

GRAND WATER & SEWER SERVICE AGENCY
Operating Committee Meeting
August 21, 2014

The meeting was called to order by President Dan Pyatt at 7:02 p.m. at the Agency office, 3025 East Spanish Trail Road, Moab, Utah. Other Agency Board Members present were: Gary Wilson, Kyle Bailey, Pat Holyoak, Jerry McNeely, Preston Paxman, Rex Tanner, Leon Behunin, Mike Holyoak, and Dale Weiss. Those present established a quorum. Absent were: Brian Backus and Tom Stengel.

Others present were: Mark Sovine, Dana Van Horn, Marsha Modine, Jeff Richards, and Merrie Knutson

Minutes of board meeting 8/7/2014 Motion to approve the minutes of 8/7/2014 as presented by Rex Tanner. Second by Mike Holyoak. MOTION CARRIED 10-0.

Citizens to be heard None.

Check approval Motion to approve checks in the amount of \$31,984.78 by Rex Tanner. Second by Gary Wilson. MOTION CARRIED 10-0.

Financial statement The July 2014 financial statement was presented.

Public Hearing – Creation of Commercial Hydrant Rate President Pyatt opened the public hearing at 7:10 p.m. The board discussed the need to create a special rate for the stationary hydrant users. Three written public comments were received for the record. All asked that GWSSA suspend use of stationary hydrant water to the oil and gas industry until the aquifer study is complete. Ms. Knutson asked if the rate increase was specific to the stationary hydrant at the office. President Pyatt confirmed. Ms. Knutson also asked how long the water study was supposed to take. She said she heard three years. Mark confirmed this and added that it should begin in late 2014 for the budget year of 2015. Mark's recommendation to the board was \$6.00 per thousand with no monthly meter fee. The hydrant use in 2013 was 1% of water sales. Kyle said that the Mayor is presently working with BLM and other stakeholders to find a suitable location for a riverside pumping station. Mark said they have found one spot near the tailings pile. Mark said river access and space for a large truck to turn around are the obstacles. The BLM could approve a temporary site in 3 to 6 months. Mark said we would lease enough water to the companies so a metering device would be unnecessary. Dale recommended the highest rate. Dan said he is comfortable with the \$6.00 as long as the usage remains at 1%. He said that the board could revisit the rate if the use increased or if the river access issue was not solved quickly. Rex suggested that there could be two rates – one for the mining industry and one for local business. Mark said that any rate that is set tonight can be revisited at any time with a few weeks of notice. President Pyatt asked if anyone had any further comments. Hearing none, he closed the public hearing at 7:34 p.m.

Resolution 2014-08-21 – A resolution creating a commercial hydrant water rate and modifying the GWSSA fee schedule to become effective September 1, 2014 Motion by Rex Tanner to set the new commercial hydrant rate the same as Moab City. He reiterated that he the motion was to approve the resolution as presented with a rate of \$5.50 per thousand gallons. Second by Mike Holyoak. MOTION CARRIED 7-3 with board members Gary Wilson, Dale Weiss and Kyle Bailey opposed. Ms. Knutson left the meeting at 7:40 p.m.

Approval of Notice to Proceed for Okland Construction for building remodel project Mark presented the final bid on the building remodel. He explained the State Contract for construction projects is a "Firm Fixed Price" contract. The bid is made using pre-set pricing and if the project goes over budget, the company will lose money. If the project is under budget, the company makes money. He said that there is at least one local contractor under subcontract with Okland. Motion to approve the Notice to Proceed as presented by Gary Wilson. Second by Dale Weiss. MOTION CARRIED 10-0.

Lake/snow report The lake has 1248 AF in storage. YTD precipitation is 85% of average and soil saturation is at 25%.

Committee report None.

Items from staff Mark expressed his condolences for the Stengel family and provided information on the services for Suzie Stengel. He also said that he is closing the office on Friday to allow staff the opportunity to attend.

Items from board members Rex said that the presentation on the water study was very informative. He left with a positive sense of the project after the meeting. He believes that it is GWSSA's duty to the community and a responsibility of the board to participate in the study.

Closed session if necessary None.

President Pyatt declared the meeting adjourned. Hearing no objections; the meeting adjourned at 8:02 p.m.

ATTEST:

Dan Pyatt, President

Mark Sovine, Secretary/Treasurer