

**TREMONTON CITY CORPORATION
CITY COUNCIL MEETING
DECEMBER 17, 2020**

Members Present:

Connie Archibald

Lyle Holmgren

Bret Rohde

Rick Seamons

Lyle Vance

Roger Fridal, Mayor

Shawn Warnke, City Manager

Linsey Nessen, City Recorder

CITY COUNCIL MEETING

Mayor Fridal called the December 17, 2020 City Council Workshop to order at 9:18 a.m. The meeting was held in the City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Mayor Fridal, Councilmembers Archibald, Holmgren, Rohde, Seamons, and Vance, City Manager Warnke, and City Recorder Nessen. Department Head Public Works Director Paul Fulgham was present, as was City Engineer Chris Breinholt.

A prayer was offered by Councilmember Seamons.

1. Review Discussion of expanding the secondary water system including, but not limited to, the discussion of the increased water rates, bonding scenarios for the construction of additional water system improvements, forecast and estimate of culinary water capacity, and other City Council members solutions – Shawn Warnke, City Manager and Paul Fulgham, Public Works Director

Mayor Fridal opened the meeting by saying we appreciate the effort and concern the councilmembers have for the citizens of Tremonton. We are trying to make the best decision for the citizens of today and tomorrow. Engineer Breinholt then addressed the Council. He said initially I entered all these developments, but that has been removed so we can see where we stand right now. I added my calculation of ERCs based on building permits. Our total ERC number was 4,947 in 2020. The ERC reduction in 2021 comes from Service Area 3. This shows the building permits that have been pulled and the secondary projects that have been completed. As we stand right now, with those coming online this summer, we have room for 28 connections. If development happens in areas with secondary water that would be three times that. Two years ago when we started Service Area 3 the idea was that it would get us good with the State. We knew it would not provide a lot of extra capacity on its own. The way development pressures have happened that cut out an extra year. Engineer Breinholt explained the State requirements and how an additional 10% is added to ensure cities provide enough water to citizens. That puts us at 1,162 gallons per day, per ERC, making the peak day demand 4.7 million gallons of water. Director Fulgham said the decrease can be accredited to the secondary system and the hope is to see that keep going down as more people come on the system.

We have 360 homes on secondary at this time and expect that to grow strongly next year with Service Area 3 being online.

Councilmember Holmgren suggested looking into springs for more culinary to make up any deficit. Councilmember Vance asked about the water conservancy district. Director Fulgham explained that contract and how the City currently uses 150 acre-feet of water per year. Anything above that costs over \$1 per 1,000 gallons. Councilmember Vance asked if we were to tap into a well could we hook into the line and not have to bring a new line. Director Fulgham said no, they have different pressure dynamics. We would have to do a pressure substation boost, but it is something we could look at. Mayor Fridal explained that the permitting process through the State takes two to three years. There is also time to explore and test those potential wells. Engineer Breinholt said the King well is about 3.5 miles away. The lines in Garland are pretty small so the cost to pipe that would add up. The well would also have to be refurbished to culinary standards. A better option might be to drill a well by the reservoir to eliminate the piping cost. You would have to drill, but would save power over the long haul. The downside of drilling a well is water quality and you never know what you are going to get for sure for capacity. However, a 500-gallon a minute well would be great (equates to 639 homes). Councilmember Vance said we are treading water doing what we are doing with the secondary system. We have to continue on with it and finish it out, but when we get to the end of the road we are still in trouble. We have to be looking for more water while we are completing the secondary system. The hope is to find a solution to keep from jacking rates up consistently and let growth subsidize that as we get through the secondary water project.

Mayor Fridal asked about a pipeline from the Bothwell pocket to Tremonton. Director Fulgham said if you upsize that line you could double what we flow into town. The downside to district water is the cost. We have to maintain our system and bringing in more culinary, which means building more storage to offset that equalization factor of the State requirement and more capacity. The Council further discussed wells and their location, as well as the process and costs associated with those. Director Fulgham said in 2009 we spent \$25,000 to pull video, clean, and test pump. Mayor Fridal said digging a well is a good idea, it is something we need to look at, but there is a major risk and we have to be aware of that. Councilmember Holmgren said purchasing an existing well could be less risky since we would know what we are getting after some testing. These are all good things for us to be looking at, but we have to keep doing secondary. If we had not done service areas 2 and 3 we would be running a deficit and not allowing new building permits. With the growth we are anticipating in two or three years they are not going to be enough. We have to bring on the rest of service areas 4 and 5 then we will have to bring on Service Area 9. Engineer Breinholt said as the secondary water system gets completed the 500 connections becomes 1,500 new homes because those with secondary only take up a third of the demand. Service Area 3 just got us caught up with State requirements.

The Council asked about raising impact fees, but Engineer Breinholt and Director Fulgham explained that the restrictions by State legislation is strict and could not be used

to pay for all the City's improvements. Director Fulgham said some is for source development, but we are hard strung by legislation on the window and how much we can charge. The new study will tell us what we can recoup. Right now it is only \$1,300 on water. Engineer Breinholt said I do not think it will go up. You cannot charge anyone new any more than you have charged those in the past. Manager Warnke said impact fees reimburse the City for the expenses paid based on capacity. We would bond for those improvements and get paid over time to recoup that.

Councilmember Holmgren said Service Area 5 would provide 389 connections (1,160 more homes with secondary water) so 5 would get us out of trouble. Councilmember Rohde said with all these new subdivisions we would hit our numbers sooner than expected. Are we going to hit a point where we would not be able to allow building permits because we do not have enough water? Director Fulgham said the goal is to put secondary in as they build. It is a timing issue because you are always two to three years down the road on getting people hooked onto the secondary system. However, homes being built does not relate to water being used until the yard is in. That is when it impacts the City. Engineer Breinholt said with the projects we have recommended (expansion of service areas 2 and 4, as well as the construction of 5 and 9) we will be over in 2021 by 137 units, but in 2022 we are under. Councilmember Rohde asked if during that year we are going to have to stop growth. Engineer Breinholt said I think we are okay going ahead because we are actively doing something about it and showing good faith. We are developing a solution that is going to make an impact. Director Fulgham said every secondary service area we add would take off, on average, 1,000 gallons per minute from the culinary system.

When asked about future bonding for Service Area 9, Director Fulgham said our estimate to do that and expand into Fridal Heights and Garfield Estates is about \$1 million. We have that in reserves, but we are going to spend some of that to help bring this currently proposed bond down. Developers will cover a big piece of that cost. Engineer Breinholt said Service Area 5 is the next big bite to take out demand on our culinary system. There are a lot of existing homes out there. Councilmember Vance said the secondary system has to go in, but we need to be putting an equal emphasis on finding new water sources—as much effort as we are putting into secondary water. I believe we need to exhaust every opportunity there is for a well close to Tremonton. We need to see what the options are and take a look at drilling above our holding tank. Once we see the cost we can decide where we are going to put money. Secondary water is not enough.

Councilmember Rohde asked about continuing growth. Engineer Breinholt said the City has somewhere between 26 and 78 connections available depending on where they are built. Councilmember Rohde said it feels like we have no choice and I am frustrated that the choice was taken from us. Now we have to make a decision and it feels like we are being strong armed into it. We have to make the decision, we have no choice and that does not sit well with me. Manager Warnke said we allocate capacity at the building permit. Approving a subdivision does not necessarily provide that capacity. The City just continues to grow. You can either provide more capacity or you can stop issuing building permits. There is nothing City staff did to exasperate those outcomes and I am not sure

how we could have changed that. We just need to increase capacity. What we did not realize or expect is the sudden increase in demand for building permits.

Councilmember Vance suggested holding off on the vote until they could come up with another source of water. We need to move on secondary now, but it takes three years before people convert to that system. We need to develop some type of culinary source, too. Engineer Breinholt said it is a great idea to look at the wells around you, even if you purchase and sit on it until you have the money to make it culinary. You will need it at some point. Our backs were up against the wall two years ago when we were out of water capacity, but because of the decision to complete Service Area 3 we are meeting the State requirement and are in a way better position than we were two years ago. The Council agreed to hold another meeting to make a decision on secondary water and discuss culinary options.

Motion by Councilmember Holmgren to hold a meeting on December 29, 2020 for further discussion. Motion seconded by Councilmember Vance. Vote: Councilmember Archibald - aye, Councilmember Holmgren - aye, Councilmember Rohde - aye, Councilmember Seamons - aye, Councilmember Vance - aye. Motion approved.

2. ***CLOSED SESSIONS: No closed session held at this time.***

- a. ***Strategy session to discuss the purchase of real property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms; and/or***
- b. ***Strategy session to discuss the character, professional competence or physical or mental health of an individual; and/or***
- c. ***Strategy sessions to discuss pending or reasonably imminent litigation; and/or***
- d. ***Discussions regarding security personnel, devices or systems***

3. Adjournment

Motion by Councilmember Holmgren to adjourn the meeting. Motion seconded by Councilmember Archibald. Vote: Councilmember Archibald - aye, Councilmember Holmgren - aye, Councilmember Rohde - aye, Councilmember Seamons - aye, Councilmember Vance - aye. Motion approved.

The meeting adjourned at 11:02 a.m.

The undersigned duly acting and appointed Recorder for Tremonton City Corporation hereby certifies that the foregoing is a true and correct copy of the minutes for the City Council Meeting held on the above referenced date. Minutes were prepared by Jessica Tanner.

Dated this 19th day of January, 2021.

Linsey Nessen, City Recorder

Follow-up items for the Council and City Staff

City Staff would come back with more numbers and options for culinary and secondary water options.