

MINUTES OF THE EXECUTIVE WATER FINANCE BOARD

Friday, January 19, 2017

9:00 a.m.

State of Utah Senate Building, Kletting Room, 350 N. State Street

Members Present:

Phil Dean, Chairman

Juliette Tennert

Jon Bronson

Laura Briefer

Evan Curtis

Eric Millis

Members Absent:

David Damschen

Staff Present:

Miranda Jones, Finance Specialist

1. Call to Order

Chair Phil Dean called the meeting to order at 10:05 A.M.

a. Approval of minutes

Motion: Laura Briefer moved to approve the minutes of the prior meeting. The motion passed unanimously.

2. An In Depth Follow-up of Projections of Utah's Water Needs

Jim Behunin from the Office of the Legislative Auditor General presented on a follow-up audit to the initial water needs audit the Office of the Legislative Auditor performed. Mr. Behunin mentioned that numbers have started to come in since the implementation of data accuracy steps, and that the data reporting has improved.

Jim mentioned that regional conservation goals should be implemented. Jim also mentioned that they would recommend universal metering of water, referencing Weber Basin Water Conservancy District's water metering program.

Jim recommended reducing water provider reliance on property taxes to promote conservation-pricing structures, recommending that the Executive Water Finance Board study and provide a policy recommendation related to the use of water district property taxes, which does not financially encourage efficient use of water.

3. Board Discussion

The board discussed local reserve funds and the use of local capital project funds for water system repair and replacement projects. Phil asked what percentage of municipalities have local infrastructure repair and replacement reserve funds. Laura Briefer mentioned that in order to raise rates, there must be capital improvement plans in place.

Treasurer Damschen discussed discretionary water use with an effective water rate structure. Phil Dean echoed the treasurer and mentioned that institutional water users such as government entities do not pay the full cost of the water they use. The board also discussed tiered rate structures, and that the recent legislative change regarding mandatory tiered rate structures should be emphasized, with meaningful tiered rate structures.

Chairman Phil Dean asked Jim Behunin to recommend three action steps for the board's study plan. The recommended action steps were as follows:

- 1) Studying universal metering of culinary and secondary water
- 2) Promote local water infrastructure repair and replacement planning of local jurisdictions
- 3) Finding how to better understand and take advantage of unaccounted for water

Other Items/ Adjourn

The board discussed holding its next meeting in Washington County on March 23rd to discuss the Lake Powell Pipeline project.

Eric Millis moved to adjourn the meeting at 11 AM.