



State of Utah

Department of Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
Kevin W. Brown, P.E.
Director

Drinking Water Board
Anne Erickson, Ed.D., *Chair*
Myron Bateman, *Vice-Chair*
Ken Bassett
Jay Franson, P.E.
Helen Graber, Ph.D.
Laurie McNeill, Ph.D.
Dianne R. Nielson, Ph.D.
Petra Rust
Ron Thompson
Kevin W. Brown, P.E.
Executive Secretary

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON JANUARY 13, 2006 IN SALT LAKE CITY, UTAH

Board Members Present

Anne Erickson, Chairman
Myron Bateman, Vice Chairman
Ken Bassett
Jay Franson
Laurie McNeill
Dianne Nielson
Petra Rust

Board Members Excused

Helen Graber
Ron Thompson

Staff

Kevin Brown
Ken Wilde
Ken Bousfield
Patti Fauver
Don Lore
Karin Tatum
Rich Peterson
Linda Matulich

Guests

Ken Hansen, Garden City
Don Olson, Magna Water
Dan Dimick, Hot Springs

Guests Continued

Keith Hanson, Salt Lake County SA # 3
Heather Torgerson, Loa Town WW
Lisa Henrie, Magna Water
Brent Williams, Magna Water
Leisle Fisher, Magna Water
Scott Reed, Dugway Proving Ground
Kate Black, Town of Alta
John Schiess, Pleasant Grove City
Frank Mills, Pleasant Grove City
Eric Johnson, Smith Hartvigsen
Curtis Ludvigson, Rural Water Association
Kent Evans, Division of Public Utilities
Kent Sagers, Town of Vernon
Tom Esplin, Central Culinary WC
Clyde Watkins, Rural Water Association
Mark Johnson, Sherwood Water
Richard Fountain, PacifiCorp
Charlotte Nelson, Beaver Dam Water
Nephi Barlow, Webb Well WU
Steven Packham, Air Quality
Ying Ying Macauley, Jordan Valley WCD
John Chartier, Sunrise Engineering
Marie Owens, Metropolitan Water District
Doug Nielsen, Sunrise Engineering
LeRoy Welling, Ukon Water
Jacob Sharp, Sunrise Engineering
Patricia Holden, Vernon SSD
Darrell Holden, President, Vernon SSD
John Woffinden, Dugway Proving Ground

ITEM 1 – CALL TO ORDER

The Drinking Water Board convened in Salt Lake City, Utah with Vice Chairman Erickson presiding. The meeting was called to order at 1:00 p.m.

ITEM 2 – ROLL CALL

Vice Chairman Erickson asked Kevin Brown to call roll of the Board members. The roll call showed there were 6 members present at the time.

ITEM 3 – INTRODUCTIONS

Vice Chairman Erickson welcomed everyone and asked the guests to introduce themselves.

ITEM 4 – MINUTES – NOVEMBER 18, 2005 AND DECEMBER 9, 2005

Vice Chairman Erickson stated a motion to approve the November 18, 2005 and December 9, 2005 minutes would be in order.

Jay Franson made a correction to the December 9, 2005 minutes. On page 13, ITEM 17 – ADJOURN: **The motion read that: Jay Thompson** moved to adjourn the Board meeting at 4:10 p.m. **The motion should read: Ron Thompson** moved to adjourn the Board meeting at 4:10 p.m.

Laurie McNeill moved to approve the November 18, 2005 and the December 9, 2005 minutes with the change stated above by Jay Franson on the December 9, 2005 minutes.

Ken Bassett seconded.

**CARRIED
(Unanimous)**

ITEM 5 – ELECTIONS OF CHAIRMAN AND VICE CHAIRMAN

Kevin Brown mentioned he contacted the Board for nominations for Chairman and Vice Chairman. Anne Erickson was the only nomination for Chairman. Myron Bateman was the only nomination for Vice Chairman.

Myron Bateman moved the Board nominate Anne Erickson as Chairman of the Drinking Water Board.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Laurie McNeill moved the Board nominate Myron Bateman as Vice Chairman of the Drinking Water Board.

**CARRIED
(Unanimous)**

Vice Chairman Erickson reported by acclamation of the Board, that the Board install Anne Erickson as Chairman and Myron Bateman as Vice Chairman of the Drinking Water Board. Myron Bateman will Chair the SRF/Conservation Committee.

ITEM 6 – SRF/CONSERVATION COMMITTEE REPORT

1) Status Report

Ken Wilde mentioned as of November 2005 the Board has \$4.4 million in the State Loan Fund program. The \$4.4 million is a mix between grant money and principal money. The Board will receive another \$2½ million in repayments and interest payments later this month. Staff closed a \$2 million loan for Saratoga Springs and a \$672,000 loan for the Town of Goshen on December 29, 2005. In the last 2 months, \$12 million in loans have been closed under the two SRF programs.

Ken Wilde mentioned the Board has \$6.6 million available in the Federal Loan Fund program. The Board will start receiving another \$2½ million this month for the Federal SRF program. Karin Tatum and Sandy Pett are putting together an \$8 million capitalization grant application and an Intended Use Plan, for this year, to send to EPA. Staff will present this information for approval at the March 3, 2006 Board meeting. Magna's \$6 million loan was closed on November 22, 2005. Central Iron County Regional's \$3.3 million project loan with the Drinking Water Board and \$3 million loan with Rural Development was closed on November 30, 2005.

Discussion followed.

2) State SRF Applications

a) Town of Garden City

Rich Peterson reported Garden City's spring is under the direct influence of surface water, and needs to be treated. Garden City has a funding package of \$1.3 million from the Board. The SRF/Conservation Committee is recommending an increase of \$700,000. Rural Development and the Division of Drinking Water have been looking at funding packages. Rural Development will be helping the Division with the funding for this project. The Board also authorized a \$33,000 design advance in March 2002. The design advance will be rolled in with the final cost.

Ken Hansen, Mayor, and John Chartier, Sunrise Engineering, representing Garden City, addressed the Board.

Discussion followed.

Jay Franson moved the Board authorize an increase in funding of \$700,000 from the currently authorized \$1,300,000 for a total of a \$2,000,000 loan for 20 years at 2.13% interest. The design loan will be rolled in with the final cost for a total amount of \$2,033,000 on the condition that Garden City resolves the appropriate issues in their compliance report.

Myron Bateman seconded.

**CARRIED
(Unanimous)**

b) Pleasant Grove City

Rich Peterson reported Pleasant Grove City received a loan in April 2004 from the Federal SRF program to drill a well and construct a transmission line. The City's well has been producing more water than they anticipated. The City would like to tap into the well, and add a 20 inch transmission line. Since the Federal SRF bond closed, Pleasant Grove City is requesting a loan from the State SRF program to fund the project. The project is estimated at costing \$350,000.

Frank Mills, resident, and John Schiess, Sunrise Engineering, representing Pleasant Grove City, addressed the Board.

Discussion followed.

Myron Bateman moved the Board authorize a \$350,000 loan at 1.70% to be repaid over a 20 year period on the condition that Pleasant Grove City resolves the appropriate issues in their compliance report.

Petra Rust seconded.

**CARRIED
(Unanimous)**

c) Vernon Special Service District

Laurie McNeill reported that a supplemental packet for Vernon Special Service District's request was e-mailed to the Board. A copy of the e-mailed report is in with the handouts.

Rich Peterson addressed the changes that were made in the supplement handout, and the information in the packet. In 2004, the Board authorized a \$204,000 funding request for a new well for the Town of Vernon. Part of the funding is conditional, based on the recommendation that the Town of Vernon look at doing a joint agreement with Vernon Waterworks. In 2005, the Board authorized a \$17,000 planning loan for a planning study.

The project now includes a storage tank, upgrading a new well, various waterlines, and the Town of Vernon to become a Special Service District. Since then, staff found out that the study can be paid for by using a \$17,000 grant from CDBG. Staff will work with Rural Development on this project. The supplemental recommendation is requesting the Board deauthorize the 2005 \$17,000 planning loan to Vernon Waterworks and the 2004 \$204,000 funding to the Town of Vernon.

A request for a 50/50 loan/grant authorization for Vernon Special Service District is being made instead. The District of Vernon qualifies for a hardship grant. The grant request is for \$345,000, and the loan request is for \$346,000 at 2.86% interest to be repaid over 20 years with the condition that the District of Vernon resolves the appropriate issues in their compliance report.

John Scheiss, Kent Sagers, Patricia Holden, and President Darrell Holden of Vernon Special Service District, addressed the Board.

Discussion followed.

Ken Bassett moved the Board: 1) deauthorize the January 2004 funding of \$204,000, (which came out to a \$52,000 grant and a \$152,000 loan), to the Town of Vernon, 2) deauthorize the July 2005 \$17,000 planning loan to Vernon Waterworks, and 3) authorize a \$345,000 grant and a \$346,000 loan at 2% interest over a 20 year period to the Vernon Special Service District with the provision that the District come back to the March 3, 2006 Board meeting with an additional grant request to upsize their transmission line on the condition that they resolve the appropriate issues in their compliance report, and contingent on the fact that the Vernon Water Works transfer their water system over to the District.

Myron Bateman seconded.

Discussion on motion.

**CARRIED
(Unanimous)**

3) Federal SRF Applications

a) Wilkinson Cottonwood Mutual Water Company

Karin Tatum reported Wilkinson Cottonwood Mutual Water Company was authorized a \$210,000 loan at the June 11, 2004 Board meeting. When Wilkinson Cottonwood Mutual Water Company was getting their information ready to close their loan last summer, it became apparent the water rights issues had not been resolved. The loan closing was postponed. A letter was sent and several phone calls were placed requesting additional information to keep the loan authorization open. Staff was able to contact Wilkinson Cottonwood Mutual and they agreed that the water rights issues weren't going to be resolved, and it was ok to withdraw the funds.

As a result, the SRF/Conservation Committee is requesting the Board deauthorize Wilkinson Cottonwood Mutual Water Company's request for the \$210,000 loan, and remove them from the Project Priority List.

Discussion followed.

Jay Franson moved the Board deauthorize Wilkinson Cottonwood Mutual Water Company's \$210,000 loan request, and remove them from the Project Priority List.

Petra Rust seconded.

**CARRIED
(Unanimous)**

ITEM 7 – ARSENIC EXEMPTIONS FOR A PUBLIC HEARING

Agenda Item 7 was addressed between Agenda Item 4 and Agenda Item No. 5.

Jay Franson moved the Board move Agenda Item No. 7 between Agenda Item No. 4 and Agenda Item No. 5.

Myron Bateman seconded.

**CARRIED
(Unanimous)**

Ken Bousfield reported on the revised spreadsheet, and the additional comments staff received since the packet was mailed. The new information is in with the handouts.

Vice Chairman Erickson stated a motion to open the Arsenic Exemption Public Hearing for comments from the public was in order.

Ken Bassett moved the Board open the Arsenic Exemption Public Hearing for comments from the public.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Beaver Dam Water Company.

Charlotte Nelson, representing Beaver Dam Water Company, was available for any questions from the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No comments were received from the audience.

Vice Chairman Erickson stated a motion was in order for Beaver Dam Water Company.

Myron Bateman moved the Board authorize a 3 year Arsenic Exemption to Beaver Water Dam Company with the condition that they update staff every 6 months on how they are doing. Staff will update the Board.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Central Culinary Water.

Tom Esplin, representing Central Culinary Water, was available for any questions from the Board.

Tom Esplin addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No comments were received from the audience.

Vice Chairman Erickson stated a motion was in order for Central Culinary Water.

Jay Franson moved the Board authorize a 3 year Arsenic Exemption to Central Culinary Water with the condition that they update staff every 6 months on how they are doing. Staff will update the Board.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Dugway – Ditto.

John Woffinden and Scott Reed, representing Dugway – Ditto, were available for any questions from the Board.

John Woffinden addressed the Board.

Dianne Nelson joined the Drinking Water Board meeting.

Vice Chairman Erickson asked if there were any comments from the audience.

No comments were received from the audience.

Vice Chairman Erickson stated a motion was in order for Dugway – Ditto.

Myron Bateman moved the Board authorize a 3 year Arsenic Exemption to Dugway - Ditto with the condition that they update staff every 6 months on how they are doing. Staff will update the Board.

Laurie McNeill seconded.

CARRIED

Six voted yes.

Dianne Nielson abstained.

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Dugway – English Village.

John Woffinden and Scott Reed, representing Dugway – English Village, were available for any questions from the Board.

John Woffinden addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments were received from the audience.

Vice Chairman Erickson stated a motion was in order for Dugway – English Village.

Myron Bateman moved the Board authorize a 1 year Arsenic Exemption to Dugway – English Village with the condition that they update staff every 6 months on how they are doing. Staff will update the Board.

Ken Bassett seconded.

CARRIED

Six voted yes.

Dianne Nielson abstained.

Kevin Brown mentioned the May 11, 2006 Board meeting will be at Dugway. There will be a tour of the facilities.

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Hot Springs Mobile Home Park.

Dan Dimick, representing Hot Springs Mobile Home Park, was available for any questions from the Board.

Dan Dimick addressed the Board.

Ken Bousfield gave some additional information on the Hot Springs Mobile Home Park.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments were received from the audience.

Vice Chairman Erickson stated a motion was in order for Hot Springs Mobile Home Park.

Laurie McNeill moved the Board authorize a 3 year Arsenic exemption with the condition that they update the Board every 6 months on how they are doing. Staff will update the Board.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Loa Town & Waterworks.

Heather Torgerson, representing Loa Town & Waterworks, was available for any questions from the Board.

Heather Torgerson addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments were received from the audience.

Vice Chairman Erickson state a motion was in order for Loa Town & Waterworks.

Petra Rust moved the Board authorize a 3 year Arsenic exemption with the condition that they update the Board every 6 months on how they are doing. Staff will update the Board.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Magna Water Company.

Don Olson, Lisa Henrie, Brent Williams, and Leisle Fisher, representing Magna Water Company, were available for any questions from the Board.

Don Olson addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments were received from the audience.

Vice Chairman Erickson stated a motion was in order for Magna Water Company.

Ken Bassett moved the Board authorize a 3 year Arsenic exemption with the condition that they update the Board every 6 months on how they are doing. Staff will update the Board.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Sherwood Water Company.

Mark Johnson, representing Sherwood Water Company, was available for any questions from the Board.

Mark Johnson addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments were received from the audience.

Laurie McNeill moved the Board authorize a 3 year Arsenic exemption with the condition that they update the Board every 6 months on how they are doing. Staff will update the Board.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Ukon Water Company.

LeRoy Welling, representing Ukon Water Company, was available for any questions from the Board.

LeRoy Welling addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments from the audience.

Jay Franson moved the Board authorize a 3 year Arsenic exemption with the condition that they update the Board every 6 months on how they are doing. Staff will update the Board.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson opened up the Arsenic Exemption Public Hearing for comments for Webb Well Water Users.

Nephi Barlow, representing Webb Water Well Users, was available for any questions from the Board.

Nephi Barlow addressed the Board.

Vice Chairman Erickson asked if there were any comments from the audience.

No other comments from the audience.

Myron Bateman moved the Board authorize a 3 year Arsenic exemption with the condition that they update the Board every 6 months on how they are doing. Staff will update the Board.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

Vice Chairman Erickson stated a motion was in order to close the Public Hearing for Arsenic Exemptions.

Jay Franson moved the Board close the public hearing on the Arsenic Exemptions.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

ITEM 8 – ANTIMONY VARIANCE APPLICATIONS

Ken Bousfield updated the Board on the Antimony variance applications for the Town of Alta and Salt Lake County Service Area # 3 – Snowbird. There have been several meetings on the antimony variance for Alta and Snowbird. They have both submitted a variance relating to antimony. Ken explained how a “variance” differs and is also similar from an “exemption”. Some supporting information has been placed in the packet for the Board to review.

Ken Bousfield reported staff is recommending the Board state their intent and issue a variance for antimony for Alta and Snowbird, and direct the two communities to work with staff on holding public meetings to receive any comments for issuing a variance on antimony. Alta and Snowbird will present any public comments they receive at the March 3, 2006 Board meeting.

Keith Hanson and Kate Black, representing Alta and Snowbird, were available for any questions from the Board.

Keith Hanson addressed the Board.

Discussion followed.

Myron Bateman moved the Board state their intent and issue a variance on antimony for Alta and Snowbird, and direct both utilities to work with staff on holding public hearings to receive comments from the public. Then at the next Board meeting after hearing any comments received from the public, the Board will consider issuing a variance to Alta and Snowbird.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

ITEM 9 – VICE CHAIRMAN’S REPORT

Vice Chairman Erickson thanked the Board for their confidence and support in her on becoming the Chairman of the Drinking Water Board.

ITEM 10 – DIRECTORS REPORT

a) Twenty-five (25) Worst Drinking Water Systems List

Kevin Brown mentioned the most recent 25 Worst Drinking Water Systems list is in the packet for the Board’s review.

Kevin mentioned since this report has been in place, and along with some of the actions the Board has taken over the years, the average number of water systems having problems has been dropping.

Discussion followed.

Jay Franson mentioned he would like to see an average of the first 25 water systems on the list and the last 25 water systems having problems since the list started.

b) Rural Water Annual Conference – 2006

Kevin Brown mentioned there is some information on the Rural Water Association’s Annual 2006 Conference in the packet, and some additional information with the handouts. Linda has made reservations for the Board members at the Abbey Inn, and registrations have been turned in for the conference. If you can’t make it or need to make any changes, please get in touch with Linda.

b) Conflict of Interest Forms (handouts to fill out and turn in to Linda)

Kevin Brown mentioned the Conflict of Interest forms are in the packet, and an additional copy is in with the handouts. Kevin asked the Board members to fill out the forms, and turn them in to Linda as soon as possible. These forms need to be completed and given to Personnel yearly.

c) Introduce New Staff: Barbara King

Kevin Brown mentioned the secretary hired for this position decided not to stay. Ken Wilde is looking for another secretary. The new secretary will be introduced at a future Board meeting.

d) Operator Certification Information

Kevin Brown mentioned there is an agenda of the January 5, 2006 Operator Certification Commission meeting in the Board packet. The Operator Certification Commission is a subcommittee of the Drinking Water Board. The information placed in the packets periodically is to let the Board know what the Commission is accomplishing.

ITEM 11 – NEWS ARTICLES

The news articles are in the packet.

ITEM 12 – LETTERS

The letters are in the packet.

ITEM 13 – UPDATE

The update is in the packet.

ITEM 14 – NEXT BOARD MEETING

The next Board meeting is scheduled for March 3, 2006 in conjunction with the Rural Water Association of Utah's Annual 2006 Conference at the Dixie Center in St. George, Utah. The meeting will be held in the Entrada Room and will start at 1:30 p.m.

ITEM 15 – OTHER

Legislation: Kevin Brown mentioned there aren't any bills that will directly impact the Division of Drinking Water. There is one bill that is recommending removal of the CAP money from the State Sales Tax money to allow funding for the Lake Powell and Bear River development projects. This bill won't affect the Division.

Discussion followed.

No other business.

ITEM 16 – ADJOURN

Vice Chairman Erickson stated a motion to adjourn the Board meeting would in order.

Laurie McNeill moved the Board adjourn the Board meeting adjourn at 2:50 p.m.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Linda Matulich
Recording Secretary