



State of Utah

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SPENCER J. COX
Lieutenant Governor

Department of Environmental Quality

Amanda Smith
Executive Director

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

Drinking Water Board
Paul Hansen, P.E., *Chair*
Betty Naylor, *Vice-Chair*
Brett Chynoweth
Tage Flint
Roger G. Fridal
Brad Johnson
David L. Sakrison
David Stevens, Ph.D.
Mark Stevens, M.D.
Kenneth H. Bousfield, P.E.
Executive Secretary

DRINKING WATER BOARD MEETING
Tuesday, June 17, 2014 - 9:00 am
195 North 1950 West
Salt Lake City, Utah 84116
Teleconference 1-877-820-7831 Pin#: 878776#

FINAL MINUTES

1. **Call to Order – Chairman Hansen**

Paul Hansen, Board Chairman, called the meeting to order at 9:07 am.

2. **Roll Call – Ken Bousfield**

Board Members present: Mark Stevens

Board Members attending telephonically: Paul Hansen, Betty Naylor, Brad Johnson, David Sakrison, and David Stevens. Roger Fridal joined at approximately 9:09 am and Brett Chynoweth joined at approximately 9:10 am.

Board Members excused: Tage Flint

Division Staff present: Ken Bousfield, Michael Grange, Heather Bobb, and Marianne Booth

3. **Introductions – Chairman Hansen**

Paul Hansen, Board Chairman, welcomed everyone, expressed appreciation to all those that were in attendance, and acknowledged the newest Board Members, Mayor David Sakrison and Mayor Roger Fridal. He then requested that others in attendance introduce themselves.

Those in attendance were:

- Joseph Santos, SE, Epic Engineering, representing Wooden Shoe Water Company, telephonically.

4. **Financial Assistance Committee Report**

A. SRF Applications

i. FEDERAL:

a) Wooden Shoe Water Company – Michael Grange

Michael Grange, Construction Assistance Section Manager with the Division of Drinking Water (DDW; the Division) informed the Drinking Water Board (DWB; the Board) that on July 13, 2012 a \$201,000 loan with 1% interest for 30 years had been authorized for Wooden Shoe Water Company (WSWC). He then let the Board know that WSWC is under an administrative order from the United States Environmental Protection Agency (EPA) and currently has 325 points on its improvement priority system (IPS) report and therefore is rated as non-approved. He went on to state that WSWC has had significant delays with its project stemming from water rights issues and the securing of easements; and that WSWC also lacks the proper amount of storage, inadequate pressure to connections, and a spring source that is under the direct influence of surface water. Michael stated that the scope of the project; which will resolve WSWC's deficiencies and bring them back into compliance; has been put out for bid, and that those bids have come in higher than were anticipated in 2012, therefore WSWC is requesting an additional \$121,850 in principal forgiveness to cover the increase in costs. WSWC's local MAGI is \$35,933, which is about 97% of the state MAGI. They have recently increased their water rates to approximately \$54 per month, which is 1.76% of the local MAGI and therefore qualifies them to be considered a disadvantaged community. The Financial Assistance Committee (FAC) recommends the Board authorize a \$322,850 loan at 1% interest for 30 years with \$121,850 in principal forgiveness to WSWC.

The Board verified that there are sufficient federal funds to authorize the requested additional funding and still be able to assist future applicants that may have similar principal forgiveness needs. They also clarified that this is not an additional loan but a modification to the July 13, 2012 authorized loan and will be sufficient to complete the project.

- Paul Hansen moved to modify the July 13, 2012 authorization for funding to the WSWC from a \$201,000 construction loan at 1% interest for 30 years to a \$322,850 loan at 1% interest for 30 years with \$121,850 in principal forgiveness. Mark Stevens seconded. The motion was carried unanimously by the Board.

ii. OTHER:

a) Big Plains Water and Sewer Special Service District Modification of Board Motion – Michael Grange

Michael Grange, Construction Assistance Section Manager with DDW, explained that during the May 9, 2014 meeting the Board had authorized a loan to Big Plains Water and Sewer Special Service District (BPWSSSD) in the amount of \$83,000 at 0% interest for 5 years with \$41,500 in principal forgiveness; however under statute all bonds by the DWB must be valued in even \$1,000 increments; therefore the loan authorized to BPWSSSD is invalid. Division staff notified the FAC of this during the June 11, 2014 FAC teleconference meeting. The FAC recommends that the Board modify the May 9, 2014 authorization to BPWSSSD from an

\$83,000 loan with 0% interest for 5 years with \$41,500 in principal forgiveness to an \$83,000 loan at 0% interest for 5 years with \$42,000 in principal forgiveness.

- Paul Hansen moved to modify the prior authorization to an \$83,000 loan at 0% interest for 5 years with \$42,000 in principal forgiveness. Brett Chynoweth seconded. The motion was carried unanimously by the Board.

5. **Next Drinking Water Board Meeting:**

Date: July 18, 2014
Time: 1:00 pm
Place: Multi Agency State Office Building
Room 1015
195 North 1950 West
Salt Lake City, Utah 84116

6. **Other**

Paul Hansen, Board Chairman, informed everyone that the minutes from the May 9, 2014 Board Meeting and this meeting will be up for approval at the July 18, 2014 meeting.

Paul Hansen also let everyone know that there is tentatively going to be a board member training class and a tour of the Jordan Valley Reverse Osmosis Treatment Plant prior to the meeting. Michael Grange stated that as soon as those plans are certain he will let everyone know of the schedule.

7. **Adjourn**

- Paul Hansen moved to adjourn the Drinking Water Board Meeting. Betty Naylor seconded. The motion was carried unanimously by the Board.

Meeting adjourned at 9:21 am.

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Brooke Baker, Office of Human Resources, at: (801) 536-4412, TDD (801) 536-4424, at least five working days prior to the scheduled meeting.