

1 **MINUTES OF THE SPRINGVILLE CITY WATER BOARD**

2
3 Tuesday, October 13, 2015
4 6:30 a.m.
5 110 South Main Street
6 Springville, Utah 84663
7



8
9 **ATTENDANCE**

- | | |
|------------------------------|--------------------------------------|
| 11 Councilmember | Secretary |
| 12 Richard Child | Marcie Clark |
| 13 | |
| 14 Board Members | City Staff |
| 15 Alton Beck | Brad Stapley – Public Works Director |
| 16 Nile Hatch | Shawn Barker – Water Superintendent |
| 17 Calvin Crandall - excused | |
| 18 Rollin Hotchkiss | |
| 19 Rod Andrew | |

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21
22 The minutes from the September 8, 2015 meetings were reviewed. Mr. Beck made the motion to approve the
23 minutes. Mr. Andrew seconded. All were in favor.

24
25 The 2016 Annual Water Board schedule was reviewed. There is a meeting scheduled for every month, which is
26 different that past years. We will plan on meeting in July and December, and cancel as needed. Mr. Beck motioned
27 to approved and Mr. Andrew seconded. All were in favor.

28
29 Mr. Stapley distributed a copy of the Pressurized Irrigation Policy – Option A draft. Mr. Beck questioned whether or
30 not all residents will be paying for secondary water, even if they don't receive it. The answer was no. Only those in
31 the West Fields will be charged a PI base rate. Mr. Stapley explained that we may have to increase culinary base
32 rates to every resident to cover the costs of PI that aren't covered by the base rate.

33
34 Mr. Hatch reviewed the figures he researched for culinary consumption (monthly usage per household) from past
35 years 2012, 2013, 2014. In 2012, non-winter billing cycles would be expected to be 24.464 thousand, in 2013 –
36 22.868, and in 2014 – 21.389. Those numbers include the May reading, which is two months and the November
37 reading, which is two months. Mr. Barker corrected Mr. Hatch by saying that meters are read in October, but not
38 November. The numbers only include 1,566 residential connections and no commercial. Mr. Hotchkiss figured
39 22,000 per connection and about 1,600 connections, then we come up with 3.6 million gallons. Mr. Hatch explained
40 how he came up with those figures. The average indoor use is 4,500 gallons per month, about 150 gallons per day.
41 Mr. Hatch ran into some data issues that he's working through. Mr. Stapley wondered why the usage went down
42 from 2012. It could be the weather. Mr. Hotchkiss mentioned that it's only a 10% difference.

43
44 Mr. Stapley stated there will be 1,600 users on the secondary system now.

45
46 Mr. Stapley explained that a filtration system would be needed in the future if we didn't have a secondary system.
47 We would have to treat surface water. Mr. Hotchkiss suggested a way to sell it to the City Council – explain the
48 challenges of water for build out, the need of a filtration plant, the need of x, y, and z with a line item estimate total
49 cost, and the way we have faced the challenges was to build a secondary water system at a cost of "X" and this will
50 obviate the need for other things, but it isn't free; it does have a cost. Take the cost for everybody and the sum total
51 of all the other facilities and compare it to the .50 cents or .25 cents we will have to add.

52
53 Mr. Hatch stated that we need explain to City Council that we are avoiding something and making an investment to
54 avoid another investment. Mr. Hotchkiss said we need to start with the story and not with the recommendation.
55

1 Mr. Hatch updated his calculations and they show 2012 would be at 31 million gallons, 2013 – 32.7 million gallons,
2 and 2014 – 32.7 million gallons for estimated outdoor use, based on the assumption that people will behave the same
3 with secondary as they do with culinary. Mr. Hatch will have to re-write the code to figure out how much impact it
4 will have on revenue.
5

6 We need to figure out what the cost is of 32 million gallons of water per year.
7

8 Mr. Andrew stated that if he was a citizen, he would want the water bill to be neutral, whether he lived on the east
9 side or west side.
10

11 Mr. Stapley explained how the City Council wants to see it. They don't want it to cost more.
12

<u>East</u>	<u>West</u>
\$indoor/outdoor	\$indoor
_____	<u>\$outdoor</u>
\$10	\$10 or a little less

17 Mr. Beck explained that residents aren't going to vote for the west fields to get cheaper water than the rest of the
18 residents.
19

20 Mr. Stapley explained that in the future, without secondary water, the base rate would go up to about \$18 a month.
21 But with secondary, it will stay around \$12 a month.
22

23 Mr. Beck brought up irrigation users on the east side that pay extra for that water. Mr. Stapley explained that they
24 are getting a deal on that irrigation water and the City is subsidizing it. Mr. Beck wants to make sure that it is easily
25 explained to the residents so everyone understands.
26

27 Mr. Hotchkiss stated that we need to come up with two figures - how much the base rate will be raised for everybody
28 in the City, and what is the outdoor charge for those with secondary water.
29

30 Mr. Hatch said annual lost revenue in 2012 is estimated at \$436,000, 2013 is estimated at \$340,000, and 2014 is
31 \$295,000. That would be revenue not collected for culinary because they only have the same base rate as everyone
32 else. That's not including what we would charge them.
33

34 Mr. Barker stated that we still need to consider the shortage we will have on the culinary side.
35

36 Mr. Beck brought up infrastructure. He suggested the City Council needs to bite the bullet and increase rates without
37 worrying about other issues. Charging \$2.00 a month more on the base rate shouldn't be hard for anyone to afford.
38 Mr. Hotchkiss mentioned that it's not going to look good for the City Council to raise the rates again, when they just
39 did it in July. The Water Board recommended a \$3.00 increase and City Council only approved \$1.00.
40

41 Mr. Stapley asked to switch gears and talk about policy and getting the secondary water on-line. There are many
42 hurdles to get through before next summer. He distributed a draft policy. The colors mean: first draft was in black,
43 second draft was in purple, and the red is just to catch your eye because they are critical issues.
44

45 There are about 1,500 users that need to be hooked up in a 3-month period, approx. 500 /month. We are dividing up
46 the area into a northern area, a middle area, then a southerly area. The City Council has directed us (City) to take the
47 PI connection to their sprinkler system. If we wait for the residents to do it, it may never happen or it might be done
48 incorrectly. The policy is in place as incentive for them to "want" to do it, through fees. If they don't connect now,
49 they will have to pay a lot more later.
50

51 Mr. Hatch talked about how huge of a task this is. Charging a \$400 fee probably won't cover it. Mr. Stapley
52 explained that the \$400 number is fictitious and can be changed. There are residents that have buried their box or
53 built driveways over it. There is a paragraph in this policy that addresses that problem. Mr. Hatch suggested that
54 there needs to be language in the policy to cover people who don't want to pay the fees to do the work themselves.
55 They may choose to wait ten years because it's so expensive.
56

1 Mr. Stapley explained that the policy has a July 30th date to have all this done, but we can change that. He asked the
2 Water Board members if the policy is reasonable. Mr. Hotchkiss stated that it is, as long as the City makes the
3 connections. Everyone agreed it is.
4

5 There will be angry residents. Mr. Beck suggested the crews receive training on dealing with difficult people before
6 starting this project. Mr. Hotchkiss asked if there will be public meetings. Mr. Stapley said there has been one letter
7 sent out and there will be more communication going out in the future.
8

9 The City plans on contracting out this work. The Water Department doesn't have time to do it. Mr. Hotchkiss
10 suggested the dates be flexible for the residents to connect.
11

12 Mr. Beck moved to adjourn. Mr. Andrew seconded. All were in favor.
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14 *Adjourn* – This meeting adjourned at 7:26 a.m.
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