

**ELK RIDGE
CITY COUNCIL MEETING
February 6, 2014**

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5 TIME & PLACE
6 OF MEETING

This specially scheduled Meeting of the Elk Ridge City Council, was scheduled for **Thursday, February 6, 2014, at 4:00 PM.**
The meeting was held at the Elk Ridge City Hall, 80 East Park Drive, Elk Ridge, Utah.

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9 Notice of the time, place and Agenda of this Meeting, was provided to the Payson Chronicle, 145 E Utah Ave, Payson, UT, and to the members of the Governing Body, on January 30, 2014.

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12 **4:00 PM -**

CITY COUNCIL REGULAR SESSION AGENDA:

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14 ROLL

Mayor: Hal Shelley; *City Council:* Brian Burke, Paul Squires, Ed Christensen, & Dale Bigler (Absent: Nelson Abbott); *Public Works:* Cody Black; *Engineer:* Craig Neeley (Aqua Engineering); *City Treasurer:* Linda Cooper; *CUP Representative:* Reed Murray & Sue (?); *Trainer for Express Bill Pay;* & *the City Recorder:* Janice H. Davis

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19 OPENING REMARKS
20 & PLEDGE OF
21 ALLEGIANCE

An invocation was offered by Mayor Hall Shelley; and Dale Bigler led those present in the Pledge of Allegiance, for those who wished to participate.

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23 AGENDA TIME
24 FRAME

The Meeting started late (about 4:20 PM); waiting for a quorum to arrive.

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26 CENTRAL UTAH
27 PROJECT (CUP) -
28 FEASIBILITY F
29 SECONDARY
30 IRRIGATION SYSTEM

Paul Squires: Council Member Squires introduced Mr. Reed Murray; whom he has known for 25 - 30 years through the Council Member's association with the Central Utah Project.

Qualifications / Background:

- (Past 7 years) Mr. Murray has served as the Secretary of the Interior's Program Director for the implementation of the CUP Completion Act.

- He represents the U.S. Dept. of the Interior with the Central Utah Conservancy District; the Utah Reclamation Mitigation & Conservation Commission & the Ute Indian Tribe.

- Mr. Murray has worked on various assignments:

- Registered Engineer in Utah
- Graduated from BYU in Civil Engineering
- A member of the U.S. Committee on Irrigation & Drainage
- He is a resident of Orem City

Mayor Shelley: He wanted to know how viable it is for Elk Ridge to participate in the Central Utah Project; he asked for assistance in understanding the issues involved with planning for water in the future.

Reed Murray: *Central Utah Project*

He and those he works with have the main responsibility of making sure the Central Utah Project gets completed. They are kind of like "glorified bankers"...handling revenues and expenditures as well as the construction of the various phases of the overall Project.

- Construction of CUP started in 1964; they are nearing the last of phase (Utah Lake System).

- Construction on the Utah Lake System started in 2007...this system will have delivered the last 60,000 acre feet of water of the CUP: 30,000 af (acre feet) to Salt Lake County and 30,000 af to the south end of the County.

- The 10 cities in south Utah County signed a petition for that last 30,000 af...Elk Ridge is one of those cities.

- The actual need for each city will determine what each share amounts to.

Constructed thus far:

- Spanish Fork Canyon pipe line (96" pipe line)

- There are two (2) pipe lines that head north:

- One is the replacement for the Mapleton/Springville Lateral (This pipe line will be finished by this summer (2014))
- Spanish Fork /Provo Reservoir Pipe Line
- One additional "Reach" is planned to go up the mountain to the Jordan and Alpine aqueducts

The anticipation is to have all of these lines completed by 2018; after which, the last pipe line will go south:

- Spanish Fork to Santaquin Pipe Line

Funding for the Project:

Unfortunately, the funding "has slowed down as of late". Since 2007, they have had about 45 million dollars in appropriations for construction; but, with the down-turn in the economy, the funding has been greatly reduced. The budget for 2014 is only \$8,000,000. As a result the Central District has had to make some "tough decisions". They have chosen to "pay ahead"; so they have used a lot of their funds to continue the construction. Now CUP is "in the hole" to them and the Federal Government is "in the hole" to Central District. Central District is very committed to completing the system.

With the slow-down in funding, other things have slowed down, as well.

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69 00:10:35

- A lot of Water Conservation Grants have been provided to many communities for pressurized irrigation; but they have not been completely funded due to their reduced funding.

One of the questions: What is available in grants?

They do have authorization to continue funding water conservation programs; however, they simply do not have the appropriations (money)...so it is not looking good for entities seeking additional grant money.

00:10:59

Pipe Line to south end of the County:

They have what is called a "record of decision": After they finish the environmental work, there is a process to get a "decision document" signed by the "System's Secretary for Water & Science". This identifies the plan and allows it to move forward. Part of this is the Santaquin pipeline that they are committed to build; however, with the reduced appropriations, "Central" has been trying to figure out how to finish the Project. It appears that the commitment to Salt Lake County will be met; but what about South Utah County...there is a signed petition and a signed contract. They have been trying to come up with a solution.

Backtracking a bit:

In 2011, CUP was approached by the Strawberry Highline Canal Company; they were interested in water conservation grant money, as well. They were informed that the appropriations were not available. Strawberry hired an engineering firm to look at enclosing the Highline Canal; much of that driven by the State and their requirements to ensure that canals are safe. Strawberry feels like this can be a reality and are committed to piping the canal (enclosing it).

It is a big undertaking; but Mr. Murray said he was convinced they have that capability.

Back to the Utah Lake System:

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One of the options Central Utah Conservancy District is considering is to combine with the Highline Canal. If they enlarge the pipeline Strawberry is planning to build, perhaps they could convey the remaining CUP water through that pipeline...then it could travel all the way down to Santaquin...meeting the commitments to the south County cities.

A couple of perspectives:

- The Utah Lake System pipeline to Santaquin would have been a high pressure system...with sufficient pressure to provide water to Elk Ridge's secondary system.
- The Highline Canal System will be a low pressure system; and there would be the added pumping costs the engineer would have to consider.

Joining with Strawberry is looking more and more likely...it is in a conceptual phase; no agreement has been made.

Other Considerations:

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- The Highline Canal is a Federal Canal; under the Strawberry Valley Project (1907 Project). If they partner with the Cup, there could be the possibility of being eligible for CRSP Power (Colorado River Storage Project power); which is basically under the same authority that Flaming Gorge, Hoover and all the big dams that were built. The power is very inexpensive; so if pumping were required, there could be eligibility for that cheaper power.

- There are really no hard figures yet; they don't have costs put together. If Central partnered with them, it might help move things along.

Mr. Murray was not sure how helpful the information he provided is to the Council; but that is basically where things are currently. "Things are up in the air"...when the north pipeline is finished by 2018; they will turn their attention to South Utah County...perhaps before for some of the planning involved.

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Mayor Shelley: If the system continues to be installed; it will be a "dry system" for a number of years; would it be wise to allow this installation to continue. It is in the code; should that be changed? Getting the system in is just one phase; then later...when connections are made, lines and roads are cut into.

They (Council) are very unsure how much of one part of the system (PUD, Phase 2) is really viable. It was installed in the planter strip; which will battle with roots from trees and be difficult to access. The desire is to avoid investing a great deal of expense now; if it is going to end up being a "dry system" for 10 to 15 years (minimum).

Concern: Can the City get an estimate of when CUP would be available? The costs must be analyzed...a low pressure system could be very costly.

What is a realistic time frame? If this requirement is taken out of the code; will there be a future point when it would be re-implemented?

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The Council was hoping for advice and guidance from Aqua Engineering as well as Mr. Murray. (Mr. Murray answered that the year of completion when the Project was started was 2021. It is difficult to predict at this point. If the Project joins with the Highline Canal Company, it could move ahead more rapidly. Unfortunately, they have not planned far enough ahead to really be able to predict dates. The south end of Utah Valley has to wait until the north lines are completed.)

(The Mayor continued)

- If the Project completes as predicted by 2021, would Elk Ridge be bound to only utilize CUP water? Could another source be utilized?

- Water rights would have to be procured...would the City have to secure more? (Costs involved?)

- Will there be an annual charge for water shares; as well as the purchase price?

These are questions that need answers to be able to make an informed decision regarding the current requirement in the code.

00:20:06

Mr. Murray:

- According to the petition signed by Elk Ridge for CUP water; the cost of that water is \$273/acre foot (fixed, guaranteed price)

- There would be operation and maintenance costs.

(Cody Black asked if the Cities are "capped" as far as how much they can purchase?)

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- 30,000 acre feet was designated to the south end of the County; of that, some of it has been turned back to the Office of the Secretary of Interior to be used for "fisher flows" (for the June Sucker). Probably only about 23,000 acre feet left for the ten cities. Initially, there was a rough breakdown of how much each city needed. SUVMWA is actually the entity that is the signature to that petition.

(Mayor: The Council knows that there is availability of water through SUVMWA.)

- If the pipeline is enclosed, there will be three types of water :

- Strawberry Valley Project water
- CUP water
- Non-Project water (Covers everything else...like "river rights") If the City has water rights, perhaps there could be a conveyance to the Project.

Mayor Shelley: The Council has been trying to decide if it would be advantageous to upgrade the current culinary water sources; with back-up storage. There is the question of cost as compared to tying into CUP water with pumping costs with a low pressure system.

Mr. Murray: He understood the issues and advised looking carefully at the various options. He asked if the City shared in the Strawberry Valley Project. (No, the City does not.)

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Dale Bigler: One of the biggest costs in the current culinary system is pumping costs from the lower well up to the tank. It seemed to him that most cities that have installed the secondary water systems have had access to streams, a lake or another source of water...Elk Ridge would not have this advantage. Concerns with the secondary system:

- Pumping costs
- Dirty water with much debris: expensive and time-consuming to maintain

Mr. Murray: The pressure will have to be cut at some point to get into the Highline Canal. Options have been considered...example: a hydro-electric facility.

- Another consideration: CUP is stored in a reservoir; with long-term storage.

(Question: Are there cities that are pumping that could be contacted for information?)

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Craig Neeley (Aqua): He felt pumping costs would be fairly easy to calculate; but he was not sure "pumping" is the critical issue. The lift from the Cloward well is likely more than from the Highline Canal and certainly more than it would be from the ULS.

If another source was found (like the Loafer Well), then those pumping costs would be less.

Taking everything into consideration; he does not believe that pumping will be the defining factor. The more the City pumps out of the secondary system, the less that is pumped out of the culinary wells.

Secondary systems are always more of a hassle...it will cost more for infrastructure; but drinking-quality ground water (culinary) is preserved. The continued availability of ground water for the future is a major concern...particularly if secondary water is not available.

He really recommends "redundancy" In the culinary system.

Advantages:

- Preserve ground water
- Likely it will be a bit cheaper
- Costs will be passed onto customers; who will use less culinary water to get a break on their monthly bills.

It is a "water resource ethic"...it may make sense to participate. There may be a possibility of developing another well higher up with gravity flow that would be cheaper to operate.

Within the contract there is a "conservation requirement"...which applies to water use, overall. Over a period of 20 years, the City would need to cut the water use by 25%. If the City does contract for this water, the City will have to find ways to conserve.

(Brief Discussion of "Redundancy" in the City system.)

There may be a possibility of a "Planning Grant" through Water Resources; then there are many things that could be studied:

- Storage: Finding a place for a reservoir (mid-level and upper-level)
- How to divide water between reservoirs
- There are many questions that should be addressed beyond just getting the water to the area.
- He advocates: more than one source of water and conservation of those sources
- He is not an advocate of putting drinking-quality water on lawns

He reiterated that pumping costs are going to be a reality, no matter what; so that should not be a deciding factor.

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Paul Squires: He mentioned another concern: every house built after 2006 has the infrastructure in place; should there be a concern with deterioration of those lines? Would it make sense to continue to install the lines?

Mr. Murray: There is a calculated life to all systems; he was not sure what that life would be.

Dale Bigler: (Referring to Council Member Squires' question regarding continued installation) That is the big and immediate decision to make; whether it is practical to continue to require the secondary system of developers, or not.

Cody Black: He feels it is not necessarily the pipe going bad that is the problem with the system sitting in the ground for a prolonged period of time; it is more contractors digging through it...lines breaking; and a line that is not charged with water...this would make the breaks undetectable until it is charged, then there would be a bunch of breaks to deal with. The contractors won't say anything about hitting lines; they will simply bury them.

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Dale Bigler: Asked for the recommendation of the engineer regarding the continuation of the installation.
Craig Neeley: "I am not a fan of dry lines; especially pressure lines; but it doesn't mean it can't be done."
He would like to see:
1. Code requires 8" pipe...many irrigation systems have 6" lines.
Is the City requiring more than is necessary?
2. A Master Plan would be desirable.

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3. The lines could be pressurized with the culinary water for the next 7 or so years.
Cody Black: But, will the CUP water be available in seven years? It could be 20 years. Perhaps the City would be better off installing the system at that time...then there is a new system to be utilized.
Mr. Murray: All of the cities in Utah County will have secondary irrigation except for Orem and Provo.
The Mayor: He explained that dry systems had been installed in the newer sections of the City; but the older sections do not have it.

Craig Neeley: He would like to find some funding for a feasibility study regarding the effectiveness and compared costs of a secondary system. This might be more useful than simply eliminating the current requirement to install irrigation. He feels that there is grant money available. He would like to speak to Water Resources.

Mr. Murray: The funding provided thus far has amounted to about \$5 million per city...that included any environment costs and studies...all in the form of grants. That grant money has not been appropriated recently.

Mr. Neeley: An overall master plan of the irrigation system would be helpful to the City and to the developers. The plan should include pressurizing the lines.

Dale Bigler: The system could be attached to the culinary system temporarily.

Cody Black: Concern: If it will be 20-25 years to get the Cup water; why maintain two systems just to have the system in place. The worry is that contractors would likely tear up the lines and just cover them up. (The Mayor pointed out that there would still be the cost of installation 15 or 20 years in the future; which would likely be more than it is now.)

Paul Squires: He added that the time frame could accelerate, as Mr. Murray indicated.

Brain Burke: He feels it would be easier to install now, prior to landscaping in the yards. Even installing it in part of the City...then begin pressurizing the system in phases.

Brief discussion: Mr. Neeley spoke of metering the secondary system; that method is becoming more popular...double metering would be required. He also felt depreciation figures into the equation.

Mr. Murray: He commented that he is a "big fan" of feasibility studies...it would really help if the City had a master plan for secondary irrigation water. Perhaps in another year, it will become more clear as to the part that the Highline Canal will play.

In response to Mr. Neeley's question regarding jeopardizing the standing with CUP Water if the City decides to get irrigation water through the Highline Canal: He did not feel the City would jeopardize anything with CUP through SUVMWA. The City has signed a petition; but has not committed to an actual amount of water. There is such a demand on water that someone else would use it up. The cost would be better with CUP water.

Craig Neeley: Aqua could look at the feasibility study for \$7,000 to \$10,000. Grants to help out needs to be researched.

Cody Black: The requirement is in the code to install the system; but it is not known if the standard specs are right for the City. He agreed for the need of a study.

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Mr. Murray had to leave the meeting at this point; he was thanked for offering his time and expertise.

Further Discussion:

Dale Bigler: He felt it would be ideal to locate a well with Payson City...perhaps above (or southwest of) the City; that could be another source. (Mr. Neeley agreed.)

Mr. Neeley: The feasibility study would also look at the culinary water and how best to develop that. The main advantage to a secondary system would be the preservation of culinary aquifers.

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NON-AGENDA ITEM

Visa Credit Card Program for the City:

Mayor: The trainer for Express Pay Billing for online payments had been at the City most of the day for the purpose of training of staff members. She had some information to bring up to the Council in order to move forward with this service.

Changing to online payments has already been approved by the Council; but in the approval, the Council understood that the City would charge back to the customers a fee for utilizing this service. (Example: Payson City charges \$3.00 to use a credit card at their office.)

- What would the fee be?
- It was indicated that if the City does charge a fee; the same rate is not applicable (municipal discount rate).

Explanation:

- There is a "utility" rate for taking utility payments and things associated with utility payments (shut-off fees, deposits, etc.) Visa rules will not allow the City to charge a "convenience fee" and provide the "utility rate". The City must choose one or the other.

There are transaction fees and merchant fees on top of that.

- Another issue is that "convenience fees" cannot be charged on a recurring payment; so anyone with "auto-pay" on their credit card could not be charged that fee. Someone using the online payment service is not really causing any work on the part of any of the City staff. Some people will call and want to make a payment with a credit card; but most will use online services.

- The City wants to encourage customers to "go paperless"; which saves other office supply type costs and time. There are savings in that way.

- There is a tool on the website that allows the City to send a newsletter to all the customers with accounts.

- SESD uses the same service; which will add to the convenience of Elk Ridge citizens signing up that already use credit card service with SESD. (SESD does not charge for the service.)

She believes the City will see many more sign up for this service because of this convenience in signing up.

Brian Burke: He assumed the individual's bank could be used (Yes); would the payment be made to Elk Ridge City or to the City's bank?

Explanation: Currently, if one pays through one's own bank, that bank sends it to a third party processor, who then cuts a paper check and sends it through regular mail to the City. (The City receives these payments currently as a paper check, rather than an electronic payment.)

With "Express Bill Pay", the customer agrees to have the bank send the payment electronically through them (Express Bill Pay) and they will up-date with the rest of the electronic payments on a daily basis. (No paper checks)

- Currently: After the check is initiated through an individual's bank, it could take 7 to 10 days to get to the City. Electronically, the transaction would be received in about 2 days. This will save customers being late with their payments.

- If a customer pays by check, on-site (at the City Office or in the drop box), the payment would be processed as it always has been...not through Express Bill Pay.

Mayor: This is being done as a convenience to the citizens.

Linda Cooper: Customers have been requesting this service for a long time.

Dale Bigler: He asked what the total charges to the City would be for Express Bill Pay.

Explanation:

- Credit Card: possibly up to \$1.35 per transaction

- Many people will pay with checks (no merchant fees attached); just the transaction fee of \$.40.

- If paying online with a "bank bill pay" (online banking): that comes through Express Bill Pay electronically and that would only be \$.22.

Mayor Shelley: He clarified that the main question was if the Council was alright with one of two options:

1. Charge a fee passed on to customer (at a higher rate charged to the City)
2. Not charge for service (at the "Utility rate" for a city)

Ed Christensen: He was in favor of not charging a fee to the customer.

Linda Cooper: Even at a lower fee (like \$1.00), many people will not use the service if there is any charge.

Explanation: The "bottom line" is that the City wants customers to pay their bills. If they can pay more conveniently through a credit card, then the goal will be accomplished.

Sue was the Treasurer for Lehi City for 17 years before she changed jobs; she has been where Mrs. Cooper is now...she can relate to the issues with getting bills paid and services left turned on. Her job is to collect revenue for the City, while assisting the citizens where possible.

She had not activated Elk Ridge's account at that point; if the Council needs to wait until they can take action, that was fine. She just needed to be kept informed.

Dale Bigler: He was in favor of going ahead with the process with no fee charged to the citizens.

Brian Burke: Council Member Burke agreed.

Paul Squires: Agreed.

*She was given the approval to move ahead with the process to get the City activated utilizing the online options.

1:04:05
SECONDARY
IRRIGATION
(CONTINUED)

Mayor Shelley felt the Council could go ahead and approve a feasibility study to be performed by Aqua Engineering.

Lee Haskell will start laying pipe within a few months.

Craig Neeley: He felt that it might take longer with the effort to get grant money involved to assist in paying for the Study. Division of Water Resources might be interested. There is typically grant money available. State money has fewer "strings" attached to it. He recommended having the Council authorize him (Mr. Neeley) to locate grant money.

(Council Member Squires asked that he provide a proposal for a Feasibility Study...the scope and costs related to that Study.)

The nice thing about Elk Ridge is that it is fairly simple to determine the needs; Aqua has been working on this anyway.

- How much water is needed?
- How much does the City want to allocate?
- Compare to drinking water for irrigation
- Securing the City's water.
- How will the City get irrigation water?

