MINUTES OF THE SPRINGVILLE CITY WATER BOARD

Tuesday, September 11, 2012
6:30 a.m.
110 South Main Street
Springville, Utah 84663

ATTENDANCE

Councilmember
Richard Child - excused

Secretary
Marcie Clark

Board Members
Alton Beck
Lynn Panter - absent
Nile Hatch
Calvin Crandall – excused 7:19
Rollin Hotchkiss

City Staff
Brad Stapley – Public Works Director
Shawn Barker – Water Superintendent

Guests
Hobble Creek Canyon residents: Kia French, Lynn Fullmer, Richard Parmenter, Dave Hogan, Nichole Robertson-Sorenson, Jeff Wright, Nancy Steffan, Bill Thomas, Harold Reeb, Janice Reeb, Theon Laney, Steven Luntz, John Nelson, Cory Quackenbush.

Mr. Hotchkiss opened the meeting by welcoming all the guests from Hobble Creek Canyon. He had each board member introduce himself.

The minutes from June and August, 2012 were reviewed. Mr. Hatch motioned to approve them. Mr. Crandall seconded the motion. All members approved.

The Hobble Creek Canyon residents introduced themselves.

Item #1: Mr. Stapley displayed an aerial view of Springville City and reviewed the issue with Burt Spring; we're using about 1,000 gallons of water per minute, instead of the 2600 gpm that we have water rights for. There were some problems with the impellor; the valve was broken and almost completely shut. The valve was fixed and the pump is running about 1300 gpm, even though it has the ability to pump more than that. City crews will be putting in a variable frequency drive pump for flow control. They will also be looking into a second line and second pump; 130-800 gpm. The goal is to try to capture more water from that spring. That water will go into the Hobble Creek zone.

Mr. Stapley stated he held the previous Water Board recommendation from the Council since more information was discovered after the meeting.

Item #2: PRV Stations and Penstock in Hobble Creek Canyon/Cost of Providing Water to Canyon Water Users

Mr. Hotchkiss reminded the group that this is an issue that the Water Board has been dealing with for many months. An Ad Hoc committee was formed last year, which included many in attendance today. It began with the need to add a chlorination station in the Left Fork of Hobble Creek Canyon. The conclusion from that committee was that the costs of the chlorination station should be included in all the City of Springville and not be treated differently. Since then, more issues have come up.

Mr. Stapley explained that the City Council asked him to go back and look at more than just the chlorination station, but also the other capital facilities that are providing water to the canyon water users. They asked him to find out how much of the actual amount of the bills goes to paying for capital improvements. Mr. Stapley explained a portion of everyone's water bill goes to building infrastructure or upgrading/replacing old infrastructure. City wide, and also

in the Canyon, 27% of each bill goes to capital improvements. Mr. Stapley took that 27% and applied it back over a 25 year period, which happens to be when the second penstock was built. He plans on applying that 27% back as a credit. He also plans on adding back the amount when the rates were double that of "city rates". He tried to capture all the credits he could.

Mr. Stapley presented a slide presentation on costs in Hobble Creek Canyon. The facilities that provide water to citizens and canyon users are the Bartholomew Tank, the Bartholomew Chlorination Station, pressure reducing stations, either at subdivision or individual locations, and the water penstock itself, which is bringing water down from Bartholomew Tank. The cost for the PRV stations that went to City Council was around $409,000. Mr. Barker went through those numbers again and the cost was brought down to around $207,000. Other costs were reviewed.

Mr. Stapley explained equivalent residential connections (ERC's).

Mr. Stapley displayed Cost Share Analysis spreadsheets for the Water Penstock, Bartholomew Tank, Chlorination Stations, and PRV Stations.

Based on the number of connections in the City and the number of chlorination stations we have, there are basically 2,000 connections per chlorination station, and the Canyon has about 90 per chlorination station. The City has almost 23 times more connections per chlorination station. As a percentage, the City would be paying about 4% of the Canyon Chlorination Station and about 96% would come from the Canyon Users. Of the PRV stations, canyon users would pay about 98% and city residents would pay about 2%.

There was discussion on details of the spreadsheet and what the capital facilities do and how they benefit canyon users. The group also discussed chlorination in the canyon.

Mr. Stapley displayed and discussed a Canyon Water Users Water Rate Analysis.

Mr. Stapley stated that the point is there are facilities up the canyon that provide water service to canyon water users. What percentage is attributed to be paid by canyon users, he tried his very best to base it on something that is substantiated. He also tried to make sure he wasn't inflating percentages by making sure we were doing the right things as far as ERC's and state requirements for storage and tanks, etc.

Canyon Group Cost is estimated at $25.12 per month per user, based on PRV stations, chlorination stations, the tank, the penstock, and the credits. Mr. Stapley figured that based on 90 users. That is what the City Council will have to decide on.

All these figures assume that the facilities are brand new. The tank is 55 years old. The penstock is 25 years old, and it has a 50 year life span.

Mr. Hatch mentioned that after all our discussions on the issue, what is the board being asked to do? City Council did not agree with what the water board recommended. Mr. Stapley posed the question, "Does the water board agree with the rationale of assigning percentages of actual costs of facilities in the Canyon to canyon water users?"

Mr. Stapley mentioned that this is not scheduled for City Council yet. It will have to be after next month when the board discusses it further. New information has been given to the water board since the original recommendation was given to the City Council.

Mr. Hatch made a motion to adjourn. Mr. Hotchkiss seconded. All were in favor.

Adjourn – This meeting adjourned at 7:34 a.m.