



## State of Utah

GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

## Department of Environmental Quality

Alan Matheson  
*Executive Director*

DIVISION OF DRINKING WATER  
Marie E. Owens, P.E.  
*Director*

**Drinking Water Board**  
Paul Hansen, P.E., *Chair*  
Betty Naylor, *Vice-Chair*  
Brett Chynoweth  
Tage Flint  
Roger G. Fridal  
Alan Matheson  
David L. Sakrison  
David Stevens, Ph.D.  
Mark Stevens, M.D.  
Marie E. Owens, P.E.  
*Executive Secretary*

### DRINKING WATER BOARD MEETING March 2, 2017 – 2:00 pm The Dixie Convention Center - Garden Room 1835 Convention Center Drive St. George, Utah 84790

#### FINAL MINUTES

#### 1. Call to Order – Chairman Hansen

Paul Hansen Board chairman called the meeting to order at 2:00 pm, and expressed his appreciation to the Rural Water Association of Utah (RWAU) for allowing the Board to be part of their Annual Conference.

#### 2. Roll Call

Board Members present: Paul Hansen, Betty Naylor, Brett Chynoweth, Tage Flint, Roger Fridal, Brad Johnson, and David Sakrison.

Board Members excused: David Stevens and Mark Stevens.

Division Staff present: Marie Owens, Michael Grange, Rich Peterson, Patti Fauver, Tammy North, Sandy Pett, Lisa Nelson, Heather Bobb, and Marianne Booth.

#### 3. Approval of the Minutes:

##### A. January 13, 2017

Betty Naylor noted that she had notified Marianne Booth that the following typographical errors needed to be fixed on the January 13, 2017 minutes:

- Page 5, Water Infrastructure Finance and Innovation Act (WIFIA), line 5:  
'... funding can only ~~by~~ be 80% of the total project...'
- Brett Chynoweth moved to approve the minutes as amended. Roger Fridal seconded. The motion was carried unanimously by the Board.

#### **4. Financial Assistance Committee Report**

##### **A. Status Report – Michael Grange**

Michael Grange, Construction Assistance Section Manager with the Division of Drinking Water (DDW, the Division) reported that as of January 31, 2017 there is \$5,748,000 in the State SRF fund and over the course of the next year the Division is expecting \$4.6 million to come into the fund for a total of approximately \$10,414,000 for project allocation. Michael also noted that the State hardship fund is currently -\$219,176.

Michael then reported that currently there is \$25,908,000 in the Federal SRF fund and over the course of the next year the Division is expecting \$18,300,000 to come into the fund for a total of \$44,280,000 for project allocation. Michael noted that the Federal Hardship fund is currently -\$101,000.

In response to questions from the Board, Michael informed them that Cedarpoint Big Plains and Central Iron County Water Conservancy District's projects both have their aquifer and siting studies completed and Division Staff is waiting for final reports to come in. He also noted that West Erda Improvement District has finalized its project, received the necessary public support, is now in the design phase, and should close in April or May.

##### **B. Project Priority List – Michael Grange**

Michael Grange proposed that the following projects be added to the project priority list:

- Rocky Ridge Town, with 35.6 points, and a project consisting of a new well, chlorination facility, SCADA system, and a new transmission line.
- Torrey Town, with 24.8 points, and a project consisting of a new water line and replacement water line.
- Cove SSD, with 12.5 points, and a project consisting of a new well, a new 300,000 gallon tank, and water lines.

The Financial Assistance Committee (FAC) recommends that the Board approve the updated project priority list.

- Paul Hansen moved to approve the updated project priority list. David Sakrison seconded. The motion was carried unanimously by the Board.

##### **C. SRF Applications**

###### **i. STATE:**

###### **a) Tropic Town – Rich Peterson**

Brett Chynoweth declared a conflict of interest as he is employed by Tropic Town. He removed himself from the dais and sat in the audience during this portion of the meeting.

Representing Tropic Town was Marv Wilson and Joe Phillips of Sunrise Engineering.

Rich Peterson, Environmental Engineer with the Division, informed the Board that the Town of Tropic (Tropic) is requesting \$70,000 in financial assistance for a new master plan, GIS mapping, and water rights study. He also informed the Board that Tropic is also going to be doing a new reservoir siting study in conjunction with the irrigation company, which would be paid for, in part, by a \$70,000 grant from Water Resources which they have already received, contingent upon the Board's approval for assistance today. The local MAGI for Tropic is \$44,072, which is 102% of the State MAGI, and the estimated water bill is \$22.92, which is 0.62% of the local MAGI, therefore they do not qualify for additional subsidization. The FAC recommends that the Board authorize a \$70,000 planning loan at 0% for 5 years to Tropic Town.

There was discussion between the Board, Division Staff, and those representing Tropic regarding the current and previous reservoir siting, coordination with the irrigation company, the grant from Water Resources, and that the current water bill is already more than the estimated after project water bill. There was also discussion regarding the site, size, and private or recreational use of the reservoir.

- Tage Flint moved to authorize a \$70,000 planning loan at 0% interest for 5 years to Tropic Town. David Sakrison seconded. The motion was carried unanimously by the Board.

After the motion was passed Brett Chynoweth rejoined the other Board members on the dais.

## **ii. FEDERAL:**

### **a) Rocky Ridge – Rich Peterson**

Representing Rocky Ridge was Casey Reynolds, Assistant Manager, Jeremy Allred, water operator, Terry Albrecht, water operator, and Eric Franson of Franson Civil Engineers.

Rich Peterson informed the Board that Rocky Ridge is requesting \$1,011,000 in financial assistance for a new well and transmission line. The local MAGI for Rocky Ridge is \$31,326, which is 73% of the State MAGI, and the estimated water bill is \$84.99, which is 3.26% of the local MAGI, therefore they do qualify for additional subsidization. The FAC recommends that the Board authorize \$1,011,000 in financial assistance at 2.49% interest or fee per annum for 30 years with \$405,000 in principal forgiveness to Rocky Ridge.

It was noted that in the packet the interest rate was incorrectly listed as 2.0% on one page, but the calculations were all completed using 2.49%.

- Brett Chynoweth moved to authorize \$1,011,000 in financial assistance at 2.49% interest or fee per annum for 30 years with \$405,000 in principal forgiveness to Rocky Ridge. Roger Fridal seconded. The motion was carried unanimously by the Board.

### **b) Torrey Town – Lisa Nelson**

Representing Torrey Town (Torrey) was Doug Robinson, Town Council Member, Dustin Oyler, water operator, and Kelly Crane of Ensign Engineering.

Lisa Nelson, Environmental Engineer with the Division, informed the Board that Torrey originally was requesting \$1.7 million to fund upgrades and repairs to their spring transmission line, install pipe within the town to loop the system, and to replace their gas chlorinator with a tablet feeder chlorinator, however earlier today they met with Lisa and would like to revise their request to add an additional \$152,000 in order to consolidate prior funding from the Board. Lisa noted that as Torrey had contacted her earlier in the day, she had been able to rerun the calculations. Lisa also noted that Torrey is contributing \$15,000 and they intend to request an additional \$510,000 from the Community Impact Board (CIB) for funding of this project. Based on the original request, the local MAGI for Torrey Town is \$28,029, which is 65% of the State MAGI, and the estimated water bill is \$35, which is 1.5% of the local MAGI, therefore they do qualify for additional subsidization. Lisa noted that the additional amount requested had no real impact on these numbers and based on the new calculations; Division Staff recommends that the Board authorize \$1.852 million in financial assistance at 0.75% interest or fee per annum for 30 years to Torrey Town.

There was discussion between the Board, Division Staff, and those representing Torrey regarding the influx of tourism in the town, current source water location and capture, the scope of the project to include exploration of an additional source, and water rights.

- Paul Hansen moved to authorize \$1,852,000 in financial assistance at 0.75% interest or fee per annum for 30 years to Torrey Town. Tage Flint seconded. The motion was carried unanimously by the Board.

#### **c) Cove SSD – Lisa Nelson**

Representing Cove SSD (Cove) was Randell Obray, President of Cove SSD, Morgan White, Board member and water operator, and Kelly Crane of Ensign Engineering.

Lisa Nelson informed the Board that Cove is requesting \$1,085,000 in financial assistance to upgrade and repair their existing well, construct a 300,000 gallon tank, and install 1,000 feet of transmission line and 16,000 feet of distribution line. She also noted that Cove is contributing \$16,000 and plans to request a \$510,000 grant from CIB for additional funding for this project. The local MAGI for Cove is \$30,606, which is 71% of the State MAGI, and the estimated water bill is \$17, which is 0.67% of the local MAGI, therefore they do qualify for additional subsidization. The FAC recommends the Board authorize \$1,085,000 in financial assistance at 0% interest for 30 years with \$485,000 in principal forgiveness to Cove SSD.

There was discussion between the Board, Division Staff, and those representing Cove regarding the increase in their water bill and pipe sizing.

- Roger Fridal moved to authorize \$1,085,000 in financial assistance at 0% interest for 30 years to Cove SSD with \$485,000 in principal forgiveness. David Sakrison seconded. The motion was carried unanimously by the Board.

**iii. Other:**

**a) Hanksville – Michael Grange**

As an informational item, Michael Grange reminded the Board that Hanksville was authorized funding in 2016, however due to issues with their tank and well, they have contacted the Division to begin a request for additional funding. Michael informed the Board that depending on the timing it could be as soon as the end of March, beginning of April, and asked if the Board would be amenable to an emergency teleconference. The Board agreed to hold a teleconference at a future date.

**Cedarview Montwell**

As an informational item, and in response to questions from the Board, Michael Grange informed them that after being tabled at the last Board meeting, Cedarview Montwell is still reworking their request.

**Intended Use Plan (IUP)**

Michael Grange reported on the completed 2017 Intended Use Plan which outlines exactly how the Division plans to use the capitalization grant funding from EPA. Michael expressed his appreciation of Sandy Pett and her work on the IUP.

**5. Revised Total Coliform Rule – First Year Report – Patti Fauver & Colt Smith**

Patti Fauver, Environmental Program Manager with the Division, reported on the first year results of the Revised Total Coliform Rule (RTCR) implementation. She gave them background on the changes and the differences between level 1 and level 2 assessments for water systems.

She then reported that since implementation there have been:

- 102 level 1 assessments, with 62% of those being on systems that had previously only monitored quarterly
- 40 level 2 assessments, with 70% of those being on systems that had previously only monitored quarterly
- 283 seasonal startup reports were submitted electronically

Patti then informed the Board that due to the increase, the RTCR manager is putting together a level 2 assessment manual for Division Staff and local health department staff to utilize. She also reported that in response to 43% of systems reporting that they use bleach for internal disinfection, Division Staff is working on additional training in that area.

**6. Authorization – Adoption of Rule Amendment**

**A. R309-535-5, Misc. Treatment Methods: Fluoridation – Tammy North**

Tammy North, Environmental Engineer with the Division, explained that in August 2016 Division Staff was authorized to begin the rulemaking process on R309-535-5. Since that time it went through a public comment period, had substantial changes made in response to

comments, came back before the Board in November and was authorized and sent out for a second public comment period. During the second public comment period no comments were received. Division staff recommends that the Board adopt the change in proposed rule for R309-535-5 and authorize them to make the rule change effective on or after March 7, 2017.

There was discussion between the Board and Tammy with regards to this rule only affecting those water systems that choose to fluoridate their water supply.

- Tage Flint moved to authorize Division Staff to adopt the change in proposed rule for R309-535-5 and authorize them to make the rule change effective on or after March 7, 2017. Betty Naylor seconded. The motion was carried unanimously by the Board.

## **7. DDW After-the-Fact Review Policy Update – Tammy North**

As an informational item, Tammy North reported that the DDW After-the-Fact Review Policy for internal use by staff was completed. In response to questions from the last meeting, she informed the Board that the rule regarding deficiency points state from 50 to 200, so the number of points would depend on the severity of the violation.

## **8. Rural Water Association Report – Dale Pierson**

Dale Pierson, Executive Director of the Rural Water Association of Utah, expressed his appreciation to the Board for their participation in the RWAU Annual Conference. He also noted that Dr. Peter Gravatt, Administrator of the EPA Office of Groundwater was in attendance all week. He then reported that there were approximately 2,000 attendees this year.

Dale went on to report that the Town of Randolph won for best tasting water in Utah and that Marie Owens took part in the taste testing.

Dale then reported that with the Board grant for energy efficient equipment, RWAU purchased a digital water leak detector and a video camera to view water lines, has assisted several cities and towns throughout the State, and has plans to assist several more. He also reported that there is still a small amount of the grant left and there has been discussion to use it to purchase a drone, which would assist with hard to reach water line assessments easements.

## **9. Directors Report**

### **A. “Lowest IPS Points of 2016” Water Systems**

Marie Owens, Division Director of DDW, reported that with regards to IPS points, the Division gives points for various reasons, including but not limited to, monitoring violations, NCL violations, and the like. However she also noted that as they fix those things those points are removed, and that in addition to that there are a handful of items where they can get various credits. Marie then announced that the water system with the lowest amount of IPS points in the State this year is Riverton City with -33 and presented the representatives with an award and thanked them for their outstanding work.

After pictures were taken, Marie rejoined the dais, and informed the Board that there were around 480 other water systems in the State who had -30 points and the Division would be sending them thank you letters.

## **B. DDW Staff involvement at the RWAU Conference**

Marie noted that there were 25 Division staff members in attendance at the RWAU Annual Conference, some for the entire conference and others just for 1 day. She then reported to the Board that their activities included:

- 100 meetings with water agencies
- 60 individual meetings regarding RTCR
- 140 individual CCR assistance meetings
- Several DBP assistance meetings
- 122 master report meetings
- Several Source Capacity assistance meetings
- Water operator classes and exams
- Conference presentations

She also informed the Board that Dale Pierson and the RWAU Staff had provided Division staff with consultation rooms and internet service to be able to update and print reports online.

## **C. The First Six Weeks in Office**

Marie explained that on her 2<sup>nd</sup> day as Division Director she began reporting to Legislature on funding appropriations and that the Division's base budget was passed, however the additional request for the water use study was denied, therefore the Division has reached out and is requesting that water systems voluntarily supply that data in order to respond to the Legislative audit and ensure the protection of public health.

Marie moved on to report that in response to recent flooding she and Division staff had reached out to water systems that were impacted already and those that could potentially be impacted as the season proceeds.

Marie then informed the Board that in Fielding there is a trailer park with its own system and that the Division has, after finding high levels of arsenic and nitrate, issued a "do not use" order.

Marie stated that she plans to meet with the local health departments to renegotiate and redefine contracts and strengthen the Divisions partnership with them.

Marie also reported that the Division will continue to work with other agencies on harmful algal bloom guidance.

Lastly, Marie informed the Board that the Division is the first in the Nation to go live with Compliance Monitoring Data Portal (CMDP), which is software, that EPA has been developing which will allow water systems to provide their compliance data electronically and will allow the State to be more efficient in dealing with compliance and technical assistance.

**10. Other**

**11. Next Board Meeting:**

Paul Hansen noted that the time listed for the next Board meeting was 2:00 pm when it is normally 1:00 pm and with approval from the other Board members requested it be changed.

Date: Friday, May 12, 2017  
Time: 1:00 pm  
Place: Multi Agency State Office Building  
Board Room  
195 North 1950 West  
Salt Lake City, Utah 84116

**12. Adjourn**

- Paul Hansen moved to adjourn the meeting. The motion was carried unanimously by the Board.

**The meeting adjourned at 3:34 pm.**