

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

2
3 Tuesday, May 10, 2016

4 6:30 a.m.

5 110 South Main Street

6 Springville, Utah 84663

7



8

9 **ATTENDANCE**

10

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

17 Calvin Crandall

18 Rollin Hotchkiss

19 Rod Andrew

20

21 The minutes from the April 12, 2016 meetings were reviewed. Mr. Beck noticed the letter “A” needed to be added to
22 page 2, line 17. Mr. Crandall made a motion to approve the minutes. Mr. Beck seconded. All were in favor.

23

24 Mr. Crandall brought up the water rates that Spanish Fork charges for culinary and PI. They are both around
25 \$13.00/month, twelve months out of the year. Mr. Stapley stated that Springville has one base rate for both waters at
26 \$12.00/month. Mr. Beck mentioned that Orem City is considering tiered rates now.

27

28 Mr. Stapley reviewed the new Pressurized Irrigation information on www.springville.org. Mr. Crandall mentioned
29 the service area map should be changed. It is showing PI available just west of SR 51 and 1000 South, and it is not
30 really available there.

31

32 Mr. Barker gave an update on the Burt Springs MPA (microscopic particulate analysis) test from the State. It came
33 back as low risk for being under the influence of surface water. The State will review it and send an official
34 statement back. The test was timed strategically so there was flow from snowmelt and the stream was turbid. The
35 City will continue to monitor it for bacteriological and turbidity. Mr. Barker stated that anything under a 9 is low risk
36 and our score was a 1.

37

38 Mr. Stapley said Mr. Barker and staff have a decision to make on increasing source capacity. He stated, “We can
39 either spend a half million dollars and try and get more water out of Burt Springs and/or drill a new well at 400 South
40 for about \$2.5 million dollars. If we start the well, which is in the preliminary budget that is going to Council, we
41 probably won’t have water available come a year from now. If we start Burt Springs, we’ll have water available, but
42 not the amount of what we will eventually with the well. The plan has both happening, but which should happen first
43 is the question now.”

44

45 Mr. Beck stated that it depends on how well we can predict culinary water supply. Mr. Barker replied that we know
46 from the master plan and projected growth that the demand is going to be on the Spring Creek side of the system and
47 that would suggest doing the 400 South Well first. Mr. Beck suggested doing the Burt Springs project first because it
48 will be a quicker project than drilling a well. Mr. Stapley explained that it will include redeveloping the spring zone
49 along the hillside, and putting in a new pumping station and force main going up to the tanks, which could take up to
50 a year. The well will take more than a year to build. Mr. Hotchkiss suggested that if there’s money budgeted for the
51 well, it should be done now, rather than wait. That money could dry up or go somewhere else. Mr. Stapley reassured
52 him that the money stays in the water department.

53

54 Agenda item #1: Culinary Water Tiered Rates

55 Mr. Stapley stated that we already have a \$1 increase in the base fee approved that will show up in the June bill. We
56 now need to discuss tiers. About 80% of the community never gets above the second tier (20,001 – 60,000 gallons).

June 14, 2016

Approved

1 We want to get people to conserve water, as mandated by the State. With secondary water rates, there is no base rate.
2 So residents in the west fields who have secondary water will basically get the first 10,000 gallons for free, (5,000 for
3 culinary and 5,000 for secondary) included in their \$12 base rate. Mr. Stapley asked the board if we should change
4 the tiers and make them smaller. Mr. Hatch can change the tiers in his program and we can see how it will affect the
5 billing. The primary purpose is to help people conserve water, not to increase revenue.
6

7 Mr. Hatch reviewed his data for years 2012, 2013 and 2014. Revenue for 2012 was \$2,494,000, for 2013 it was
8 \$2,267,000, and for 2014 is was \$ 2,330,000. The numbers are pretty consistent. The weather is the main factor.
9 Mr. Stapley wants to adjust the tiers and see how the rates change.

10
11 Mr. Hotchkiss mentioned this is a sensitivity analysis. It may be better to do this offline and bring back a table for
12 the board to review.

13
14 Mr. Hatch changed ranges to:

15	0 – 5,000 gallons	
16	5,001 – 15,000 gallons	
17	15,001 – 40,000 gallons	
18	40,001 – 100,000 gallons	- 80,000 gallons
19		<u>80,001 – 150,000 gallons</u>
20	\$220,000 (increase)	\$230,000 (increase in revenue)

21
22 Take that total (220,000) divided by 10,000 users and divide it by 12 again (per month). That will give us a basic
23 change in cost per users.

24
25 \$1.83/month \$1.92/month

26
27 Mr. Stapley suggested changing tiers to

28 0-5,000 gallons
29 5,001 - 6,000 gallons
30 6,001 - 15,000 gallons
31 15,001 – 40,000 gallons
32 40,000 – 150,000 gallons
33

34 Mr. Stapley stated that by changing the tiers, we will get significant revenue. He asked if that change will be enough
35 for residents to change their behavior and conserve water. Mr. Hotchkiss stated that it's just a "what if" game until
36 we find the "sweet spot". But we can't find the "sweet spot" until we know how people's behavior will change. Mr.
37 Stapley said that behavior is based on perception. He suggested educating the people of Springville on water rates.
38

39 Mr. Hotchkiss stated that we already have behavioral change data from Mr. Hatch from before and after the tiered
40 rates were instituted and we know that behavior didn't change much. Mr. Stapley thinks it is because the tiers are too
41 low.
42

43 Cl. Child mentioned that if residents see their water rates going up in the near future, even by a few dollars, they will
44 blame the new pressurized irrigation system.
45

46 Mr. Stapley mentioned that our water rates are still lower than cities around us. Cl. Child stated that we need to keep
47 bumping up rates gradually each year until we get to where we need to be.
48

49 Mr. Hotchkiss said, "the other side of the "what if" game is how many gallons do you save? If I want to pay the
50 same amount this year as I did last, but with this new tiered structure in place, how many fewer gallons of water
51 would I need to use to keep my bill the same? That would be a measure of conservation."
52

53 Mr. Barker mentioned that the State requires the City to update their conservation plan every six years.
54

55 Mr. Stapley would like to see if residents that were in the higher tiers originally have gone down to a lower tier and
56 know the number of people in each tier.

June 14, 2016

Approved

1 Mr. Beck mentioned that not every lawn requires the same amount of water, depending upon soil. People may
2 choose to let their lawns go brown because they can't afford the water anymore.
3

4 Mr. Stapley mentioned the value of using outside consultants vs. staff. Mr. Hatch has done a lot of valuable work for
5 the Water Board for free. He suggested compensating Mr. Hatch, to be fair. The board members were in favor of
6 that. Mr. Stapley will check with Administration and let the Water Board know.
7

8 Mr. Beck asked Cl. Child about member recruitment. Cl. Child stated that he is still working with the mayor on it.
9

10 Mr. Barker reported that snowpack is only around 60%. It's better than last year, but it's still not very good. Mr.
11 Crandall reported that flows in the creeks are low because the ground was so dry last fall, everything is soaking in.
12

13 Mr. Hotchkiss moved the topic of Plat A to next month.
14

15 Mr. Hatch moved to adjourn. Mr. Andrew seconded. All were in favor.
16

17 *Adjourn* – This meeting adjourned at 7:33 a.m.
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