

MINUTES OF THE EXECUTIVE WATER FINANCE BOARD

Thursday, March 22, 2018

6:00 p.m.

Dixie High School, 350 E 700 S, St. George, UT 84770

Members Present:

Phil Dean, Chairman

Juliette Tennert

Jon Bronson

Laura Briefer

Evan Curtis

Eric Millis

David Damschen

Staff Present:

Miranda Jones, Finance Specialist

1. Call to Order

Chair Phil Dean called the meeting to order at roughly 6:05 P.M.

a. Introduction

Phil Dean gives an overview of the Executive Water Finance Board, introduces the board members, and discusses the State's role in the financing of the water project.

Eric Millis introduces Jon Fredell, program director of the Lake Powell Pipeline.

2. Report – Southern Utah's Comprehensive Water Plan

John Fredell presents on an overview of the Lake Powell Pipeline and the water situation in Southern Utah. John begins by referencing the water crisis in Cape Town South Africa and draws connections.

John's presentation mentions conservation benefits and costs, geographical reasoning for the presence of the pipeline, the need for source diversity, and future supply and demand of water.

John also mentions the three revenue sources that would be used to finance the pipeline, including impact fees, water rates, and property tax.

3. Public Comment

Phil Dean clarifies to the audience that the Executive Water Finance Board, and the public meeting is separate from the FERC process and that the meeting should solely focus on the financial and economic impact of the pipeline. He also reiterates the purpose of the board.

An individual from the community voices concern of the boards bias and what their role is. Treasurer Damschen mentions to the resident that he is solely here to look at the financing as is pursuant to the Lake Powell Pipeline. Laura Briefer echoes the sentiment of the Treasurer.

Richard Spotts, a resident who xeriscaped his yard states his opposition to the pipeline because of the exorbitant expense, and cites an economic study from University Economic Professors.

Michelle Peot from Ivins City mentions that the community lacks in conservation efforts compared to others. She raises concerns that the project can be executed on time and within budget, and the potential decrease in property values.

Howard Sierer voiced his concerns with projections of the conservation district. He mentions that Washington County should limit population growth to the amount of water they can afford. He also mentions that residents should be given the opportunity to vote on the pipeline.

Doni Pack mentioned that she is concerned with the affordability of increased water rates and property tax.

Mari Krashowitz from the Southern Utah Home Builders Association notes that she believes that 500-thousand population projection is reasonable and that the association is in favor of the pipeline to continue with growth. She also mentions that user rates should be increased, and that significant increases in impact rates could overburden the building industry.

Dean Cox, County Commissioner of Washington County mentions that there are 33,000 children in the Washington County School District and that there is not current water supply for those children and the increase in growth.

Bob Amoroso stated that Washington County has 1.2 families per acre-foot, with a national average over 2 families per acre foot, and some states with 3-4 per acre foot. He also mentioned an estimated cost of the pipeline to be \$3.2 billion.

Jon Pike, Mayor of St. George City, mentions that in terms of current usage it is difficult to compare Washington County to other states as it is not comparing apples to apples. He also notes that the county will surely develop and that the county needs to consider additional conservation and new water sources. He encourages the state to finance the project.

Joe Kros, a long-time resident of the county notes that the residents should have the opportunity to vote and that the cost should be known fully before it is signed onto.

Sheri Mandel mentions that the governor promised a vote to the three counties several years ago. She also voices concern with Lake Powell as it already supports other states with an allotment. She also mentions conservation.

Chris Hart, Mayor of Ivins, mentions that the districts mission is to provide water now, and in the future to the county. He mentions that the district provides significant study and consideration to these decisions. He also notes that there should be further conservation, but that ultimately there will be no additional growth in the county without this resource.

LaDel Laub, CEO and President of Dixie Power as well as the chairman of the Economic Development Council of Southern Utah supports the pipeline and references a power outage from a single source of power that was detrimental to the county in a year prior.

Ken Mandel mentioned concerns with impact fees.

Gill Almquist who used to be on the city council, notes that conservation will not fix everything but will help. He also mentions that Utah should claim its water right. He also would like better landscaping and conservation efforts.

Nicole Hancock who serves on the State Agricultural Conservation District Board in Zone 5, as well as the Washington County Chamber of Commerce. She commended the board for coming down to St. George and notes concerns that the county cannot be dependent upon a single water source.

Zachary Frankel, Director of the Utah's River Council mentioned that people should be more concerned with how expensive the water should be as opposed to should there be additional water at all. He notes that there is water waste from large institutions. He also expresses that he would like to know the true cost of the pipeline and notes the economic study from the University economics professors.

Julie Gillins from Washington County Water Conservancy District wanted to highlight the conservation efforts of the district by noting that they update the conservation plan every 5 years bringing stakeholders to the table. She also mentions re-use and graywater efforts.

Bob Routson mentioned concern with the population projection and recent water shortages in Santa Barbara. He is curious who is going to pay for the pipeline.

A realtor in the county noted that planners should growth should happen.

Another resident noted that they had not seen projections if there was slow or moderate growth and that Washington County is the fastest growing metropolitan area in the country. They also mentioned that they would like to be able to vote.

Marisa Thayn mentioned that there is not enough water for growth and that she is in support of the pipeline.

Nick Schon, a Conservation Director with the Rivers Council criticized the numbers behind water use and cited the 2015 water audit done by the Legislative Auditor General's Office. He also mentioned concerns with understating projections and over reporting deficits.

Martha Ham from Leeds, who is a mental health professional, mentioned concern of runaway growth and the impact it will have on quality of life and lifestyle.

Troy Belliston, who sits on Washington City council is an avid supporter of the pipeline and mentioned that the counties children's future is most important. He also notes that numbers may be inflated due to tourists. He also notes that growth cannot be limited and if it is coming, we need to plan for it. He also mentions that St. George has helped support Central Utah water in the past and that northern Utah should similarly support Southern Utah.

Bill Hickman, former state Senator noted to the board that the cost-benefit ratio is the most important factor. Bill also mentions that there should be an independent cost-estimate that is honest and accurate.

Zachary Renstrom, a County Commissioner, mentioned that young families might be very emotional and concerned about no water in the future.

Austin Anderson, a developer and builder error on caution of financing.

Barbara Funke mentioned that the decision should not already be made. She asks for clarification of numbers and asks that people and their opinions have validity.

Bob O’Roy noted that no growth as well as full growth is unrealistic but that no constraint on growth is unwise. He also questions what the operations and maintenance costs of the pipeline would be and suggest that they should be figured into the cost estimate of the pipeline.

David Mendenhall asks how this will effect individuals on a personal level. He is concerned with the additional monthly costs associated with building the pipeline.

Other Items/ Adjourn

Phil Dean thanks the public for their comments and mentions that cost need to continue to be vetted.

Phil also mentions that the Governor has 6 criteria or conditions before the construction on the pipeline can begin. The criteria include the following:

- 1) Better water data and reporting
- 2) New and meaningful water conservation targets
- 3) Independent validation of total cost and estimates
- 4) Increased emphasis on user fees
- 5) Public Engagement
- 6) Appropriate Financing and Repayment terms

Phil concludes and mentions that there will be an additional meeting on Friday, March 23 at Washington County Water Conservancy District to dig into the details of the evening’s discussion.

The board moved to adjourn the meeting.