

**MINUTES OF LAYTON CITY
COUNCIL WORK MEETING**

FEBRUARY 19, 2015; 5:33 P.M.

**MAYOR AND COUNCILMEMBERS
PRESENT:**

**MAYOR BOB STEVENSON, JOYCE BROWN,
TOM DAY, JORY FRANCIS, SCOTT FREITAG
AND JOY PETRO**

STAFF PRESENT:

**ALEX JENSEN, GARY CRANE, BILL WRIGHT,
PETER MATSON, JAMES (WOODY) WOODRUFF,
STEPHEN JACKSON, PAUL APPLONIE, WES
ADAMS, SCOTT CARTER AND THIEDA
WELLMAN**

The meeting was held in the Council Conference Room of the Layton City Center.

Mayor Stevenson opened the meeting and turned the time over to Staff.

AGENDA:

DISCUSSION OF ELECTION OPTIONS

Thieda Wellman, City Recorder, presented information to the Mayor and Council relative to the upcoming election and the options of conducting the election on electronic voting machines or all by mail. Thieda reviewed voter turnout information over the past few years and indicated that the County experienced a substantial increase in voter turnout this past election with a by mail election. She said everyone that did by mail elections experienced substantially higher voter turnout. Thieda indicated that the cost for the 2013 election, which was conducted on machines, was \$45,000. She said the estimated cost of the 2015 election on machines was \$48,000; a by mail election would be about \$85,000, which was a 75% increase in cost. Thieda said the reason for the increase was that ballots had to be mailed to all active voters and there were return postage costs; Layton had approximately 28,000 active voters. She mentioned a bill being considered this legislative session that would not require return postage, which would save about \$10,000.

Thieda gave Council a copy of a survey conducted by the County with fairly positive feedback about by mail voting. She explained the County's hybrid election process for the 2014 election.

Mayor Stevenson said he thought the School District would be putting a bonding question on the ballot. He asked if the School District would be paying for part of the election costs if they were included on the City's ballot.

Thieda said yes; that would reduce the City's costs.

Councilmember Petro asked what percentage they would have to pay.

Thieda said it would be approximately 50%.

Mayor Stevenson suggested that the School District be contacted to verify if they were putting something on the ballot.

Thieda indicated that she had not heard anything about it.

Council and Staff discussed some of the questions in the County survey.

Thieda said the County would be conducting the 2016 presidential election by mail. She said the State was headed toward by mail voting. Thieda explained the condition of the voting equipment and the cost to replace it.

Mayor Stevenson said there was also a possibility of a RAMP tax initiative on the ballot and something tied to fiber optics, which would impact voter turnout.

Thieda said the more issues there were on a ballot the higher the turnout would be.

Mayor Stevenson said with by mail voting, the ballots were mailed out early. He said it was hard to know when and how to campaign.

Councilmember Day asked who would make the decision on how the election would be administered.

Thieda said it was the decision of the Mayor and Council. She said the County needed to know by April 1st which way the City would be going.

MAYOR'S REPORT

Mayor Stevenson asked if the Council had any concerns with the continued study of a RAMP tax, and moving forward with getting it on the ballot this fall.

Councilmember Day asked for an outline to proceed that way.

Mayor Stevenson said they were currently working on timing for getting it on the ballot, and they would be meeting with concerned groups to get input. He said everything would be brought together before making a decision to put it on the ballot.

Councilmember Brown said one decision would be how it would be administered. She said with it being on the ballot, citizens would be making the decision to impose the tax.

Councilmember Petro said the more she learned the more she felt that it would definitely be an advantage for the citizens.

Councilmember Freitag said he hadn't thought much about it. He said he didn't have an opinion.

Councilmember Brown asked if all of the information would be brought back to the Council for a decision to put it on the ballot.

Mayor Stevenson said yes.

Councilmember Day said he felt that it was worth pursuing to that point.

Mayor Stevenson said Layton was one of very few cities in the County that didn't have a RAMP type tax. He said Clearfield and Farmington passed it last year; Centerville, West Bountiful, Bountiful and North Salt Lake all had implemented the tax. Mayor Stevenson said it would be 1/10 of 1%; for every \$10 spent it would generate one cent, and it wasn't included on food.

Councilmember Freitag asked when the recreation survey was going to be completed.

Councilmember Brown said it was already done.

Councilmember Freitag said he meant the long range park plan.

Alex Jensen, City Manager, said he didn't know what the schedule was, but he would get the information back to the Council.

Councilmember Freitag said that would also involve a lot of public input.

Mayor Stevenson said the RAMP tax would only be used for special projects. He said it wouldn't do away with the parks budget. Mayor Stevenson said the tax would be in effect for only 10 years, and then it would need to be voted on again. He said normal budgets would go on as before; the funding from this tax would be used for specific things such as a recreation center or trails. Mayor Stevenson said a committee would be established to determine where the funds would be spent each year.

Councilmember Francis asked if the Council would ultimately decide on those projects.

Mayor Stevenson said the committee would make recommendations to the Council.

Mayor Stevenson said unless someone had major concerns, they would continue to push forward with the RAMP tax.

Consensus was to move forward.

DISCUSSION ON MASTER TRANSPORTATION PLAN

James "Woody" Woodruff, City Engineer, provided information about the status on the Master Transportation Plan. He said things had been in a holding pattern waiting to hold the public meeting. Woody said the public meeting was the next step in the process, followed by the impact fee calculations. He said in previous meetings Council and Staff had discussed highlighting the area of 2200 and 2700 West where there were questions about the interchange location and indicating that an interchange would be located in this general location, and move forward with the study. Woody said the Master Transportation Plan could be modified internally each year and updated as needed. He said Staff would like to move forward and set a date for the public meeting.

Mayor Stevenson asked, based on the West Davis Corridor being constructed, was it feasible to move forward and not set the location of the interchange until a later date.

Woody said the exact location of the interchange could not be identified, but indicated that a future interchange would be located on the West Davis Corridor in the general area. He said that assumption would be included in the impact fees; a lot of the interchange would be built by UDOT and would not affect impact fees. Woody said the City could go out 6 years and put the impact fees together; some of the roads might be included in the fee schedule. He said the City didn't want to make that decision in advance of knowing when the record of decision would be made; it could be a few months or a couple of years. Woody said if the City didn't proceed with action on the current Plan, another consultant would probably have to be hired at another time.

Mayor Stevenson said Staff would basically get this back in front of the public and move forward.

Councilmember Petro asked if information would be presented on both locations.

Woody said that would be up to the Council on how they would like to show the interchange possibilities.

Councilmember Brown said if both options were shown, she felt that the cost of both options and the number of homes that would be impacted should also be shared.

Councilmember Day said he felt that the public should be given all of the information that was available on both locations.

Councilmember Brown said feedback from residents could come back to the Council, which would help to eventually make the decision on the location of the interchange.

Councilmember Petro said she felt that information on both options should be presented. Ultimately the Council wanted to make the best decisions for the entire City, but also base it on citizen input.

Woody said Staff could easily show both options.

Councilmember Day asked what kind of timetable Staff was looking at.

Woody said Staff was looking to schedule a public meeting in March.

Councilmember Day asked if it would be a separate public meeting.

Woody said it would be meetings set up to meet with the public to receive input. He said Staff would be working with Horrocks Engineering to schedule those meetings.

DISCUSSION ON WATER MASTER PLAN

Alex said Staff wanted to share information with the Council, not to make a decision but to provide feedback, regarding a framework Staff was proposing that would be used to analyze questions. He said the provision of water for the citizens was very significant. Alex said most citizens took water for granted; they turned the tap on and water came out and they assumed that it would always be there. He said the provision of water was a very complicated, complex, expensive, process. Alex said it was an essential resource.

Alex said Layton's history had been that the City had done very well with trying to provide for this scarce and valuable resource. He said compared to most cities across the State, Layton had historically been in a very good position. Alex said the City had a lot of autonomy to control its destiny because the City had five deep wells; most cities didn't have any deep wells. He said it gave the City a lot of flexibility and it allowed the City to keep its costs low relative to what other cities were paying.

Alex said in conjunction with a Water Master Plan study that had been undertaken, one of the questions that always came up was the gap from what the City had today and what would be needed at build out. He said Staff always knew there would be a gap and had systematically been working to acquire the water rights and build infrastructure that would accommodate that. Alex said the City was at a little bit of a crossroads; the City had a variety of resources including a combination of culinary resources and a combination of secondary resources. He said in looking at the gap in the future, what would be the best use of those resources to ensure that the City met its primary goals. Alex said Staff felt that there were two primary goals to have in mind; provide an efficient and cost effective water resource to the citizens of Layton, and try to preserve and protect the water resources and infrastructure that existed in Layton, including reservoirs, distribution systems, etc. He said in many cases the infrastructure was not only a water asset it was a community asset, for example the three reservoirs that were located in the City. Alex said there were not very many cities that had reservoirs like the ones in Layton.

Alex said there were hundreds of questions that could be asked. He said tonight Staff would like to present a framework that would allow Staff to present information, not opinion, to the Council and to allow the Council to add to or delete from the information, and then systematically and objectively be

able to analyze the different options. Alex said Staff felt that this would take four or five meetings. He said in general, Staff would like to go through a slide presentation and generally talk about the resources the City had available.

Alex said Steve Jackson, Assistant City Engineer, who was charged with managing the water system, would present information about the City's culinary resources. He said Scott Carter, Strategic Project Manager, would present information about secondary water resources. Alex said Scott had met with all of the irrigation companies. He said Staff had identified four options they would like to discuss that they felt might be a solution to how the resources were used to meet the goals. Alex said Woody would present information about those options.

Alex said at the end, Scott Carter would discuss some considerations. He said Staff had developed a consideration scorecard that would give Council a tool to evaluate the viability or strength of the various options. Alex said tonight, Staff wanted feedback from the Council on the considerations; were the right questions being asked or were they identifying the right matrix against which option ought to be evaluated. He said the Council might want to add to those.

Alex said if the Council could get to that point tonight with the framework, at future meetings Staff would like to take each of those options, apply the considerations, and start to talk in detail and help the Council identify whether it was a positive, a negative or neutral option.

Councilmember Day asked if future meetings would be part of work meetings or separate strategic planning meetings.

Alex said it would be up to the Council.

Steve Jackson said the build out demand Staff projected for culinary water was 24,500 acre feet, which would require an additional 8,500 acre feet. He said an acre foot was about 326,000 gallons of water.

Steve reviewed the current status of the City's culinary water system including water rights and wells, and contracted water through Weber Basin Water Conservancy District. He displayed a map and identified the location of wells, water tanks, and connections to Weber Basin.

Steve indicated that there were approximately 280 miles of pipe in the system with approximately 20,000 connections. He said the City's annual cost of water was \$110 per acre foot from the City's system. Steve said the contract with Weber Basin was for a little over 7,900 acre feet of water. He said the contract was a perpetual contract with a 50 year review.

Councilmember Day asked if the price went up but the quantity was always guaranteed.

Steve said yes; the City was guaranteed that amount of water each year. He said the costs were based on the capital costs to build their facilities, and operations and maintenance expenses. Steve said last year the City used 6,600 acre feet of water from Weber Basin, which was 83% of the contracted amount, but 97% of the petitioned water. He said the City had a portion of the 7,900 acre feet of water that the City was contracted for but didn't pay for until they petitioned to have that water delivered.

Alex asked Steve to explain why that was so important.

Steve said the contract with Weber Basin was take or pay. He said the City paid for the water whether it was used or not. Steve said the goal was to get as close to 100% as possible, without going over.

Terry Coburn, Public Works Director, said if the City went over the contracted amount the cost went up substantially and any amount over the contracted amount was added to the contract for the next year. He said they tried to keep it at 97% or 98%.

Councilmember Freitag asked if the City used the contracted water first before using other resources.

Terry said it was a combination. He said very often Staff determined where the City was later in the year, and then used Weber Basin water until the desired percentage was met.

Councilmember Freitag asked if Weber Basin water could be stored.

Terry said it couldn't be stockpiled.

Councilmember Day asked Steve to explain again the difference between contracted and petitioned water.

Steve said currently the City contracted 7,900 acre feet of water, but there was another agreement referred to as the tri-lateral agreement where the City didn't have to receive that water. He said the real contracted amount was slightly over 6,000 acre feet. Steve said the City had the opportunity to add another 1,000 acre feet to the contract at any time that the City petitioned for the water, but it wasn't paid for each year as part of the annual contract. He said that portion of water wasn't paid for unless it was petitioned for, and based on demands, the City was able to add that amount of water to the contracted amount. Steve said once the water was petitioned for, it was added to the contract into the future.

Councilmember Petro asked for clarification on the cost of water.

Steve said the City paid \$193 per acre foot to Weber Basin for the contracted water and the cost of City provided water was \$110.

Alex said when looking at the cost of water into the future that cost could go from \$193 to \$600 or \$900 per acre foot. He said that spoke to why having our own deep water wells was a tremendous benefit because the City could control those costs. Alex said the costs would go up but they wouldn't go up exponentially like the water from Weber Basin.

Mayor Stevenson said, hypothetically, if the federal government stepped in and said the City couldn't pump any more water, could the City go to Weber Basin and buy sufficient water.

Terry said Weber Basin had available water to sell, but it would be expensive.

Councilmember Day said along the same line, if there was a problem and some of the wells went dry, the City would be in the same boat.

Steve said there were communities in the State that had those types of problems.

Terry said that was why the City was rehabilitating the wells.

Scott Carter provided information on pressurized secondary water and non-pressurized secondary water. Scott said the City currently used about 7,000 acre feet of pressurized secondary water; with 7,614 connections. He said there were 4,014 Weber Basin connections, 2,100 Kays Creek connections, and 1,500 Davis Weber connections. Scott said Holmes Creek Irrigation operated within the City but they did not have any pressurized system within the City at this time.

Scott displayed a map that identified where pressurized secondary water was available in the City and the companies that were providing the water.

Scott said the City had 15,256 acre feet of non-pressurized secondary water available at this time. He said that was water that could be converted for use in pressurized secondary systems. Scott said Weber Basin had 5,726 acre feet, Kays Creek had 3,000 acre feet, Davis Weber had 5,030, and Holmes Creek had 1,500 acre feet. He said in Kays Creek, Layton City currently owned shares for 1,060 acre feet, in Davis Weber 123 acre feet, and 399 acre feet in Holmes Creek. Scott said Weber Basin did not sell shares; they

had a different methodology of divvying out their water to the users.

Scott said the cost of Weber Basin water varied wildly. He said for those that were able to connect to their system many years ago the cost was \$80.27 for a year of unmetered water.

Scott said the City had a lot of opportunity to deal with the irrigation companies. He said he had met with all of the companies to obtain this information.

Councilmember Brown said currently, when someone developed property within the City, they were required to bring in shares of water. She said right now they had to be in Kays Creek, Davis Weber or Holmes Creek because Weber Basin didn't provide shares.

Scott said that was correct. The City wasn't able to get more Weber Basin water except for what was available through the tri-lateral agreement.

Councilmember Day asked if the non-pressurized figure was the estimate of what was currently used in the City.

Scott said that was what the City believed was currently being delivered through the four companies based on information they provided.

Mayor Stevenson asked about build out and what would happen with the irrigation water; would the amount become smaller as the farms went away.

Woody said it was anticipated that over time the agricultural water would get transferred to pressurized water.

Mayor Stevenson said if it was taking 15,000 acre feet of water to irrigate crops, if it was used for irrigating grass, would it become a smaller number.

Woody said yes; most of the pressurized irrigation connections were using about 1 acre foot of water a year on an average 1/3 acre lot.

Woody said Staff had put together some options that had been evaluated for meeting future water demands. He reviewed the options.

1. Option A – Layton City build out with culinary water (8,500 acre feet) – limited secondary water
2. Option B – Layton City build out with culinary and pressurized secondary water systems (8,500 acre feet)
3. Option C – Layton City provide culinary water and individual irrigation companies provide pressurized secondary water
4. Option D – Layton City provide culinary water and irrigation companies consolidate to provide pressurized secondary water
5. Other suggestions from Council

Councilmember Brown asked if Option D spoke to the irrigation companies maybe sharing infrastructure to get their water to different areas of the City.

Woody said that was a possibility. He said the difference with Option D was that the irrigation companies would work together.

Councilmember Brown asked if the City knew how much more capacity these companies had that they could put into the City.

Alex said those types of questions would be answered further down the road. He said those types of issues were similar to issues with the fiber industry where there were a multitude of companies installing

expensive infrastructure over the top of each other trying to provide service to certain areas. Alex said another option would be to try and encourage the consolidation of that technology; have one set of infrastructure and allow everybody to ride it or contribute to it. He said there may be companies that wanted to get involved in the construction and operation and maintenance of the system, and there may be others that had a water resource but didn't want to deal with the headache of the infrastructure.

Alex said the goal was to provide efficient and cost effective water to the residents, from whatever source, and to preserve the infrastructure. He said some companies may choose to keep their water active and protected, but not want to get involved in the headache of constructing and building a system.

Councilmember Petro asked when the last water study was done.

Woody said the last Master Water Plan was done in 2006 or 2008 and focused on culinary water.

Alex said there hadn't been a concerted effort to try and develop or force partnerships with the irrigation companies. He said that may be the nuance that was at play now. In the past the City was doing its thing and the irrigation companies, at their will, could do what they wanted. Alex said some have expanded and some have chosen not to, in terms of pressurized irrigation. He said maybe one of the questions now, with some companies stepping forward and showing an interest in doing that, was it now the time or not for the City to enter into a more formal relationship with the companies to provide that water rather than the City doing its thing and the irrigation companies doing their thing. Alex said in the last few years Kays Creek had been very aggressive. He said there wasn't a big shift in position in 2008.

Councilmember Petro asked if the 2008 update was completed by an outside source.

Woody said Hansen, Allen and Luce had prepared the last Master Water Plan.

Councilmember Brown asked if that was where the idea of having developers provide water shares came from.

Gary Crane, City Attorney, said that had been in place a long time.

Mayor Stevenson asked if Hobbs Pond was Kays Creek water.

Woody said yes; Hobbs Pond and Andy Adams was Kays Creek. Holmes Reservoir was Holmes Creek.

Mayor Stevenson asked if those were being filled by the creeks that ran off of the mountain.

Woody said the irrigation companies had various rights in the different creeks.

Mayor Stevenson asked how many acre feet came off the mountain.

Scott Green, Kays Creek Irrigation Company, said Andy Adams was currently full and held 950 acre feet of water. He said the reason it was full was because he pressurized the water and saved 35% of the water from last year. Mr. Green said Hobbs Pond might get full and held 1,260 acre feet of water. He said right now they were dumping all of the creeks into Hobbs Pond trying to fill it. He said this included North Fork, Middle Fork and South Fork.

Kyle Anderson, Holmes Creek Irrigation Company, said Company Pond held 1,050 acre feet of water. He said they had 40% carry over from last year and they were currently at 65% of capacity.

Alex suggested going through the considerations and then taking direction from the Council for the next meeting.

Scott Carter said Staff looked at 12 different considerations, but there could be more. He said the 12 considerations would be put into a matrix to analyze how Options A, B, C and D would compare to one another. Scott said the 12 considerations were cost to the end user, cost of the water, cost of infrastructure, cost of operations and maintenance, availability of water, availability to retain water, autonomy, customer service level, operational service level, capacity of provider, design and construction standards, and conservation. Scott reviewed the definitions of the various considerations.

Scott displayed an example of a scorecard Staff had developed that would help the Council use the considerations to rank the various options.

Alex said Staff tried to make the criteria objective to meet the primary interests of the City. He asked if there were other considerations the Council would like included that Staff had missed.

Councilmember Brown said right now if developers brought water to the City as part of development, it was coming from Kays Creek, Holmes Creek and Davis Weber Canal. She asked what the City could do with those shares in the future.

Gary Crane said the water couldn't be sold or given away, but it could be traded.

Alex said when considering Option A, the City could take those exaction shares and parlay them into other resources. He said there were pros and cons to that.

Mayor Stevenson said on the map displaying where secondary water services were provided in the City, there was nothing for Holmes Creek Irrigation.

Scott said that map was for pressurized irrigation; Holmes Creek Irrigation did not have a pressurized system.

Mayor Stevenson asked how much flood irrigation Holmes Creek was providing.

Scott indicated that they covered parts of the southern portion of the City into Kaysville.

Mayor Stevenson asked if Holmes Creek was doing anything to get into the pressurized irrigation business.

Alton Fisher said they had received a \$300,000 grant to start a pressurized system. He said to get the grant they had to have matching funds. Mr. Fisher said they had been approved for matching funds from the State, but they had to demonstrate that they could make the payments on the loan. Right now there wasn't a market for the water.

Mayor Stevenson asked, hypothetically, why the City didn't buy out all of the water companies and run the whole thing.

Discussion suggested that that could be part of Option D.

Councilmember Brown said some of the irrigation companies serviced more than the Layton area.

Councilmember Petro said there were a lot of questions relative to cost of infrastructure, mandatory hookups, those that owned water shares and flood irrigated their property, etc.

Councilmember Francis said relative to Option D, how would the City get the irrigation companies to consolidate where they were private companies.

Alex said when considering how the City could solve the gap, he believed that the City had the ability to get the culinary water necessary for build out. He said the City also had a wonderful secondary resource that was held by the four irrigation companies; did the City want to take advantage of the efficiencies and cost effectiveness of that and incur the difficulties that would come with that as well, but in more of a formal partnership. Alex said he liked all of the irrigation companies, but his interests were in doing what was best for the City; there was nobody that was a favorite or less than a favorite. He said if the City was to enter into a partnership with all or some of the irrigation companies to provide this water, then there might be certain standards because the City would be tied to them. Alex said once the City entered into a formal partnership they became us and we became them. He said in his view the City had an interest in making sure that the service levels, standards of construction, etc., were all the same so that it was seamless to the end user. Alex said at that point the City couldn't direct people to call the irrigation companies with their problems; it would be the City's problem. He said the City wouldn't want to partner with four or five different companies that had different service areas and different pricing structures because it would be confusing to the citizens. Alex said the Council may say they wanted the irrigation companies to find a way to all consolidate; some bring water and some bring assets and come together, and the City would enter into an agreement with that one combined company. He said he wasn't promoting or discouraging that, but that was the idea of Option D.

Councilmember Freitag said if the four irrigation companies couldn't come to an agreement, would Option E be that the City contract with one of them.

Alex said maybe.

Councilmember Day said that was jumping to the end without going through the process.

Alex said he thought Councilmember Freitag was trying to identify the options; should it be a consideration.

Councilmember Day said there were a million options available; as you went through the process it should weed some of those out.

Councilmember Freitag said if there were other viable options, they should be scored now during this process.

Councilmember Day agreed.

Councilmember Brown suggested adding liability to the list of considerations. Right now if something happened to an irrigation company line, they would have to take care of it. If the City was to partner with them it could become a City problem. Councilmember Brown said the City was still dealing with issues from East Layton water lines; would the City have those same types of liability with the lines that were installed by the irrigation companies in the past.

Council and Staff discussed several ideas under Option D.

Mayor Stevenson said looking at Davis County, was the City in a lot better position with what came off the mountain than other cities.

Terry Coburn said Weber Basin had a large line that ran all the way down Highway 89 to service Bountiful with secondary water. He said in his opinion Layton was in a much better position.

Mayor Stevenson said realistically the City had Weber Basin, City wells, and what ran off the mountain.

Gary said there wasn't another city in Davis County and probably the State that had three reservoirs like Layton.

Councilmember Brown said all three of the reservoirs were also being used for recreational purposes.

Alex said this was the first of many discussions. He encouraged the irrigation companies to stay involved and at some point they would be asked to present information to the Council. Alex said it would take several months to work through this process.

Scott Green said if something wasn't done, the water would leave Layton City.

The meeting adjourned at 7:00 p.m.

Thieda Wellman, City Recorder