

**MINUTES OF THE BOARD CONSERVATION COMMITTEE MEETING
OF THE JORDAN VALLEY WATER CONSERVANCY DISTRICT**

(Unapproved and subject to change)

Held on January 11, 2021

A regular meeting of the Board Conservation Committee of the Jordan Valley Water Conservancy District (JVWCD or District) was held on Monday, January 11, 2021 at 3:00 p.m. at the District office located at 8215 South 1300 West, West Jordan, Utah.

This meeting was conducted electronically in accordance with the Utah Open and Public Meetings Act (Utah Code Ann. (1953) §§ 52-4-1 et seq.) and Chapter 7.12 of the Administrative Policy and Procedures Manual (“Electronic Meetings”).

Trustees Present:

Lyle C. Summers, Conservation Committee Chair
Corey L. Rushton
Greg R. Christensen
Barbara Townsend
Karen Lang
Sherrie L. Ohrn
Reed Gibby
John H. Taylor

Trustees Not Present:

Dawn R. Ramsey

Others Present

John Berggren, Western Resource Advocates
Lindsay Rogers, WaterNow Alliance

Staff Present:

Bart Forsyth, General Manager/CEO
Dave Martin, CFO/Treasurer
Alan Packard, Assistant General Manager
Shazelle Terry, Assistant General Manager
Matt Olsen, Assistant General Manager
Martin Feil, Database Administrator
Jason Brown, Information Systems Department Manager
Reid Lewis, General Counsel
Kurt Ashworth, Human Resources Manager
Shane Swenson, Engineering Department Manager
Brian McCleary, Controller
Brian Callister, Maintenance Department Manager
Gordon Batt, Operations Department Manager
Todd Schultz, Analytics & Outreach Manager
Linda Townes, Public Information Manager
Beverly Parry, Executive Assistant
Jessica Morgan, Administrative Assistant
Courtney Brown, Conservation Programs Manager

Shaun Moser, Conservation Garden Park Manager
Clifton Smith, Business Data Analyst
Amanda Strack, Conservation Coordinator
Bailey Petty, Conservation Coordinator
Megan Hatch, Marketing Communications Coordinator

The meeting was brought to order at 3:00 p.m. by Mr. Lyle Summers

Approval of the Minutes of November 9, 2020

Mr. Summers asked for a motion to approve the minutes of the November 9, 2020, Conservation Committee meeting. Mr. Greg Christensen requested an amendment be made to the minutes, indicating the time that Mr. Reed Gibby joined the meeting. Mr. Christensen moved to approve the minutes with the inclusion of the amendment. Mr. Gibby seconded the motion. The minutes were approved as follows:

Mr. Lyle Summers – aye

Ms. Sherrie Ohrn – aye

Mr. Reed Gibby – aye

Mr. Greg Christensen – aye

Mr. Corey Rushton – aye

Mr. John Taylor – not present

Ms. Dawn Ramsey – not present

Ms. Barbara Townsend – aye

Ms. Karen Lang – aye

Mr. John Taylor joined the meeting at 3:04 p.m.

Public Comments

No public comments.

Update from the WaterNow Alliance on the District's Project Accelerator Initiative

Mr. Matt Olsen provided background on the District's participation in the Project Accelerator initiative sponsored by the WaterNow Alliance. The initiative provides 250 hours of free program and technical assistance to advance a water conservation related project. The District's project is focused on advancing its Water Efficiency Standards by evaluating legislative options for improving the efficiency of indoor fixtures and providing recommendations for the District's model landscaping ordinance.

Mr. Olsen introduced Ms. Lindsay Rogers with WaterNow Alliance and Mr. John Berggren with Western Resource Advocates (WRA). The Western Resource Advocates and WaterNow Alliance are both non-profit networks that partner to work on projects concerning the integration of water use and land use planning for many western states.

Mr. Berggren and Ms. Rogers shared results of the research they conducted that evaluated regulations in other western states related to indoor plumbing fixtures. A noteworthy finding was that Utah is the only state in which local jurisdictions are prohibited from adopting plumbing standards that are more stringent than state standards.

Mr. Summers inquired about the options being considered to address the inability of local jurisdictions to enact more stringent standards.

Mr. Bart Forsyth stated that staff will work with the Project Accelerator consultants to prepare preliminary language that could be used to draft legislation. The Prepare60 group will consider pursuing this as part of the 2022 legislative session.

Mr. Christensen noted that this type of legislative change may be met with challenges from developers because of the difficulty of conforming to differing plumbing standards in each municipality. He suggested that it may be best to adopt the EPA WaterSense standards statewide.

Mr. Forsyth agreed that this option will be considered as well as options that provide flexibility for local municipalities.

Mr. Gibby asked how the Western Resource Advocacy and WaterNow Alliance receives funding. Ms. Rogers responded that as a non-profit, most funding is obtained through philanthropic donors, and there is a small amount of funding collected through fee for work services.

Mr. Corey Rushton stressed the importance of providing flexibility in legislation designed to address this issue and to begin considering potential sponsors.

Discuss proposed revisions to the retail rate structure

Mr. Olsen referred to the November 2020 Conservation Committee meeting where staff introduced an approach and preliminary timeline for implementing Water Efficiency Standards in JVVCD's retail service area. The implementation method could also be used by Member Agencies, particularly those that do not have land-use jurisdiction.

Mr. Olsen invited Mr. Alan Packard to provide additional background on the proposed implementation method. Mr. Packard said the method is intended to require all new connections for all customer classes to comply with the Water Efficiency Standards. He stated that new water service applicants will need to submit a performance bond to be held by the District until the landscaping complies with the Water Efficiency Standards. For long-term compliance, staff is recommending a revision to the retail rate structure to send an appropriate price signal to prevent the removal of the water-efficient landscaping. Mr. Packard stated that information and data provided from HDR as well as JVVCD's data analytics team strongly support this recommendation.

Mr. Olsen continued the presentation by outlining the top five rate design goals and objectives that were determined by the Board during the establishment of the current rate structure. Those goals and objectives are: 1) rate structure is designed to promote efficient use of water, 2) fair allocation of total cost of service among the customer classes of service to attain equity, 3) revenue stability and predictability, 4) effectiveness in yielding total revenue requirements, and 5) simple and easy to understand and to administer. Mr. Olsen reiterated that water rate structures are most defensible when based on the cost of service and staff continues to recommend using meter size as the basis for grouping accounts instead of customer class.

Mr. Christensen asked to have customer class defined. Mr. Olsen described how a water utility may categorize a residential customer in a separate classification than an institutional customer, like a church. Mr. Christensen agreed that the best way to group customers is by meter size rather than customer class.

Mr. Olsen described some of the analyses that informed the recommended rate structure, which was led by Todd Schultz, Analytics & Outreach Manager. His research was based on evaluating water use in the retail service area over the last four years. The results illustrated how a new fourth tier could be incorporated and provided benchmarks for potential new tier thresholds.

Mr. Olsen concluded by describing that the tiers would be based on the following: 1) typical winter use, 2) typical shoulder season use, 3) typical peak season use, and 4) excess use beyond service level expectations.

Mr. Christensen asked if the 3/4-inch meter will be transitioned to a 5/8-inch meter, how the tiers for the 5/8-inch meter size were determined, and if the addition of the new meter size would complicate billing administration. Mr. Olsen clarified that the 5/8-inch meter size would be for new connections only. Because these connections will be expected to adopt the Water Efficiency Standards, they should have a lower impact on the water system. Existing customers will continue to use the traditional 3/4-inch meter. Mr. Olsen then explained that the billing software should already accommodate adding a new meter category and staff do not anticipate any problems. Mr. Packard added that the water use through a meter is proportional to the cross-sectional area and a 5/8-inch meter is approximately 70% of the 3/4-inch meter, which was used to calculate the new tier thresholds.

Mr. Rushton pointed out that June was categorized as a shoulder season month rather than a peak season month. He requested that June be considered as a peak month. Mr. Olsen said that staff will evaluate the impact and consider that revision.

Mr. John Taylor asked if additional analysis could show the financial impacts of various rate structures.

Mr. Summers asked if there are other agencies using a similar four-tier rate structure. Mr. Christensen responded that Kearns Improvement District is administering rates similarly and it is successful at achieving water conservation. Mr. Packard concurred that the recommended tier thresholds are in line with other Member Agencies.

Mr. Christensen asked if staff considered using the same first-tier threshold for both the 5/8-inch and the 3/4-inch meter. Mr. Rushton responded that because the 5/8-inch meter will have a lower impact on the system, lower-tier thresholds seems appropriate.

Report on results of the 2020 digital marketing efforts

Due to time constraints, this item was not discussed and is included in the packet.

Reporting Items

Due to time constraints the reporting items were not verbally reported on and are provided in the packet as follows:

- a. Localscapes Status Report
- b. 2020 Garden Education Programs Report
- c. 2020 Landscape Leadership Grant Update
- d. 2020 Utah Water Savers Program Update
- e. 2020 Homebuilder Rewards Update
- f. Member Agency Grant Program Update
- g. Public Outreach Update

- h. Fundraising Progress Report
- i. Foundation Activities Report

Adjourn

Mr. Summers asked for a motion to adjourn the meeting. Ms. Townsend moved to adjourn. Mr. John Taylor seconded the motion. The meeting was adjourned at 4:28 p.m.

Lyle C. Summers, Conservation Committee Chair

Date

Matthew D. Olsen, Assistant General Manager

Date