

Ute Water Conservancy District  
Board Meeting  
November 8, 2023

Meeting No. 989 of the Ute Water Conservancy District's Board of Directors and the Ute Water Activity Enterprise was called to order by President, Greg Green, at 5:30 p.m. at the District office.

**ROLL CALL**

Board Members: Briana Board, Pat Brennan, Newt Burkhalter, Carl Conner, Dan Cronk, Robert Foster, Greg Green, Ken Henry, Sally Huddle, Ben Miller, Troy Waters, and Bob Wilson were present. Tammy Eret and Bruce Talbott were absent.

Ute Water employees at the meeting included: Justin Bates, Nick Bierman, Braden Box, Sam Briscoe, Larry Clever, Gary Coup, Tanner DeGuire, John Eklund, Jamie George, Tony Ibarra, Jesse Klingler, Andrea Lopez, Tim Moore, Scott Olsen, Dave Payne, Dave Priske, Rick Stengel, Logan Wagner, Greg Williams, and Tim Wygant. Ute Water's general counselor, Chris Geiger was also in attendance.

**PUBLIC COMMENTS**

No public comments were made.

**MINUTES**

A motion was made by Sally Huddle to approve the October board meeting minutes, No. 988. Newt Burkhalter seconded the motion. The board voted unanimously in favor of approving the October board meeting minutes.

**BILLS**

A motion was made by Bob Wilson to approve the October bills. The motion to approve the bills was seconded by Briana Board. The board voted unanimously in favor of approving the October bills.

Board member, Robert Foster, asked if portable stoplight technology could replace flagger personnel to perform traffic control at job sites. Distribution Superintendent, Tim Moore, explained that the rental of portable stoplights with automatic arms cost nearly the same amount as flagging personnel. In relation to the November bills, \$8,355 will be reimbursed to the District for traffic control procured during the water line project at 33 ¾ Road and C ½ Road.

**PETITION FOR INCLUSION – 589 39 ROAD**

The board reviewed a petition for inclusion for an approximately 20-acre parcel currently designated as 589 39 Road and located in the Horse Mountain Pump Zone south of Palisade. President Green opened the public hearing on the proposed petition for inclusion, parcel number 2941-111-00-023. Hearing no comments from the public, the public hearing was closed.

Assistant Manager, Greg Williams, provided the board with the staff's recommendation regarding the proposed petition for inclusion. According to Mr. Williams, the parcel petitioning for inclusion into the District is one of 24 identified parcels in the District's adopted rules and regulations and

is adjacent to an existing water line. These 24 parcels are limited to one tap each, with the allowance to serve only one family residence per tap. Service to these parcels is billed for two times the monthly minimum to offset the cost of operation, maintenance, repair, and future replacement of the Horse Mountain Pump. In addition to normal tap fees, dependent on the requested meter size, each parcel must also pay \$1,875 to reimburse a pro-rata share of the District's original pump installation cost. Staff recommended the approval of the petition for inclusion request.

Board member, Newt Burkhalter, asked if the property owners have a building permit. Mr. Williams explained that they currently do not have a building permit and that the sale of a water meter, associated tap fee, and pro-rata charge are dependent on the owner's acquisition of a building permit.

Board member, Briana Board, asked how old the Horse Mountain Pump Station is and how many properties of the 24 are currently being served by the District. Mr. Williams stated that the pump was completed in 2013, and currently, 18 of the 24 parcels have been included in the District.

Board member, Carl Conner, asked staff if they had considered the capacity for growth in the area. Mr. Williams acknowledged that the District has received inquiries on properties surrounding the Horse Mountain Pump area, however, growth or development outside of the identified parcels included in the Horse Mountain Pump area would require additional infrastructure upgrades that are funded by the developer.

Board member, Pat Brennan, asked if a fire hydrant would be installed at this property in the future. Mr. Williams informed the board that because the area falls outside the Palisade and East Orchard Mesa Fire Districts, there are currently no requirements from applicable fire districts. Mr. Williams added that the District offers a ¾ inch by ¾ inch meter capable of supplying a residence with adequate pressure for fire sprinklers if it becomes a requirement from an appropriate agency in the future.

Director Brennan asked if the Horse Mountain Pump benefited the distribution system operations. District Engineer, Dave Priske, described how the installation of the pump restored the hydraulic grade line when conveying higher flows in the South Side Main Transmission, which added more flexibility to the system.

Robert Foster made a motion to approve the petition for the inclusion of parcel number 2941-111-00-023. Newt Burkhalter seconded the motion. The board voted unanimously in favor of approving the motion.

#### **FINANCE AND WAGE & BENEFITS COMMITTEE MEETING MINUTES**

A motion was made by Bob Wilson to approve the Joint Finance and Wage and Benefits Committee minutes. The motion to approve the minutes was seconded by Newt Burkhalter. The board voted unanimously in favor of approving the Joint Finance and Wage and Benefits Committee minutes.

Board member, Bob Wilson, reviewed the proposed minimum rate increase that was discussed at the October Finance Committee meeting and compared the history of operating income as a percent of revenue to add historical context to the rate discussion.

Board members, Ken Henry, Bob Wilson, Carl Conner, and Greg Green supported increasing the monthly water rate minimum by one dollar. There were discussions of smaller and regular rate increases as opposed to larger, infrequent rate increases.

Finance Director, Scott Olsen, stated that the projected revenue of 34 percent of operating income, including the proposed rate increase, is a conservative minimum, and variables not limited to climate, development, and cost increases affect budgeting estimates. Mr. Olsen reviewed Exhibit II with the board, which outlined all rate impacts of the proposed one-dollar water rate minimum increase. Assistant Manager, Dave Payne, explained how the District has utilized Construction Manager At Risk (CMAR) project delivery for capital projects during the past four years to secure guaranteed maximum prices, which has helped avoid price increases incurred during capital projects.

A motion was made by Sally Huddle to approve the proposed residential minimum water rate increase from \$25 to \$26 effective for bills starting January 1<sup>st</sup>, 2024, as shown in Exhibit II. Pat Brennan seconded the motion. The board voted unanimously in favor of approving the rate increase.

#### **WATER & CONSTRUCTION COMMITTEE MEETING MINUTES**

A motion was made by Newt Burkhalter to approve the Water and Construction Committee minutes. The motion to approve the minutes was seconded by Patrick Brennan. The board voted unanimously in favor of approving the Water & Construction Committee minutes.

Board member, Bob Wilson, asked Assistant Manager, Dave Payne, how long it takes water to circulate through the newly commissioned pre-sedimentation basin before moving into the treatment process. Mr. Payne stated that it takes three to four hours of settling in the 650-foot basin in maximum flows operating at 16 million gallons per day to remove more than 90 percent of suspended and colloidal solids in the water.

#### **ENGINEERING DEPARTMENT REPORT**

No additional questions were asked of the Engineering department.

#### **DISTRIBUTION DEPARTMENT REPORT**

Distribution Superintendent, Tim Moore, gave an update on the progress of the potholing to inspect service lines for their material type, in compliance with the revised Lead and Copper Rule. The Lead and Copper crew inspected 142 service lines in October. No lead has been found. Since efforts began, 6,017 service lines have been inspected. According to Mr. Moore, approximately 400 service lines remain to be inspected in the Redlands, and the project is anticipated to be completed in March 2024.

### **TREATMENT & SOURCE DEPARTMENT REPORT**

Assistant Manager, Dave Payne, reported that, in compliance with the Unregulated Contaminant Monitoring Rule, the tests for all four quarterly samples for 29 perfluorinated (PFAS) chemicals resulted in non-detections.

Mr. Payne also acknowledged that the potholing in part of the Lead and Copper Rule Revision is anticipated to be completed in the spring of 2024, ahead of the October 2024 deadline.

### **FINANCE DEPARTMENT REPORT**

Finance Director, Scott Olsen, thanked the board for the productive discussion on water rates and dedication to the success of the District and its future. Mr. Olsen stated that with the board-approved water rate minimum increase, fees based on the minimum would increase proportionally based on meter size. Rates for private fire lines and fill station use will also increase based on consumption. The proposed Exhibit II details all services that are impacted by the minimum water rate increase.

Board member, Bob Wilson, informed the board that there will not be a Finance Committee meeting on November 14<sup>th</sup>.

Board member, Robert Foster, inquired about the cost-per-gallon difference between the first 3,000 gallons versus within the tiered-rate structure. General Manager, Larry Clever, and Assistant Manager, Greg Williams, explained that the minimum water rate covers the operating costs, such as meter reading and billing, and other costs. According to Mr. Clever, tiered rate charges beyond the minimum are intended to cover additional water treatment and operational costs.

### **HUMAN RESOURCES/RISK MANAGEMENT DEPARTMENT REPORT**

Human Resources/Risk Manager, Jamie George, recognized board member Carl Conner and seven staff members, including Nick Bierman and Larry Clever who were in attendance, for their service in observance of Veteran's Day.

Mrs. George announced that the District has been awarded the Honoring Investments in Recruiting and Employing American Military Veterans ("HIRE Vets") Medallion Program Gold Award for medium-sized employers (51-499 employees) under the HIRE Vets Act of 2017 (Public Law 115-31). The award recognizes employers that meet standards for excellence in recruiting, hiring, employing, and retaining America's military veterans. According to Mrs. George, it is the only federal award recognizing exceptional achievement in veteran employment. This is the first time the District has applied for the award which is earned on an annual basis. Mrs. George reported that as of November 8<sup>th</sup>, the District is one of 859 recipients nationwide to earn a 2023 HIRE Vets Medallion Award. Collectively, those 859 employer organizations hired 72,000 veterans during this award cycle. Mrs. George commended the group effort in having a veteran focus in District recruitment and retention across all positions. The Human Resources and Risk Management department plans to apply for the award in years in which the District meets the criteria.

### **EXTERNAL AFFAIRS DEPARTMENT REPORT**

No additional questions were asked of the External Affairs department.

**MANAGER'S REPORT**

General Manager, Larry Clever, provided updates on Lake Powell and Lake Mead. Lake Powell is 35.78 percent full. Lake Mead is 34.05 percent full.

**GENERAL COUNSEL REPORT**

General Counsel, Chris Geiger, gave the board an update on Case No. 15CW3019. Mr. Geiger stated that counsel is working on establishing a settlement conference, tentatively scheduled for mid-November, in hopes of bringing the case closer to conclusion.

**QUARTERLY OUTSIDE COUNSEL REPORT**

No additional questions were asked of the Quarterly Outside Counsel Report.

**GENERAL INFORMATION/DISCUSSION**

There was no additional information or discussion.

President, Greg Green, adjourned the meeting at 7:07 p.m.

Respectfully submitted,



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Briana Board, Secretary