



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of Environmental Quality

Kimberly D. Shelley
Executive Director

DIVISION OF DRINKING WATER
Nathan Lunstad, Ph.D., P.E.
Director

Drinking Water Board
Justin Maughan, Chair
Blake Tullis, Ph.D., Vice-Chair
Dawn Ramsey
Kristi Bell
Corinna Harris
Shazelle Terry
Eric Franson, P.E.
Phil Bondurant, Dr.PH, LEHS
Tim Davis
Nathan Lunstad, Ph.D.
Executive Secretary

DRINKING WATER BOARD MEETING

August 27, 2025, 9:00 AM

Via Zoom Webinar & In Person:
Davis Conference Center

1651 N 700 W
Layton, UT 84041

Nathan Lunstad Cell # 385-239-5974

MINUTES - DRAFT

1. Call to Order

Kristi Bell, Retiring Chair, called the Drinking Water Board (Board, DWB) meeting to order at 9:05 am and passed on her Chair responsibilities to Justin Maughan, Current Chair.

2. Roll Call – Nathan Lunstad

Board Members present at Roll Call: Kristi Bell, Eric Franson, Blake Tullis, Justin Maughan, Corinna Harris, Phil Bondurant, Shazelle Terry, and Tim Davis.

Division of Drinking Water (DDW, Division) Staff Present: Nathan Lunstad, Jessica Fitzgerald, Steph Alpizar, Chris Ledding, Rebecca Springer, Aaron Holloway, Dani Zebelean, Mimi Ujiie, Heather Pattee, Andrea Thurlow, Russell Seeley, Kcris Hunter, Michelle Deras, Kjori Shelley, Michael Grange, Ivan Gaichuk, and Allyson Spevak.

Other Attendees: Dale Pierson, Shannon Rasmussen, Blaine Warrell, Kelly Wilson, Derek Imlay, Dean Larsen, Joe Santos, Troy Horman, Grady Kohler, Dalton Bradshaw, Tom Ward, Chris Bullock, Kay Randall, Craig Giles, Janet Ross, Joe, Bill Scoffield, Parker Vercimak, Kelly Crozier, Jeffrey McCarty, Raleen Gines, Vincent Pao-Borjigin, Justin Atkinson, TJ Bates, Bob Young, Derek Anderson, and Grady Kohler.

3. Approval of Meeting Minutes

February 27, 2025

- Kristi Bell moved to approve the Drinking Water Board meeting minutes from June 10, 2025. Corinna Harris seconded. The motion was carried unanimously by the Board.

4. Disclosure for Conflict of Interest

Phil Bondurant conflict of interest with the XX request.

5. Directors Report – Nathan Lunstad

- A. Enforcement Report (Board Packet Item Only)

The Enforcement Report can be found in the Drinking Water Board Packet

- B. New Employees: Ivan Gaichuk and Chris Ledding

Ivan is joining the Drinking Water Source Protection Team and Chris is joining the team as the Division's new Financial Manager.

- C. Other

Nathan Lunstad briefed the Board on several Division updates.

Board Members

Nathan thanked Kristi Bell, Eric Franson, and Mayor Dawn Ramsey for their service on the board as their terms come to an end. The Division's nominees for new Drinking Water Board members are moving on to the next step in the process and will hopefully be sworn members by the next board meeting. Nathan thanked Justin Maughan and Blake Tullis for stepping in to replace Kristi Bell and Eric Franson as Chair and Co-Chair respectively.

Senate Bill 80

Nathan provided an update on the bill's impact on the Division's budget in response to federal funding cuts. Public forums were held in-person and virtually on August 18 and 21. There will be an official public forum on September 11, 2025. Nathan clarified that Senate Bill 80's fee authority is to cover personnel costs and are separate from the Unified Water Infrastructure Plan.

Justin Maughan asked how the Division has been involved with the Unified Water Infrastructure Plan. Nathan stated that he, Michael Grange, and Russell Seeley have been involved in some discussions.

Rule Updates

The Division is working on several rule updates. These updates are currently in the internal phases but the Division will involve stakeholders for input soon.

6. Rural Water Association Report – Dale Pierson

Dale Pierson, Executive Director for the Rural Water Association of Utah (RWAU), gave a brief overview of the items RWAU has been working on. Dale congratulated Justin on his new position

as DWB Chair. He also thanked Kristi Bell and Eric Franson for their time as Chair and Co-Chair respectively. Dale thanked the DWB for their continued attendance at the RWAU conferences. He mentioned the Unified Water Infrastructure Plan and the next steps that will be involved in passing it. Dale mentioned the updates provided in the board packet by the Developmental Specialist, Management Technician, and Appliance Specialist. As Terry and Janelle are retiring, RWAU is working on getting their positions filled.

7. Rule 309-305 Proposed Changes - Chris Bowles

Chris Bowles, Cross Connection Control Program Manager with DDW, discussed that they are seeking approval to move forward with the proposed changes to Rule 309-305. He explained that the rule covers both Cross Connection Certifications: Cross Connection Administrators and Backflow Assembly Testers. The proposed change aligns the rule with current practices and national standards in accordance with OAR formatting. He stated that the proposed changes will not affect public water systems or current certifications.

Kristi Bell asked if there is a secretary and what their role is. Chris explained that the secretary's role would be absorbed by the Cross Connection Control Program Manager title.

Justin Maughan asked for clarification on whether the rule has been changed already or if this is the start of the process. Chris clarified that they are seeking permission from the board to file with OAR to make these proposed changes. Nathan supported this clarification. Justin asked for clarification on whether the Board will have another opportunity to review the proposed changes before filing. Nathan stated that this would be the only opportunity to review the proposed changes.

- Blake Tullis moved to approve the proposed changes to Rule 309-305. Kristi Bell seconded. The motion was carried unanimously by the Board.

8. Financial Assistance Committee Report

A. Status Report – Michael Grange

Michael Grange, State Revolving Fund Program member, DDW Engineering Manager, provided an overview of the Status Report included in the packet. This report covers various financial aspects such as Federal SRF, ARPA, Authorized Projects, Lead Service Line, Emerging Contaminants, and State SRF.

Grange highlighted the current SRF availability, about \$4.6 million of approximately \$73 million in federal grants has been granted so far.

The State SRF availability is at about -\$5.3 million.

Nathan mentioned that Chris Ledding, having extensive experience with cashflow reports, will be able to provide more insight and improvements to help the Board understand the reports better in the coming meetings.

B. Cashflow – Michael Grange

Michael Grange explained that there is an expected cash outlay of approximately \$40 million in FY2026, so the board has about \$33 million to authorize moving forward.

C. Project Priority List – Michael Grange

Michael Grange reported there were two (2) new projects being added to the Project Priority list:

1. Manderfield Town scored 24.2 points. Their project is to replace failing service lines in meters.
2. La Verkin City scored 15 points. Their project is to replace several galvanized service lines as well as lead service lines and meters and mains.

The Financial Assistance Committee recommends the Drinking Water Board approve the updated Project Priority List.

- Kristi Bell moved that the Board approve the updated Project Priority List. Blake Tullis seconded. The motion was carried unanimously by the Board.

Tim Davis, Executive Director of the Department of Environmental Quality, addressed the Board. He expressed his excitement with returning to the Department of Environmental Quality. He discussed what he's been focusing on since being back with the department such as updates to the Department's mission statement and working to support each of the divisions. Tim Davis mentioned four priority areas the Department will be working to improve moving forward; creating a culture of problem solving, building relationships, protecting and improving Utah's air, land, and water, and increasing departmental efficiency.

D. SRF Applications

i. State

a. Neola Water & Sewer - Allyson Spevak

Representing Neola Water & Sewer; Kelly Crozier Board Chair, Jeffrey McCarty Consulting Engineer, and Raleen Gines District Clerk.

Allyson Spevak presented the Neola Water & Sewer's financial assistance request. Project details can be found in the Drinking Water Board Packet.

Board Discussion

Raleen Gines expressed that this is an emergency and is asking the Board for a 70-30 split on the loan as they need to stay under \$20,000 of spending per year.

Kristi Bell asked what the reasoning was behind choosing option 3. Gines expressed that they have not met with the Community Impact Board yet and don't know what terms they would offer.

Blake Tullis asked if the difference in amounts for options 3 and 5 significantly impact their ability to pay back the loan or not. Gines responded that it does impact their ability to pay back the

loan. He mentioned that the water bill has been increasing by \$10 every month to be able to pay back the loan. Kelly Crozier elaborated that the yearly difference in repayment cost would be over \$7,000 which is substantial for their community.

Justin Maughan and Blake Tullis suggested they return at the next Board meeting when they've met with the Community Impact Board. Justin mentioned that in the FAC meeting, it was assumed that it was already partially funded by the Community Impact Board. Nathan stated when the next Board meeting is to take place.

- Kristi Bell moved that the Board table Neola Water & Sewer's application until the next board meeting. Corinna Harris seconded. The motion was carried unanimously by the Board.

b. Eastland Special Service District - Michael Grange

Representing Eastland Special Service District was Janet Ross Board Chair and Kay Randall Treasurer.

Michael Grange presented the Eastland Special Service District's financial assistance request. Project details can be found in the Drinking Water Board Packet.

- Kristi Bell moved that the Board authorize a construction grant of \$8,000 to Eastland SSD to update its well house electrical system to accept an emergency backup generator. Corinna Harris seconded. The motion was carried unanimously by the Board.

ii. Federal

a. La Verkin City Water System - Andrea Thurlow

Representing La Verkin City Water System was Mayor Kelly Wilson, Derek Imlay Public Works Director of Operations, and Blaine Warrell Sunrise Engineering Consultant.

Andrea Thurlow presented the La Verkin City Water System's financial assistance request. Project details can be found in the Drinking Water Board Packet. Andrea mentioned that the packet item has a typo. The correct information can be seen below in the board vote.

Board Discussion

Mayor Wilson explained that they tested for lead and copper and as a result it was their understanding that they would receive 100% of the grant money to replace the galvanized service lines.

Kristi Bell asked Andrea to repeat the loan amount. Andrea clarified the amounts being requested. Blake Tullis asked Mayor Wilson to repeat his comments. Mayor Wilson explained that they received grant money to identify the lead and copper in their community and they were under the impression that they would then receive grant money to repair the lines that are feeding the affected communities. The current lines were placed by UDOT and are 18 feet underground, posing a great challenge for their community budget. Fixing one leak typically costs the entirety

of their annual budget. If it is a 50% loan instead of a full grant, it will result in a \$71,000 annual repayment each year, which they did not budget for. Justin asked if the water bill in the packet is before or after the loan repayment. Andrea clarified that they are already charging enough to repay the loan, and it would go down if this request is approved. Michael Grange clarified that their current water bill is enough to repay existing loans and this proposed financial assistance back.

Justin Maughan suggested that it would be helpful to know what their other projects are in the FAC meetings in the future and suggested tabling this until the next Board meeting. Mayor Wilson stated that their other projects cost about \$4.5 million and their current water bill rates reflect the repayment costs for those projects. Justin asked if those other projects are already funded. Mayor Wilson and Blaine Warrell clarified that their current water bill rate allows the water system to pay for their other projects without having to go into any debt. Justin asked for clarification that a part of the projects is already being covered and the rest is being asked for by the Board. Warrell confirmed that this is correct.

Justin Maughan asked Michael Grange for insight as to if the Board were to approve this application today, could the Board revisit the terms and change them in the future. Grange mentioned that with this authorization today, any amount that they are approved of, then comes into consideration for any future applications as a separate application. Mayor Wilson proposed changing the application to 70% grant and 30% loan for 25 years at 0% would result in a \$26,000 annual payment, which they could manage while also working on other projects. Wilson mentioned that their current rates should provide them the funding to repay all of the projects they need to complete. Justin suggests tabling the application until more information is gathered.

Corinna Harris asked if they researched other sources of funding. Blaine Warrell stated that they were advised to ask the Board for funding first before searching for other funding. Justin Maughan suggested approving a 50/50 split or tabling the application until the next Board meeting. He also advised that asking for multiple loans over time might not be to the benefit of the water system. Nathan Lunstad mentioned that with the uncertainty of federal funding, they should take the available funding now and consider other projects at a future date.

Mayor Wilson asked if they agree to the 50/50 split, would they have time to ask their council for approval before being locked into the agreement. Michael Grange stated that if the water system's council did not approve the agreement with the board, the water system could return at a future board meeting and ask the board to deauthorize this package and try to find a compromise that the council would approve via a new application packet.

- Blake Tullis moved that the Board authorize a construction loan of \$2,228,000 with \$1,114,000 in principal forgiveness to La Verkin City Water System, for a repayable loan amount of \$1,114,000 at 2.5% Hardship Grant Assessment fee for 20 years. Corinna Harris seconded. The motion was carried unanimously by the Board.

b. Manderfield Town - Michael Grange

Representing Manderfield Town was Dalton Bradshaw, Operator and Parker Vercimak, Consulting Engineer.

Michael Grange presented Manderfield Town's financial assistant request. Project details can be found in the Drinking Water Board Packet. Michael Grange advised the Board that the table in the packet item has some errors.

Board Discussion

Dalton Bradshaw explained that they are revisiting an application that they had put forward last year with the intention of focusing on immediate needs such as replacing service lines, including backflow, and meters. Parker Vercimak mentioned that while the packet item is titled, "Manderfield Town," the recipient of the loan would be "Manderfield Culinary Water Company," as Manderfield Town is not an existing entity.

Kristi Bell asked if the residents are aware of the \$20 jump on their water bill. Bradshaw stated that the residents are aware that they are working on upgrades and ask the board to have the opportunity to be sure everyone in the community agrees with the terms of the loan. Vercimak stated that the community is in need of getting on a more modern set-up so they can bill monthly instead of in good weather only and that the backflow prevention devices are also important.

- Kristi Bell moved that the Board authorize a construction loan of \$99,500 at 0% interest for 30 years with \$29,500 in principal forgiveness, for a repayable loan amount of \$70,000 to Manderfield Town. Conditions include that they resolve all points on their IPS report. Blake Tullis seconded. The motion was carried unanimously by the Board.

c. Summit County Service Area 3: Extension - Allyson Spevak

Representing Summit County Service Area 3: Extension was Vincent Pao-Borjigin, Operations Manager, Chris Bullock, and Joe Santos, Engineering Consultant.

Allyson Spevak presented the Summit County Service Area 3: Extension financial assistant request. Project details can be found in the Drinking Water Board Packet.

Board Discussion

None.

- Kristi Bell moved that the Board authorize a one-year extension to Summit County Service Area #3. Blake Tullis seconded. The motion was carried unanimously by the Board. With an abstention by Philip Bondurant due to a conflict of interest.

d. Cannonville Town: Additional Funds - Michael Grange

Representing Cannonville Town: Additional Funds was Bill Scoffield, Mayor and Justin Atkinson, Consulting Engineer.

Michael Grange presented the Cannonville Town: Additional Funds financial assistance request. Project details can be found in the Drinking Water Board Packet.

Board Discussion

Bill Scoffield, Mayor of Cannonville, explains that the funding for construction would allow them to automate their system. Kristi Bell asks if they are in the process of hiring a new Cross Connection person or if the IPS points are being worked on. Mayor Scoffield stated he is not aware of any IPS points related to Cross Connection that need to be resolved. Justin Atkinson, consulting engineer, stated that he is also not aware of any IPS points that need to be resolved. Grange suggested that staff will connect with Cannonville to be sure any IPS points are resolved.

- Kristi Bell moved that the Board authorize a construction grant of up to \$50,000 to Cannonville Town with the condition that Cannonville resolves their IPS points. Phil Bondurant seconded. The motion was carried unanimously by the Board.

e. Wanship Mutual Water Company: Additional Funds - Kjori Shelley

Representing Wanship Mutual Water Company was Bob Young, President, Derek Anderson, Consulting Engineer, Grady Kohler, Troy Horman, and TJ Bates, Board of Directors for Wanship Mutual Water Company.

Kjori Shelley presented the Wanship Mutual Water Company financial assistance request. Project details can be found in the Drinking Water Board Packet.

Board Discussion

TJ Bates explained that as the system is 70 years old, there are a lot of replacements and maintenance needed. The current system does not allow for new connections to be added. The current capacity does not allow for additional fire safety requirements to be met if the community were to grow. The Wanship Cottages have had a 700% increase in water rates due to their need to update their systems. This grant would allow them to be more financially independent. Bates clarified that the Wanship community has a lower average income compared to Park City and their income survey for the CBDG did not qualify them for a grant at this time. They plan to do another survey in the future to reapply. He expressed that adding Wanship to their system would increase the financial burden on their community if they were to update the system without additional funding but would decrease the amount of small independent water systems. Bates elaborated that bringing the Wanship Cottages onto their water system would bring their total users to over 100 and would allow them to implement impact fees.

Blake Tullis asked for clarification on whether they were one person short of qualifying for the CBDG grant. Bates clarified that at the time of their income survey, they did not have enough people to qualify. Tullis asked for clarification on whether adding Wanship Cottages to their water system would qualify them for the CBDG grant or not. Bates explained that at this point they would not be able to get a new income survey in time for this round but plan to apply for the CBDG grant again in the future.

Tullis asked if the replacements are to make them compatible with their system or because they need to be updated. Derek Anderson responded that the replacements are needed because they are out of date. Bates elaborated that their current distribution lines are 4 inches and they have no fire

suppression abilities or meters on their lines. Tullis asked what the increase to the water bill would be. Bates stated that it is \$87 per month and would double without the additional funds.

Justin Maughan asked for Nathan Lunstad and Michael Grange's input on whether this application should be tabled when Wanship Mutual Water Company has more information. Grange explained that DDW staff could evaluate the results of the CBDG income survey and could re-evaluate for the October or November DWB Meetings. Bates explained that they've been working on this project for five years and this spring they became aware of the Wanship Cottages situation. They would prefer to not postpone so they can complete the project. Bates is not aware if CBDG could provide the income survey results and it would take months to complete another survey. Tullis stated that the Board can only make a decision based on the information that they have and the current information does not allow them to make adjustments. Bates asked if they're able to agree upon something at this time and present a new application in the future if any adjustments are needed. Nathan Lunstad expressed that it is in the interest of the Division to help water systems consolidate. Justin Maughan asked for confirmation that Wanship Mutual Water Company will implement impact fees as soon as they're able to.

Philip Bondurant asked for clarification on why this was reviewed by staff but not the Financial Review Committee. Grange explained that typically for additional funds requests, they do not present to the Financial Review Committee.

- Blake Tullis moved that the Board authorize an additional \$2,358,310 to the previous authorized construction loan for a new loan total of \$6,165,000 with \$1,850,000 in principal forgiveness to Wanship Mutual Water Company, for a repayable loan amount of \$4,315,000 at 0% interest for 40 years. Additionally, the previously authorized advance of \$335,000 from principal forgiveness, for planning and engineering design, remains unchanged. Conditions include that they resolve all points on their IPS reports. Corinna Harris seconded. The motion was carried unanimously by the Board. With an abstention by Philip Bondurant due to a conflict of interest.

9. Public Comment Period

None.

10. Open Board Discussion

11. Other

12. Next Board Meeting

Date: October 1, 2025
Time: 1:00 - 4:00pm
Place: Uintah Conference Center, Paradise Room

1651 N 700 W,
Layton, UT 84041

13. Adjourn

- Philip Bondurant moved to adjourn the meeting. Kristi Bell seconded. The motion was carried unanimously by the Board.

The Meeting adjourned at 11:15am