noted this refers to the whole Cedar Valley. There was discussion of rights that would be curtailed and can't be used. There is a banking credit notion tied to this if water remains in the ground and is not used. That could occur due such as conservation measures. He noted it is more than conservation. The plan to import water from the West Desert could result in water staying in the ground to raise the aquifer and we would be getting credit for that water. Some junior rights may still be used if they pay into the project to do that. That is if they lost the junior rights. Doug asked if the State Engineer has bought off on this. Not yet, Paul said, but we are talking about it now. Paul generalized other sections of the Plan. Depletion calculations are basically an unprovable point because the District needs more data from irrigation companies on surface water. They will monitor that and they will have live data on the website. Paul said the Conservancy District has purchased flow meters for tracking this. Measuring is very important. Recharge is a significant portion of what we feel like we can do to offset some cuts, so good data is imperative. Irrigation companies will be measured. Coal creek Irrigation Company will be subtracted from the other

four companies. The State Engineer will look at recharge and what the water situation looks like. The concept of junior rights being able to tie on or even give up the rights is an option that is available. That would also protect the rights for the future. There was more discussion of possibilities and Paul said this is still very preliminary and we are working it through. A few modifications were added. Boundaries will stay the same. Paul gave more details of what they will be measuring and looking at for gathering data. He said they received some funds from the State to do the study on the West Desert project. The EIS has started now however there may be more litigation. We got the rights two months ago after that litigation was settled. \$250 million for the project costs after the EIS is done. The Water Board thanked Paul for the information.

3. DISCUSS WATER IMPACT FEES FACILITY PLAN AND MAKE A RECOMMENDATION TO THE CITY COUNCIL

Nate with Sunrise Engineering gave a brief presentation of the Water Impact Fees Facilities Plan. The growth rate was set at 3% to determine demands for the future. The plan is based on that 3% growth rate and they recommended that to plot the future trends. City Manager Dotson said we can only plan out for six years on impact fees and then have to expend the funds. He went through the power point that was emailed to the Water Board. Right now water rights are good with a surplus of 1800. Future projections say we will need to get more water and development brings a lot of that water in. We can also purchase rights when available. Currently we are deepening Ravine well for more water source. City Manager Dotson noted he is working on a change application to put all of the City's rights into all of our wells. This is to overcome future deficiencies. Water or lack of it may determine growth. Nate said 2032 is when we will run out unless things happen.

Existing is 819 AF extra in production of water from existing wells. New wells or additional capacity should be a high priority. For storage capacity we are doing well. We have more than needed and by 2038 we will still have adequate storage. Future trends are towards conservation. The cost to produce water is fairly low here in Enoch. City Manager Dotson added we did not go into the secondary irrigation water in this study. City Manager Dotson said the Water Board is talking about creating a separate plan to use surface water in ditches. Nate said the distribution system is how much fire flow pressure is at the hydrants and pressures throughout the system. There are a few spots that don't meet fire code in pressures. They have recommendations to get it up to par and one way to do that is by upsizing lines. Over all the system is in good shape. There are just a few little areas to correct. A fire hydrant map is included and we need more hydrants.

Impact fees and how they are figured was explained. For new growth the impact fee recommended is \$4,359 to cover costs. They presented a financing plan to do what is needed for projects. They suggest going through Rural Development for a 30% grant with a 3.8% interest rate on a loan. We have about \$103,000 payment on water rights that gets paid off this fiscal year and that helps. They recommend an average water rate of \$30.14. The existing rate is very close at \$29. With \$30 as the top rate we are good with \$29. All in all the system is very good. It was noted this study can be paid for with impact fees. City Manager Dotson said the biggest fear with changing our rates is to ensure we make the money to keep things going but not penalize those who use less. The idea is to penalize those who use more than 30,000 gallons. Alan asked about impact fees and tracking them and using them. Nate said we do a plan every 5-6 years and it keeps averaging out. City Manager Dotson explains how funding works. He told about the sewer plan we did recently and we were able to use impact fees for the payment on the sewer bond. City Manager Dotson was already using impact fees to pay off things that are eligible. City Manager Dotson recapped projects that are being paid by what funds.

Alan Miller made a motion to approve the Water Impact Fee Facilities Plan draft with modifications and corrections and send a favorable recommendation to the City Council. The motion was seconded by Steve Woolsey and all voted in favor.

4. DISCUSS AND MAKE A PROCESS TO ALLOCATE ENOCH WATER TO PROPERTIES FROM EXCESS WATER RIGHTS

City Manager Dotson had to leave but gave some ideas for this item. In 2008 the City purchased 261 AF of water for future use and to entice economic development to come to Enoch. City Manager Dotson explained we have no plan for allowing use of that water for economic development. In the last City Council meeting they allowed Fosters Market to have 4 AF for use for their business. We have given water to our animal shelter and have made agreements to waive some rights. We need a process to allocate water to properties for use of rights we own. We own 1940 and 1930 priority dates and we need a way to do this. Some cities say they reserve water only for certain types of businesses or commercial development. He told about Cedar City's water fee. The entities being granted water don't own the rights but get the use of the water. There is no fee for this currently and we don't have a process. The intention was to entice business and promote business so we did give Fosters the use of the 4AF of water. The return we get is having the convenience of the market close by and the sales tax from it. We have no fee and no process. City Manager Dotson said we need to discuss this and we will develop a process. Council Member Harris said we could consider a water acquisition fee to use the water. Alan said it benefits City as a whole and so that is a reason to grant them use of the water. Council Member Harris said the City Council wants a fair policy in place for this. He likes the idea of doing more for those coming early and taking more risk to develop here. We also should look at the type of business. Maybe concessions should be for the first comers and then not for others later when we have lots of businesses in Enoch. We will look at what Cedar City does. We don't need to reinvent the wheel so we should look at what other cities do. Steve said his concern is the water will be gone. Enoch has a policy of only accepting water rights older than 1934 which will affect growth. This is a small thing and to encourage commercial business and the return on investment is good. We don't want to hinder commercial development because they can't find water. Staff will get other city's policies and processes and go it over it next time we meet. No action was taken tonight.

5. PUBLIC COMMENTS-none

6. ADJOURN-Motion to adjourn by Steve Woolsey. Motion seconded by Alan Miller and all voted in favor. The meeting ended at 6:15pm.

 5-9-19
Julie Watson, Recorder Date