

**Hurricane City Water Board
Meeting Minutes
February 26, 2019**

Members Present: Mac J Hall, Ken Richins, Pam Humphries, Toni Foran, Mike Vercimak, John Slack and Troy Gubler.

Others Present: Clark Fawcett, JP Joly (via phone conference) and Connie Martin.

Item #1 Call to Order Prayer

Chairman Greg Last was excused. Mac J Hall called the meeting to order at 6:00 pm. Connie offered prayer.

Item #2 Review Minutes of January 29th

There were no required corrections to the minutes of January 29th. John motioned to approve the minutes. Ken seconded the motion. Motion passed. Pam abstained as she was not present at the meeting of January 29th.

Item #3 WaterWorth Phone Conference

JP Joly of WaterWorth joined the meeting via phone conference and presented the water rate model he, Connie, Dallan, Ken, Joe and Clark have been working on. The model showed the income, expenses and projected projects for the next 20-40 years for the Hurricane City Water Department. It was concluded that it will take 1.6 million dollars per year for sustainable ownership. A 2% to 4% increase in water rates each year could help to reach this goal. It is estimated that \$800,000.00 will be needed for annual replacement costs and \$600,000.00 will be put into depreciation this year. This figure could go up in coming years. JP mentioned that usually a city the size of Hurricane is worth around 100 million dollars in water system assets but since Hurricane City has such a large geographical area, the water system assets come in at around 134 million. Toni expressed a concern that the impact fees, connection fees and capital projects are included in this model. They should be figured separately. JP said this could easily be done. He, Connie, Dallan and Ken can work on this in the near future. JP was excused and a short discussion followed the phone conference. The Board seemed to like the WaterWorth program. Clark was excused.

Item #4 System Update

Ken reported on the system. The Stratton Well is ready for development. The Dixie Springs Tank is holding water now. It only needs to be backfilled and accepted by the City.

Item #5 Budget Review

Ken reviewed the budget and explained the few red lines. There were no questions from the Board.

Item #6 New Business

Toni asked about the water certificates, which are services that existed before the Washington County Water Conservancy District Pooling Agreement in 2006. It was brought to our attention that Gail Hinton has 3 certificates that were given to him after the pooling agreement. There was a discussion about how to handle this situation but no decision was made.

Meeting adjourned at 7:00 p.m.