



State of Utah

GARY HERBERT  
Governor

Department of  
Environmental Quality

Amanda Smith  
*Acting Executive Director*

DIVISION OF DRINKING WATER  
Kenneth H. Bousfield, P.E.  
*Director*

**Drinking Water Board**  
Paul Hansen, P.E., *Chair*  
Ken Bassett, *Vice-Chair*  
Terry Beebe  
Daniel Fleming  
Jay Franson, P.E.  
Helen Graber, Ph.D.  
Betty Naylor  
Petra Rust  
Amanda Smith  
David Stevens, Ph.D.  
Ron Thompson  
Kenneth Bousfield, P.E.  
*Executive Secretary*

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON JULY 8, 2009 IN  
SALT LAKE CITY, UTAH

Board Members Present

Paul Hansen, Chairman  
Ken Bassett, Vice Chairman  
Danny Fleming  
Jay Franson, P.E.  
Betty Naylor  
Petra Rust  
Amanda Smith  
Ron Thompson

Board Members Excused

Terry Beebe  
Helen Graber, Ph.D.  
David Stevens, Ph.D.

Guests

Doug Nielsen, Sunrise Engineering  
Dale Pierson, Rural Water Association of Utah  
Michael Duggin, Mayor, Town of Daniel

Staff

Ken Bousfield  
Ken Wilde  
Patti Fauver  
Nagendra Dev  
Steve Benchley  
Rich Peterson  
Linda Matulich

ITEM 1 - CALL TO ORDER

The Drinking Water Board convened in Salt Lake City, Utah with Chairman Hansen presiding. The meeting was called to order at 12:00 p.m.

ITEM 2 - ROLL CALL

Chairman Hansen asked Ken Bousfield to call roll of the Drinking Water Board members. The roll call showed there were 8 members Drinking Water Board members present at the time.

ITEM 3 - INTRODUCTIONS

Chairman Hansen welcomed everyone and asked the guests to introduce themselves.

ITEM 4 - APPROVAL OF MINUTES - June 4, 2009

Chairman Hansen stated a motion was in order to approve the June 4, 2009 Drinking Water Board minutes.

**Ron Thompson moved to approve the June 4, 2009 Drinking Water Board minutes.**

**Petra Rust seconded.**

**Chairman Hansen abstained.**

**7 voted yes.**

**(Unanimous)**

ITEM 5 - PRESENTATION TO MYRON BATEMAN

Ken Bousfield reported that he will be meeting with Myron Bateman on July 20, 2009. Ken said he will be presenting a plaque and gift to Myron for his service on the Drinking Water Board. Ken Wilde and Kim Dyches will also participate.

Ken Bousfield invited the Drinking Water Board to attend the meeting too.

Chairman Hansen mentioned he would like to join them at that meeting.

ITEM 6 - FINANCIAL ASSISTANCE COMMITTEE REPORT

1) Status Report - Ken Wilde

Ken Wilde reported the Drinking Water Board has \$89,472 in the state loan fund after the Legislature took \$6,000,000 from the fund. Ken said staff will be asking the Drinking Water Board to deauthorize the West Erda project, which will add \$760,000 back into the fund, \$380,000 in loan money and \$380,000 in hardship grants money. This will increase the total of the State SRF Funds to \$849,472.

Ken mentioned Sandy Pett has been working on the obligated projects and deauthorized projects. Staff will have an updated report at the next Drinking Water Board meeting.

Ken mentioned the Drinking Water Board will receive about \$350,000 per month from the annual sales tax for a total of \$3,587,500, maximum over the next 12 months.

Ken mentioned the collections are expected to total \$5.6 million.

Ken mentioned the Drinking Water Board will be able to authorize projects. Staff will monitor the loan closings.

Discussion followed.

Ken Wilde updated the Board on the Federal SRF projects. Park City's \$2.5 million loan will be closing this month. East Grouse Creek will close in the next couple of weeks. Lincoln Culinary Water will be closing soon.

Ken mentioned all of the payments and revenues have a balance of \$38 million. The Board has authorized \$42 million in loans and grants, which leaves \$3.543 million in the red. The 2009 federal capitalization grant and the match for the state funds has been added in bringing the total back up to \$4.908 million. Staff will be proposing another \$2.670 million for projects to be authorized, which will leave \$2.2 million for future projects. Some repayment streams on loans have been projected out for the year. The 2010 fiscal year money has not been added in yet. Staff will be requesting the funds for 2010 this winter.

Discussion followed.

2) Project Priority List - Ken Wilde

Ken Wilde reported that the Manti, Pineview West Water Company and Centerfield's projects have been added to the Project Priority List.

Ken excused staff that would have attended the Drinking Water Board meeting today, as they are attending an EPA web cast on how to fill out their database information on a weekly and quarterly basis.

**Ron Thompson moved the Drinking Water Board approve the Project Priority List.**

**Betty Naylor seconded.**

**CARRIED  
(Unanimous)**

Ken mentioned Rich Peterson will be presenting the applications to the Drinking Water Board today.

3) SRF Applications

a) Torrey Town - Gary Kobzeff

Rich Peterson reported Torrey Town is requesting a \$22,000 Planning Advance for a Culinary Water System Master Plan. Torrey Town's local MAGI is just under \$27,000, which is less than the 80% criteria. Torrey Town does qualify for a grant.

Rich mentioned staff is recommending the Drinking Water Board authorize the \$22,000 plan grant to Torrey Town.

**Danny Fleming moved the Drinking Water Board authorize a \$22,000 planning loan to Torrey Town at 0% interest with 100% Principal Forgiveness. This authorization is subject to the availability of funds.**

**Petra Rust seconded.**

**CARRIED  
(Unanimous)**

b) Stockton Town - Gary Kobzeff

Rich Peterson reported Stockton Town is requesting a \$22,000 planning loan at 0% for 5 years. Stockton Town's local MAGI is 136% of the State MAGI. The water bill is less than 1% of their MAGI. The Financial Assistance Committee recommends that the Drinking Water Board authorize a \$22,000 planning loan at 0% for 5 years repaying approximately \$4,400 annually, beginning one year from the date the loan agreement is signed, with the option that the Town may roll the balance of any loan principle into a future construction loan at the interest rate established when the construction project is authorized. The authorization is subject to availability of funds.

**Ron Thompson moved the Drinking Water Board approve the Financial Assistance Committee Recommendation of a \$22,000 planning loan to Stockton Town at 0% for 5 years, repaying approximately \$4,400 annually, beginning one year from the date the loan agreement is signed, with the option that the Town may roll the balance of any loan principle into a future construction loan at the interest rate established when the construction project is authorized. This authorization is subject to the availability of funds.**

**Danny Fleming seconded.**

**CARRIED  
(Unanimous)**

c) Daniel Municipal Water - Michael Grange

Ken Wilde reported the Town of Daniel has over \$8 million worth of needs. A Priority List of needs for the Town of Daniel is in the packet. Staff is proposing the Drinking Water Board fund the first 8 items on the list which amounts to \$2,850,250.

Ken mentioned the Drinking Water Board authorized a construction loan of \$2,180,000 at the April 23, 2009 Drinking Water Board meeting. The Town of Daniel will provide \$40,000. The Town of Daniel applied for additional assistance from the CDBG for another \$318,000. By combining the money the Town of Daniel has received, staff can only fund 1/2 of item no. 8 on their priority list.

Ken reported the first option on helping the Town of Daniel out is a 50/50 split, which the Drinking Water Board did on the funding at the April 23, 2009 Drinking Water Board meeting. That would raise the loan amount to \$1,246,000 at 1/2% interest for 30 years, and the Town of Daniel would have the same amount of principle forgiveness.

Ken mentioned staff is recommending Option 2 for the Drinking Water Board to approve additional principal forgiveness of \$312,250.

Mayor Michael Duggin, representing Daniel Municipal Water, was available for any questions from the Drinking Water Board.

Discussion followed.

**Jay Franson moved the Drinking Water Board authorize a \$2,492,250 construction loan with a 0.5% Technical Assistance Fee per annum on the unpaid principal balance for 30 years with \$1,402,250 in principal forgiveness to the Town of Daniel for drilling a new well, constructing a new 800,000 gallon concrete culinary water storage reservoir, a new pump station, a new PRV vault, and replacing a deteriorated water line, contingent on available funds.**

**Ron Thompson seconded.**

**CARRIED  
(Unanimous)**

d) West Erda Improvement District - Ken Wilde

Ken Wilde reported that West Erda Improvement District has not proceeded with a project, and the funds are needed to help provide the state match for the 2009 Federal SRF Capitalization Grant.

Chairman Hansen mentioned Tooele County is the Board for the West Erda Improvement District. Tooele County is asking the Drinking Water Board to hold the money for them to be able to develop some unknown project in the future. West Erda Improvement District is not ready to move ahead with their project. The residents aren't able to financially bear the costs of the project on the reimbursement. Ken Wilde mentioned West Erda Improvement District doesn't have a countywide plan.

Discussion followed.

**Jay Franson moved the Drinking Water Board deauthorize the loan of \$380,000 and the grant of \$380,000 to West Erda Improvement District.**

**Betty Naylor seconded.**

**CARRIED  
(Unanimous)**

#### ITEM 7 - GROUND WATER AND LEAD & COPPER RULE REVISIONS

Patti Fauver reported staff has a federal Ground Water Rule and a federal Lead & Copper Rule that needs to be implemented. The Ground Water Rule was due to be adopted last fall to maintain primacy. The Lead & Copper Rule is due this fall to be adopted to maintain primacy. In order to consolidate efforts, staff has submitted both rules together. A number of changes have been made to both rules.

Discussion followed.

Patti Fauver mentioned staff is planning on filing both rules by July 15, 2009. The comment period will be open during the month of August. Afterwards, staff will be back to the Board with any comments they have received to authorize the two rules to become effective.

**Petra Rust moved the Drinking Water Board authorizes staff to proceed with filing the appropriate forms with the Division of Administrative Rules for rule changes to R309-100, 105, 110, 200, 205, 210, 215, 220, 225, 352, and 705.**

**Jay Franson seconded.**

**CARRIED  
(Unanimous)**

#### ITEM 8 - RURAL WATER ASSOCIATION OF UTAH

Dale Pierson reported Rural Water will be doing some Security training throughout Utah. Dale gave some handouts on the security training to the Drinking Water Board.

Dale Pierson gave some background information on the vulnerability assessment program to the Drinking Water Board. Dale mentioned that systems serving a population in excess of 3,300 were required in 2004 to submit a vulnerability assessment. Dale invited the Drinking Water Board to attend the vulnerability assessment training. Dale mentioned Rural Water would like to do some training with the Fire Department and Law Enforcement since they play an essential part of an emergency situation. The vulnerability assessment training is in conjunction with the Division of Drinking Water. The Division of Homeland Security will be funding the program. Homeland Security will be turning the training over to the Division of Drinking Water. Sean Peppers, from the Homeland Security Division, will also be involved in the training.

Discussion followed.

Dale Pierson invited the Drinking Water Board to the Rural Water Association of Utah's Northern Conference.

#### ITEM 9 - CHAIRMAN'S REPORT

Nothing to report.

#### ITEM 10 - DIRECTORS REPORT

##### 1) Introduction of New Staff

Ken Bousfield introduced two new staff to the Drinking Water Board. Steve Brenchley and Nagendra Dev started the first week in July. They are filling the two vacant positions in the Engineering Section of the Division.

Chairman Hansen invited Steve Brenchley and Nagendra Dev to give some background on their engineering experience for the Drinking Water Board.

Steve Brenchley:

Steve Brenchley reported that he started on July 6, 2009 with the Engineering Section in the Division. Steve has done some engineering consulting for the last 11 years.

Nagendra Dev:

Nagendra Dev reported that he was with the Division of Drinking Water a year ago. His wife's career sent them to California. They are back in Utah. Nagendra started with the Division of Drinking Water on July 1, 2009. Nagendra is in the Engineering Section.

ITEM 11 - NEXT BOARD MEETING

The next Drinking Water Board meeting is scheduled for:

Date: September 9, 2009  
Time: 12:00 (NOON)  
Place: Park City, Utah

Ken Wilde reported staff is working on a tour for the September 9, 2009 Drinking Water Board meeting. Ken said he will get back to the Board about the information for the September 9, 2009 Drinking Water Board tour, lunch and meeting.

ITEM 12 - LETTERS

The letters are in the packet.

ITEM 13 - OTHER

Chairman Hansen welcomed Amanda Smith, Acting Executive Director for the Department of Environmental Quality. Chairman Hansen invited Amanda Smith to give the Drinking Water Board some background on her experiences for the Drinking Water Board members.

Amanda Smith reported that she became the Acting Executive Director for the Department of Environmental Quality last month. Amanda mentioned her confirmation hearing with the Senate should be in August 2009.

Amanda Smith reported that previously she worked for Governor Huntsman as the Legislative Affairs Advisor. Before working for Governor Huntsman, Amanda worked with the Nature Conservancy. Amanda said she is an attorney by training; she has worked on a lot of different government relations and issues.

Amanda Smith mentioned she is glad to be with DEQ and interested in learning all about the Department.

Jay Franson commented that he is representing the Drinking Water Board on the Operator Certification Commission.

Jay said that Dr. Stevens is on the Operator Certification Commission, representing the Academia Field.

Jay reviewed the Operator Certification Exam validation process that the Operator Certification Commission and staff follow when they validate tests that are given to the water operators in the State of Utah.

Jay mentioned the Operator Certification Commission felt a need to recognize the water operators in the State of Utah. The Operator Certification Commission instituted a 15-year recognition program for anyone that has been a certified operator for 15 or more years. These individuals have received recognition from the Division of Drinking Water.

Discussion followed.

Ken Bousfield reported that Kim Dyches is one of the strengths of the Division that we employ and former drinking water operators, including: Pete Keers, Mike Moss, John Oakeson, Elden Olsen, Mark Hansen, and Brad Holdaway. These people come to the Division with an understanding of the challenges of operating a water system, and are able to provide valuable counsel.

#### ITEM 14 - ADJOURN

Chairman Hansen stated a motion to adjourn the Drinking Water Board meeting was in order.

**Ron Thompson moved the Drinking Water Board meeting adjourn at 1:20 p.m.**

**Danny Fleming seconded.**

**CARRIED  
(Unanimous)**

Linda Matulich  
Recording Secretary