Cedar Valley Water Conservancy
Board Meeting Minutes
June 18, 2026

CEDAR VALLEY
WATER CONSERVANCY

Board Members
David Harris - Virtual
Paul Nelson
Steve Nelson
Andrew McCrea
Tyler Allred

Conservancy Staff
Paul Monroe-General Manager
Mandi Williams- Administration
Tracy Feltner-Conservancy Operator
Curtis Nielson-Conservancy Engineer
Justin Wayment-Conservancy Attorney
Jeff McKee – Conservancy Operator
Tyler Glover – Conservancy Operator
Christy Tullis-Office Manager
Holden Miller-Conservancy Operator
Kimberlee Trower – Public Outreach

Others in Attendance
Clint Rogers – Stantec
Paul Sherratt

CALL TO ORDER: ▪Board Member S. Nelson called the meeting to order at 6:31 PM. Mandi Williams led the Pledge of Allegiance. Steve Nelson offered the invocation.

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: ▪None.

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD May 28, 2026:

Board Member McCrea moved to approve the minutes from the Board Meeting held May 28, 2026. Second by Board Member P. Nelson. Motion Unanimous at 6:33 PM. (6:09)

PUBLIC COMMENT: ▪ None

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS May 23, 2026 THROUGH June 12, 2026: ▪Williams- reviewed the Payment Approval Report and noted two highlighted items. The first was the payment to the Bureau of Land Management, which had been approved by the Board at the previous meeting and was paid shortly thereafter. The second was a $500,000 contribution to Cedar City Corporation related to the ARPA grant project. She explained that the funds were required to be paid to Cedar City first and would be reimbursed to the Conservancy by the State once the grant reimbursement process is completed.

No additional discussion was needed, as the remaining payments were routine operating expenses. Board members had no questions regarding the report.

Board Member Allred moved to approve the payment of bills from May 23, 2026 through June 12, 2026. Second by Board Member McCrea. Motion Unanimous at 6:34 PM. (7:39)

Williams went over the Credits & Debits.

Justin Wayment arrived at 6:37 PM

REVIEW 2026 FINANCIALS: ▪ Monroe – reviewed the budget report and noted that the increase in Other Revenue was primarily due to additional sponsorships secured for the Water Festival. He reminded the Board that the Conservancy is approximately 50% through the fiscal year, making the percentage columns a useful indicator of budget performance. A few line items are nearing 80% of budgeted expenditures, but these have been discussed previously and are expected to be fully expended by year-end.

He also noted the $500,000 payment to Cedar City for the reuse effluent project, which will be reimbursed to the Conservancy through grant funding. In addition, he discussed the amortized cost of the Eagle Valley replacement well, an unplanned expense that arose after the budget was adopted. He reported that the new well is expected to be online within the next one to two weeks.

Board members discussed the Eagle Valley replacement well, noting that the original well had failed and was abandoned due to the casing collapse. The new well has performed well and is producing more water than the previous well. **(11:08)**

REVIEW, DISCUSS AND CONSIDER THE APPROVAL OF A RESOLUTION ADOPTING FINAL TAX RATES AND BUDGETS FOR 2026 AS PROPOSED BY THE COUNTY AUDITOR:

▪ Monroe presented the adopting of the final tax rates and budgets for 2026 as proposed by the county auditor. He explained that the proposed tax rate had been provided by the County Auditor and would allow the Conservancy to receive the same overall property tax revenue as the previous year. No tax increase was proposed.

Board members noted that approval of the resolution is a required annual process under state law and provides an opportunity to consider a tax increase if desired. The proposed certified tax rate was 0.00352.

Following discussion, the Board considered approval of the resolution adopting the final tax rates and budgets for 2026.

Board Member McCrea moved to approve The Resolution Adopting Final Tax Rates and Budgets for 2026 as Proposed by the County Auditor. Second by Board Member Allred. Motion Unanimous at 6:39 PM. (12:07)

Review and Consider adoption of:

a. CVWC Master Plan

b. Water Conservation Plan
c. Impact Fee Facilities Plan
d. Water Rate Analysis
e. A resolution for proposed rates and fees

The Board discussed adoption of the Master Plan, Impact Facilities Plan, Water Right Analysis, and related documents. Monroe noted that if additional review time was needed, action could be postponed until the following month; however, if the Board was comfortable, approval could proceed at the current meeting.

It was recommended that the Master Plan, Impact Facilities Plan, and Water Right Analysis be formally adopted prior to considering any future water rate increases, as this would provide the appropriate framework for those discussions.

Board members indicated they had reviewed the materials and were comfortable moving forward with approval. The Board also acknowledged that the plans, particularly the Impact Fee Analysis, would continue to evolve over time as conditions change and additional information becomes available.

Board members expressed appreciation to Curtis and staff for their work in preparing the documents and noted the importance of maintaining current and defensible planning documents.

With no further discussion, the Chair entertained a motion to approve items A through D.

Board Member McCrea moved to approve the CVWC Master Plan, Water Conservation Plan, Impact Fee Facilities Plan and the Water Rate Analysis. Second by Board Member Allred. Motion Unanimous at 6:42 PM. (15:45)

Impact Fee Analysis: ▪ Nielson reported that, following revisions based on comments from Justin Wayment, the updated Impact Fee Analysis established a maximum allowable impact fee of **$21,865.99**. He determined that charging the maximum was not appropriate and instead recommended a **$11,230** impact fee for a standard 1-inch equivalent residential connection (ERC). A new **¾-inch conservation tier** impact fee of **$7,019** was also proposed, representing approximately 60% of the 1-inch connection based on a 0.6-acre-foot allocation. He explained that the recommendation reflects the Conservancy's long-term investment in developing future water supplies and infrastructure rather than the acquisition of water rights. Impact fees for larger meter sizes would continue to be based on meter capacity.

Large Water User Policy Discussion: ▪ Monroe discussed a proposed policy modeled after Washington County's approach to reviewing large water users, including data centers. Board members expressed support for maintaining transparency in water use and involving representatives from local municipalities in discussions regarding high-water-use projects. However, concerns were raised about the subjective nature of the proposed review process and the potential for inconsistent application. Several Board members preferred establishing clear, objective standards that would apply equally to all applicants. Monroe recommended removing the proposed policy from the current resolution and returning with additional criteria after further review.

State Drinking Water Fee: ▪ Monroe reviewed the new Division of Drinking Water fee, which is scheduled to take effect in 2028. The Board discussed whether to include the fee in the current rate schedule or wait until the state begins assessing it. He noted that either approach would be acceptable.
Commercial and Industrial Rate Updates: ▪ Monroe reviewed proposed changes to the commercial and industrial rate schedules, including a provision that would require customers who exceed the annual water quantity represented by their assigned water rights to be billed at the Tier 7 rate for the remainder of the calendar year. He explained that this change addresses situations where customers have historically exceeded their annual allocation while continuing to receive lower-tier rates. The Board agreed the proposed change would encourage customers to either remain within their allocation or transfer additional water rights if needed.
Additional Rate Adjustments: ▪ Monroe reviewed the remaining proposed rate adjustments, most of which reflected the planned 5% annual increases or minor rounding changes for simplicity.
Board Direction: The Board directed staff to revise the resolution by confirming the proposed impact fee amounts, removing the proposed large water user policy for additional review, and incorporating any remaining revisions before bringing the resolution back for consideration.

Board Member McCrea motioned to table the Resolution for Proposed Rates and Fees. Second by Board Member P. Nelson. Motion Unanimous at 7:37 PM (1:10:33)

WATER CONSERVATION: UPDATE, DISCUSSION:

a. Aquifer Recharge: Update & Discussion: Nothing to discuss
b. Reuse WWTP Water: Update & Discussion: ▪ Monroe reported that Congresswoman Celeste Maloy's federal appropriation for the Effluent Reuse Project has advanced through the initial federal budget process. If the final funding bill is approved, the Conservancy will have secured approximately $10 million in grant funding for the project, including $5 million through Congresswoman Maloy, $4 million through a state appropriation sponsored by Representative Rex Shipp, and $1 million from the Utah Department of Natural Resources. Board members commended staff for their efforts in securing the funding.

   ▪Monroe also reported that coordination meetings have been held with Cedar City and Enoch to move the project forward. Engineering design of the pump station is expected to begin immediately, with the project anticipated to go out to bid in the near future, followed by the pipeline portion of the project. He noted they continue to work through the EPA grant requirements and training as the funding process moves forward. Preliminary engineering indicates that the proposed alignment will require minimal modifications, with no significant changes anticipated to the pump design.

WATER IMPROVEMENT PROJECT:

▪Basin 71 Well and Waterline and the BZI Innovation Park Well – ▪Monroe reported that the well projects were bid and approved by the Board last month. The Conservancy is now awaiting USDA approval of the plans before issuing a Notice to Proceed and beginning drilling. He also noted that follow-up has been done with the State Engineer's Office regarding approval of the project manual and is awaiting a response. The ECA project is in the same approval stage.

BASIN 14 (PVWS) PROJECT:

▪Monroe reported that all administrative appeals related to the Basin 14 project before the Interior Board of Land Appeals (IBLA) have been withdrawn. While the parties still have time to file an action in federal district court, no such action has been taken at this time. The Board noted this as a positive development for the project.

GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION:

▪Public Education – reported that preparations are underway for the annual Water Festival on June 27 at Main Street Park. Monroe recognized Kimberlee and staff for their efforts in organizing the event. Staff also thanked Cedar City and Enoch City for partnering with the Conservancy as major event sponsors. The festival will feature educational exhibits, including a demonstration of Advanced Metering Infrastructure (AMI) technology, allowing customers to view their real-time water usage and better identify leaks. Board members were encouraged to attend and support the event.

▪Operations – nothing to report

BOARD MEMBERS REPORT: ▪ None

ENGINEERING REPORT: ▪None

NEXT MEETING DATE: July 16, 2026

Board Member Allred motioned to adjourn the regular session Board Meeting. Second by Board Member P. Nelson. Motion Unanimous at 7:45 PM.

Meeting Adjourned at 7:45 PM.