

SPRING CITY WORK MEETING MINUTES

Tuesday, December 12, 2023, 6:00 p.m.

In Person Attendance: Mike Black, Marty McCain, Randy Strate, George Kenzy, John Stevens, Mike Nelson, Steven J. Clark, Scott Sunderland, Ken Jensen, Brice Wilcox, Ruth Ann McCain; Recorder.

Zoom Attendance: Craig Paulsen, Joan Durfey

Roll Call: Nancy Allred – Council Member, Courtney Syme – Council Member, Craig Clark – Council Member, Chris Anderson – Mayor, Paul Penrod – Council Member came in at 6:22,

Expression of Choice: Mike Black

Watershed Project and NRCS Grant

Mayor Chris Anderson gave a review of the project. There are several sponsors of the project: Spring City, The Irrigation Company, and Chester Irrigation. It has been frustrating because of the economic study, cultural impact study and environmental study. These have taken several months. After meeting with JUB and NRCS the primary delay is with the cultural assessment. Whoever did the assessment found Indian shards from people making arrowheads. They have determined that there needs to be mitigation and there may need to be mitigation on other things as well. There is talk about prehistoric and historic findings. Historic items we may be able to write up the history, like the penstock, and have a kiosk to explain it. For the prehistoric items we are obligated to have them collected and shipped to a certified museum. The closest one is in Price. The lady working on this will probably not get it completed until March or April. It will probably be next fall before we get to the design phase of the project. They are projecting it will cost \$250,000 for the mitigation. Randy State passed around a sheet that had different parts of the project and who is responsible for what. Brice Wilcox stated that any flood component is covered at 100%, agricultural projects are covered at 75%, recreational component is covered at 50%. Mayor Anderson stated that we will not need to pay our portion until this goes to construction. There is still time to look for other grants and those can be looked at for individual parts. Mayor Anderson wants the Council to understand where we are in the process and what decisions will need to be made. Mr. Wilcox explained that a conceptual design has been made and sent off for review. NRCS has put it through a technical review with the state and it will come back with any concerns they address. This is part of the cultural review we are going through. It will then go to the national office for their programmatic review. A component for cultural mitigation has been added and NRCS must do that consulting. A subconsultant will do the resource analysis and the rest of the reports. Anything 50 years or older can be classified as historical. The penstock itself is considered historic. 99% of the time an archaeologist comes in, takes some pictures, does a write up of it and submits it to the state for their historical records. That is the mitigation that happens. NEPA, National Environmental Policy Act is the one that requires us to go through the cultural assessment. Using federal or state money we are required to look into the cultural impact. There was a discussion on what is classified as historical and what will need to be done. Using any federal or state money requires this process. Randy Strate

stated that what we need to know is when the cultural study will be complete. We need to know which sites are identified as culturally significant and what mitigation needs to be done so we can move forward. Mr. Strate stated that 37 sites have been identified in the cultural study and he hopes that the majority will not need mitigation. Without knowing this information, we are at a standstill on the project. There was a discussion about the sites, mitigation, and the whole process. Mr. Wilcox stated that we should know more by April. Mr. Strate stated that it was two years ago that the survey was done. They are now to the point of finalizing the report to send to all the parties involved. The challenge is if one of the parties wants more information or they are not comfortable going forward there will be a hold up. Mr. Wilcox stated that the figure thrown out for mitigation is \$250,000 and that will be cost sharing for all the parties involved. As much as can be pushed to the flood project will be and that will be covered 100% by the grant. Mr. Strate stated that his big question is the cost. We will not need to start paying until the end of the construction phase, but wanted to know when the money would be needed for the mitigation. There was not a clear answer but a discussion on time and the process of getting the study done and types of mitigation. Mr. Strate stated that he would like to have a candid discussion on significant decisions that need to be made by the city and by the Irrigation Company. The key is flood prevention, that is what the grant is based on. Mr. Strate asked if we felt that the Freeman Allred reservoir was too expensive, can we put that on hold now and move forward with the other projects? Mr. Wilcox stated that the grant is called the watershed flood prevention plan by the NRCS. NRCS has seven purposes that are identified. Your cost share program is tied back to one of those purposes of agriculture water management. We applied for flood control as our biggest concern. The reservoir is for flood control and agricultural water storage. If we go to NRCS and state that flood prevention is no longer our greatest concern but can tie into one of the other purposes they may come back and say okay. Mayor Chris Anderson stated that we may want to move forward anyway because the penstock replacement is something that needs to be dealt with. Mayor Anderson asked Mr. Strate if the meter system is still needed as well. Mr. Strate stated that the Irrigation Company is wondering if the meters are going to be beneficial enough based on the cost. The more they look into the cost long term, not just the installation, but the long-term maintenance, management, and the operation of the meter system it will be very expensive. Marty McCain asked Mr. Strate to list the concerns that the Irrigation Company sees. Mr. Strate stated that some of the projects will benefit all the shareholders, and some will benefit only a small group of shareholders. There will be a \$5 assessment increase plus they may have another two or three dollar assessment increase on the project. This will triple the assessment. If no additional grant money is available for the Irrigations Company's 25%, they will need to get a low interest loan. If this happens the shareholders' assessment will increase two to three times. From an agricultural stand that is very expensive water. It's hard to say which project is most important. Council Member Craig Clark asked if just to get the conversation started if Mr. Strate can go over the concerns he sees. Mr. Wilcox stated that completing the environmental documents does not mean we are committing to building all the projects. NRCS will allow us to phase the projects to whatever timeline needed. At the end of the design phase, we will come back with a construction request. We can go back and submit another construction request later. If we pull out projects now, we will not be able to go back and put them in. Mr. Wilcox talked more about how to keep our projects active. Mr. Strate was asked to talk about his concerns. Mr. Strate stated that the primary project is the most important one. The Irrigation Company has wanted to put in a reservoir for many years and has not been able to afford it. With the NRCS paying 75% it will still be hard for the Irrigation Company. The challenge with the Freeman

Allred reservoir that is not recognized or understood is when the Irrigation Company puts water into the reservoir it will have to come out of the tunnel. That is the only water that can be stored. The most that can be turned out to that is 25 CFS. The problem is that most years the Irrigation Company doesn't have that much water. Three out of the last seven years no water would have been put in the reservoir. Because of this we need to see if this is something we can afford when it may not be beneficial. Poor water years water will not be sent over. The years that water can be diverted will decrease the amount of water to be used to about a one third and will need to happen in June. The chance of flood water going into the reservoir is about 1%. It would take three weeks of diverting water to store 27 CFS of water in the reservoir. It will be diverted during high flows, early June, to be able to use it in August for about two weeks. (1 CFS is about 2-acre feet). Mr. Strate stated if water is diverted in June to the reservoir there may not be a significant impact to the hydro producing power. Council Member Courtney Syme stated that the high flow of water in the year is what the farmers use for production. To divert water early will hurt the farmers. Mr. Wilcox stated that water can be diverted anytime. For flood mitigation the water can be diverted to help the creeks, but the state says that we must release the water within ten days. It cannot be used for agriculture. Mr. Strate stated that very seldom would water be stored at the reservoir. Mr. McCain stated that the real question is whether it is worth the ability to have extra water every 10 to 15 years. Mr. Strate stated that that it might be beneficial, it is something to look at moving forward. When this was all started the Irrigation Company was looking at funding \$1,000,000 and now it is up to 2.2 million just for the reservoir. Mr. Strate's next point of concern is that the water that goes into penstock is diverted above the reservoir. Mr. Strate stated that the Irrigation Company has the primary water right. If it is decided that the tunnel water needs to go down the creek past the penstock diversion to fill the reservoir it will impact the amount of water going down the penstock. There will need to be an agreement between the city and the Irrigation Company of how to manage the water going through the penstock. There was some discussion about the importance of water in the penstock for the hydro and the impact on the power generation for the city. Council Member Courtney Syme stated that even though the Irrigation Co. and Spring City are separate entities we work together for the community. Mr. Strate stated that for this reason we need to have these candid discussions and decide what projects we will be moving forward with. Mr. Strate brought up what he said was the last key element to the Freeman Allred project. This is the Pete Hanson sprinkler system where water will need to be diverted from the penstock or water will need to be sent down the creek to feed that sprinkler system. The city will need to find a way to put this in place in the penstock design if the water is to be put down the penstock during the water year. The Irrigation company looked into this diversion a number of years ago, but they could not get the landowner to give them an easement. This is why the city will need to work with this. Mr. Strate stated that another issue with that easement is when it was signed originally a provision was given by the city that was not theirs to give. They gave a right to turn out the water to the individual shareholder for the easement. This is something that will need to be dealt with by the city. The turnout was not the cities to give. There was some discussion on all these issues. Council Member Syme stated that this project is in jeopardy because the Irrigation Company will need funding. If the Irrigation Company doesn't receive more funding, they may have to decide not to do this. Mr. Wilcox stated that in January we can look at applications and decide if the city wants to apply or the Irrigation Company. Mr. Strate stated that he would like to discuss the city putting in a recreational area at the reservoir and the challenges that will be faced. He wondered if it would be worth the money knowing that there would be only three to four weeks of water

there. Mayor Anderson asked if there will be easements to the area as part of the project. Mr. Wilcox stated that there will need to be maintenance access to the area. Council Member Courtney Syme stated that the easements may be costly. Mr. Strate stated that the most efficient way to handle this is to have walk-in access along the canal. Mr. Wilcox stated that there is still a prescriptive easement. We would want to make it a recorded easement eventually. A recreational component is part of the grant and can be changed if needed. Mr. Strate stated that another decision that needs to be made is the Mill Race Ditch that goes through town. The city needs to decide if that ditch will be piped or if it will be widened. From the Irrigation's perspective they don't care if it is piped or not. From a conservation perspective there is very little benefit to pipe it. The city will need to discuss this with the residents. If the ditch is piped it will just go away. Mr. Wilcox stated that the Mill Race Ditch is counted as flood control, so it is 100% funded except for culverts. NRCS will not pay for those to be upgraded. It will be a political call though, because of the trees that grow along the ditch. They will pipe it from one end of the city to the other. It would follow the prescriptive easements. There was some discussion about the pros and cons of piping the ditch or just cleaning it out. It was determined that moving forward there would be more work meetings to come to solutions to the problems brought up.

Adjournment: 7:57

APPROVED

