

GRAND WATER & SEWER SERVICE AGENCY

Regular Meeting

February 7, 2008

The meeting was called to order by President Dan Pyatt at 7:00 p.m. at the Agency office, 3025 East Spanish Trail Road, Moab, Utah. Other Agency Board members present were: Gary Wilson, Mike Holyoak, John Hartley, Lance Christie, Tom Stengel, John Keys, Rex Tanner, Jerry McNeely, and Kyle Bailey. Those present established a quorum. Absent was Brian Backus.

Others present were: Terry Sykes, Marsha Modine, Dana Van Horn, Sarah Fields, Bill Love and Ron George.

Minutes Motion by Tom Stengel to approve the minutes of the meeting of January 17, 2008. Second by Lance Christie. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED.

Citizens to be heard Bill Love addressed the Spanish Valley Water & Sewer Improvement District board regarding the proposed interlocal agreement changes. Bill said that the SVW&SID was changed to an elected board of five in order to give the District the responsibility and authority to protect the ratepayers who live in the district. Other appointed members of the Agency may have different positions on issues that may not always be in the best interest of the ratepayers. He urged the SVW&SID to maintain their independence from the Agency in every way. Sarah Fields addressed the board regarding the proposed lease of water to Mancos Resources. She said that Mancos Resources is not a legitimate mining company. She has checked with various agencies including the Division of Oil Gas & Mining and they have never heard of Mancos Resources. She also said that the company has not secured a lease for the proposed site yet. She urged the board not to make a decision that could tie up water for 30 years with an option to extend without further substantiation of their claims.

Check Approval Motion to approve checks in the amount of \$28,331.60 by Lance Christie. Second by John Keys. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED.

Discuss, consider, approve leasing water to Mancos Resources – Tabled item Motion to untable this agenda item by Lance Christie. Second by John Hartley. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED. Motion to retable this agenda item until the next regular meeting of February 21, 2008 by Mike Holyoak. Second by Tom Stengel. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED.

Discuss, consider, approve amending interlocal agreement forming GW&SSA Terry presented the proposed amended interlocal agreement to the board. The board discussed the reasoning behind the Agency having the ability to borrow money for projects. John Hartley was concerned that as an elected board; they are obligated to protect the ratepayers of the SVWSID and that they could possibly be out-voted in matters concerning money to be borrowed or spent by the Agency. Several board members agreed that the Agency should be a cohesive unit that "speaks with one voice." Mike Holyoak asked for it to be noted in the minutes that the present board members all have the ratepayers in mind when they make decisions and are fiscally conscientious. Lance suggested that there could be a provision in the agreement that any obligation taken on by GW&SSA has to be explicitly authorized by the board that bears responsibility for that obligation. Terry also noted that he was directed by the board to bring this item to the table. He did not do it on his own accord. Motion to table this agenda item until the next full agency meeting so that this issue can be considered by each board respectively by Kyle Bailey. Second by Gary Wilson. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED.

Discuss, consider, approve pursuing Green River to Crescent Junction pipeline participation Terry and John Keys attended a meeting last week with the Grand County Engineer and Brian Torgerson from SITLA. John Keys said that the Agency was asked to consider taking ownership of a pipeline from the Green River to Crescent Junction at no cost to the Agency. The Department of Energy would provide the construction money and the O&M money for us to run it. At the end of the project the Agency would end up with the pipeline, pumping stations, DOE water rights proven and some of the Agency's rights proven as well. Motion to pursue participation in the Green River to Crescent Junction pipeline project by Gary Wilson. Second by Lance Christie. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex

2/7/2008

Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED.

Discuss, consider, approve amending Will Serve Policy to include source protection Terry presented a draft of the proposed new Will Serve Policy and maps showing both the current source protection zones (that are conical) and a map showing proposed zones of protection that were concentric around the wells. The proposed zones would encompass a 2000 foot radius from the well heads. Motion to amend the Will Serve Policy to include source protection as presented by staff by Lance Christie. Second by John Hartley. The board discussed this issue at length. There were some concerns over land use restrictions and also whether this policy would extend to the individual user or just subdivisions. More information is needed before a vote can be taken. Motion to table this agenda item by John Hartley. Second by Gary Wilson. Dan Pyatt-Aye, Gary Wilson-Aye, Mike Holyoak-Aye, John Hartley-Aye, Rex Tanner-Aye, Lance Christie-Aye, Jerry McNeely-Aye, Tom Stengel-Aye, John Keys-Aye, Kyle Bailey-Aye. MOTION CARRIED.

Snow Report The Snotel says that the snow water equivalent is 11.2 at this time. The average is 8.4. We are currently at 133% of normal.

Items from board members John Keys met with Iron County (Cedar City) and reported that they are not interested in leasing water at this time. They are only interested in purchasing water rights. Mike Holyoak and John Keys went to the MIC annual meeting. Moab Irrigation is having difficulties with their service lines being under improvements such as roads and buildings. John Keys asked Terry to look into this subject concerning our lines. Rural Water and Dale Pierson are currently pushing for HB 51 in the State Senate. This bill would change the antiquated water rights system currently in use. John urged the board to support this bill. John Keys reported on the WWTP meeting. The City of Moab brought a plan to the table that would have the Agency paying for capacity on a per-gallon basis until the current plant was at 85% capacity. The Agency would then pay entirely for the 500,000 gallon upgrade to the existing plant. Negotiations are proceeding well and there are many more points to negotiate. The Rural Water Conference in St. George is February 26-29. Board members wishing to attend were urged to contact Marsha to make reservations.

Staff Report Terry mentioned the Water Users Conference to be held March 10-12 also in St. George. He advised that if any board member would like to attend this conference to contact staff. The Federal Government sent an Auditor to Utah to account for the money received from the Homeland Security funds. Terry brought the auditor to the wells and showed her the polyphasers that were installed to protect the alarm system from lightning strikes.

Executive Session None

President Pyatt declared the meeting adjourned. Hearing no objections the meeting adjourned at 8:50 p.m.

ATTEST:

Dan Pyatt – President

Gary Wilson – Vice President