

GRAND COUNTY WATER CONSERVANCY DISTRICT
GRAND COUNTY SPECIAL SERVICE WATER DISTRICT

Regular Meeting -----May 22, 1997

The meeting was called to order by the Vice Chairman, Bill McDougald at 7:00 A.M. at the District office. Other Board members present were Bobbie Domenick, Karl Tangren and Ned Dalton.

ATTENDANCE

Special Service District members present were Kevin Johnson, George White, Dan Holyoak and Bill McDougald.

Others present were Dale Pierson, Jolyne Hoffmann and Marsha Modine.

After calling for additions or corrections to the minutes of the meeting of May 8, 1997, an extra word was identified for removal in the last sentence of the first page, the Chair declared the minutes approved as corrected. Motion: Ned Seconded: George
MOTION CARRIED

MINUTES
APPROVAL

Check Approval: Motion: Bobbie Seconded: Dan MOTION CARRIED

CHECK
APPROVAL

REPORT ON GROUND WATER CONFERENCE - NED DALTON: Ned felt it was a good conference. The ideas presented for ground water protection were not much different from those the District already had. He said that if you do not own the water shed you have a hard time protecting it. Nitrates are what most people are worried about in the ground water. Dale stated that the two primary sources of nitrates in ground water are from fertilizer and septic tanks. Ned mentioned that testing for caffeine can determine if the nitrates are from septic tanks. Bill said that's why it is important to get a good drill log on a well, especially for drinking water.

REPORT ON
GROUND
WATER
CONFERENCE

SUPPLEMENTAL IRRIGATION WELL: Dale said the two primary sources determined so far to fund a supplemental irrigation well are taxes and rates. Kevin asked for clarification on whether there would be a cost savings by drilling a new well and not using the Beeman and City wells. Dan said the main saving was that we would have a well that we could depend on and secondly, there is a fear that the Beeman well will break down one day and the District would be responsible for replacing it. Kevin said it was then more of an insurance policy and not a cost savings. Kevin asked what it costs currently to use the Beeman and City wells. Dale said we have only paid pumping cost and maintenance if the facility is damaged. In the last 16 years we have only used these wells four times. Dale said that the contract with irrigation users states that in a drought situation, all users are restricted equally. In the past, the board has decided whether or not to recoup the costs to run the supplemental well. If they are able to determine in advance the percentage of water each user can have from Ken's Lake, the users are notified and told that if they choose to go over this percentage they will have to pay additional money for the additional water used. Bill felt that purchasing the Beeman well was still preferable over drilling a new well if possible. The \$75,000 could go a long way to repair the Beeman well for the limited usage over the years. Dale agreed but the purchase price keeps escalating. Bill said the location of the Beeman well was excellent for the existing system. Dale mentioned that the location for the supplemental well he and Gary were looking at was very close to the Beeman well. George mentioned that Beeman was talking about \$1,000 per acre foot. Beeman was considering transferring his shares to the Wilson's Arch development. Dale said San Juan county has excess shares that they were considering selling to Wilson's Arch development.

SUPPLEMENTAL
IRRIGATION
WELL

Ned felt that you need your own water however, you could probably pay Beeman as much or more as it would cost to drill a well. Dale said the concept to drill a new well was to develop as a culinary well for future use. George asked if it would help with the current pressure problem. Dale said it would not. To improve the pressure would require a new tank. Dale said it was important to find out the actual amount of water that would be available from the aquifers. The Water Quality and Drinking Water people said it would be difficult to determine for the Moab area. The capital project study showed that Moab has enough source to handle their area if all available land is developed with not much left. The District's developed wells are only producing 350 gallons per minute in excess of what is currently required. Spanish Valley Water is looking at another source. Sunrise is currently doing a study on what needs to happen with storage, source and distribution that will be discussed at a joint meeting next month. Kevin asked what the alternative would have been if we did not have the supplemental wells in the past four years? Would we curtail people from using the water? Dale said yes and there would be a serious impact on the commercial use. Ned asked what the legal obligation would be if we took their money and could not provide the water? George said we would provide water but we would not guarantee the amount of water. Bill said he could not see how the \$75,000 for a new well could be taken from this year's budget. He said it could be budgeted over a four year span. Dale said the cost of operation is driving this District into a static position and has no means of increasing revenues over and above the two sources it currently has which is providing water to Spanish Valley Water & Sewer Improvement District and the irrigation water. Raising taxes is another option but is more difficult and has a wider impact than raising the rates for irrigation water. Bobbie asked if we could get a low interest loan? Dale said his concern is that the Conservancy District has been working on the well project at the same time Spanish Valley Water and Sewer is doing their engineering study on source and storage which incorporates this District's area of expertise. Both District's need to plan together and incorporate the work of each District to avoid spending needless money and plan for the entire valley. The engineering firm needs to answer questions on whether the supplemental well will fit into the drinking water plans or not. The answers will determine what types of funds can be used for the well and the actual cost to develop. Ned suggested the discussion be tabled and Bill agreed.

FINANCIAL STATEMENT: Marsha said 33% of the year has lapsed, we have received 40% of our income and spent 44%. The largest item is the bond payment due March 1st. Marsha mentioned that in the future Spanish Valley's need for more source water will generate more revenue for this District.

FINANCIAL
STATEMENT

OVERSIGHT BOARD: Dale talked about the need for an Oversight Board to run both budgets. This would allow decisions (engineering, financial, managerial) to be made correctly for both Districts as a unit to go down the same path. There is a lot of staff work that could be eliminated by having an Oversight Board. This would not eliminate the three boards currently in existence but would take members from each to be on the Oversight Board. Those members would then report back to their respective Boards. The current Boards would meet at least twice a year to set budget and taxes. The Oversight Board would set an operating budget for the all Districts. Ned motioned for Dale to pursue finding out what is required to combine the Boards through an Oversight Board. Bobbie seconded. MOTION CARRIED

OVERSIGHT
BOARD


Dale said Larry Anderson from the Division of Water Resources requested that our Board host a lunch and tour on June 18th of the Ken's Lake project. The Board by consensus agreed to do so.

IMPACT FEE RESOLUTION: Dale said there needed to be a word change within the Impact Fee Resolution where each time it said 'building permit' it should say 'building permit and/or Spanish Valley Water and Sewer service permit'. Without this, it is possible that residents who currently have a well and septic in place and come on to the system in the future, will never pay impact fees. Dale said he also felt that this Board may need to collect their own fees. The process where the building inspector's office collects and distributes the fees is too confusing.

IMPACT FEE
RESOLUTION

Meeting adjourned at 7:45.

ATTEST:


Dale F. Pierson, Secretary/Treasurer


Bill McDougald, Vice Chairman