

**Administrative Control Board Meeting
Box Elder and Perry Flood Control
Special Service District
Perry City Offices 3005 South 1200 West
5:00 PM Wednesday, March 18, 2015**

Members Present: Chairman Greg Hansen, Board Member Boyd Hirschi, Board Member Bob Thurgood, Board Member Maurice Roche

Member(s) Excused: Board Member Kevin Pebley

Others Present: Brett Jones, Board Engineer, Susan K. Obray, Board Clerk

1. Welcome & Call to Order

Chairman Hansen welcomed and called to order the Box Elder and Perry Flood Control meeting.

2. Approve February 18, 2015 Minutes

MOTION: Board Member Roche moved to accept the minutes of February 18, 2015. Board Member Thurgood seconded the motion. All in favor.

3. Public Comments

There were no public comments.

4. Final Report by Jones & Associates Regarding Findings on Evans and Mathias Canyon Debris Basin and grants that are available.

Brett Jones representing Jones & Associates explained that there are sources of funding for the Canyons. He reported that every source of funding have some items that are not great about it. He said he has done projects with every sources of funding and so he can speak from experience. He went on to explain the first source is Pre-Disaster Mitigation Competitive (PDM-C) Grant Program which is FEMA money. He said they are currently doing a project in Mantua for Brigham City to redo some culverts that they are redoing. He reported that this funding realistically takes a year to two years to get. He stated that it says that it requires 25% cost share minimum from the applicant and so the Flood Control would be sharing in the 25% of the cost and the rest would be a grant. Brett said that the two projects that he has done with this funding were both awarded 50% funding. He explained that the Pre-Disaster Mitigation Competitive Grant Program and the Emergency Watershed Protection Program are both grants but are both from the federal government. He said you will go through the NEPA process on both of these. Brett stated that the one downside with the FEMA money is that they might relook at the flood plain maps and put some of the homes in the flood plain that currently are not. He said also with federal funding the management that goes into just getting these funds is quite expensive. Brett went on to say that the Emergency Watershed Protection (EWP) Program is a little cleaner, it comes through NRCS. He said sometimes they manage it out of the local office and all of the NRCS programs he has done have paid 75% of the construction cost. Brett explained that this money may not be as easy to get because

typically they award after there has been a disaster. He said you have a better chance at getting it if there was an issue. Brett said that there really are not any State grants for what they are trying to do. Brett stated that the Permanent Community Impact Fund Board is comprised mostly with the mining counties in Utah. He said they have a lot of money, but in Box Elder County because it is not a mining county they will only do loans. He said that you come to a board and you present your project and tell them what you want to do and they discuss it and they tell you what interest rate you are going to get. He said it usually ranges from 0-4%. Brett said if you get 3-4% you might as well go into the private market. He said the one caveat to that is the project has to be listed on the County's capital improvement list, and has to be submitted through BRAG. He said if you wanted to go for this loan you would have to start in the next month or two. Mr. Jones stated that the Direct Placement Bond is basically going to the open market. He said he assumes that they would use the County's bond rating. He said he felt they had a good bond rating. Brett stated that the interest rate is 3-3.5%. He said on all of the bonds there would be a bond closing fee. Mr. Jones moved on to Revolving Construction Fund. He said that he has worked with the Division Water Resources on funding very similar to this one, but he has actually not done this one exactly. Brett stated that you can get a loan with zero interest for projects less than \$500,000. He said this one entices him because it is water resources funding is quit clean, you can bid the project the way you typically bid it they have a little bit of oversight from the State they have someone come out and make sure you are building what you said you were going to build. He said they almost always do water lines, water development, and wells etc. Brett reported that he called them and they said that in their law it says they can provide flood control money. He suggested that maybe the board could use some of our existing funds and supplement up to \$500,000. Mr. Jones told the board that this looks like a potential winner.

Brett stated that the State Revolving Fund is a source administrated by Division of Water Resources. He said it is revolving money that is paid out and then paid back with interest. Brett explained that he put this at the bottom of the list because it has some red tape. He said it is probably 4% interest and are usually given to people with a bad bond rating. Brett stated that these loans are mostly for wastewater or water treatment projects. He talked about Impact Fee money. He said the thing you have to understand about impact fees in this type of situation is you would be just setting up an impact fee for a pre-determined impacted area. Brett stated that it is not the best idea because the funding would be dependent on future development of the area. Chairman Hansen stated it would be a separate impact fee from what the City has. Brett explained that they would probably spend most of the money they collected on creating the report and the financial analysis. He said most impact fee reports start out at \$30,000-\$40,000 and the laws have become pretty restrictive.

Board Member Roche asked what the time period was to get the Revolving Construction Fund loan. Brett stated it is within a 3-6 month window. Board Member Roche asked how many years can the financing be spread out. Brett stated that with this particular loan they look at the life of the project that could be 50 years. He said on a direct placement bond you would struggle to go out very far on a low interest rate. Board Member Thurgood asked if it was possible that we could get the Revolving Construction

loan for 20 years. Brett stated it was possible, you usually don't see and Service Districts or Municipal Bonds last more than 20 years. Brett stated that they have spent numerous hours collecting this data and wanted to give the board an idea of what was out there. Brett said he would look more to the Revolving Construction Fund because of the zero interest loan. He said the free money involves a lot of work. Brett suggested the two best would be the Permanent Community Impact Fund Board Grant and Loan Program or the Revolving Construction Fund. Chairman Hansen asked Brett if Perry City decreased their impact fees for Storm Drain. Brett said yes, that is a direct result of the new law. He said you have to commit to do your projects within a 6-10 year window and if you are realistic in that, the fee has got to go down. Board Member Thurgood asked how much money are we wanting to spend and how much to we have in the Flood Control account. Chairman Hansen stated that we have around \$400,000. He said he talked to Matt last week and he said we could easily spend a million dollars on Mathias and Evans Canyons. Brett said that was if you were going to do the additional piping, if not it was around \$800,000.

Board Member Hirschi stated that he has lived here for 80 years and there has only been one incident. Chairman Hansen said at Mathias all we have really is a collection basin for irrigation water. He said Evans has a better basin. He said that Mathias is grossly undersized for an event. Board Member Thurgood said if we were to go out on the freeway and look up you could easily see where that water would come out of Mathias Canyon. He said what is there would be easily over taken and go right down through those homes. Board Member Thurgood stated it was something that the Flood Control should really consider. Brett said if you talk to the State Geologist Office about canyons like Evans and Mathias they are much like an earthquake, they are more likely to go because they have not gone yet. Board Member Thurgood said we have \$775,000 for these two projects. He said if we could get \$500,000 that would leave \$275,000 that we could use out of our account and still have some money left. Chairman Hansen said maybe to get something done with the money we have we could look at scaling down Mathias just a little bit. He said we could get it built to where it is $\frac{3}{4}$ of the way there and later on do a build out on it, and do a little bit of cleanup work on Evans as well. Chairman Hansen said they would have to talk to the State and see if they would let us build it on their land. He said he didn't think that they could afford to do the full size, but could scale down and build something that would help protect the community and spread our dollars out a little bit.

Chairman Hansen said he went and checked the Cherry Ridge Basin and said it was wide and throats down into this narrow channel for 100 feet and then opens up again into the basin. He said that the throat is a disaster and needs to be cleaned up. Brett recommended that a Geotechnical report be done, with soil samples, take some borings, and have them look at the failure zones. He said this would help us size it and determine what the final size would be for the future event and that would help them understand how they could effectively scale it down to the amount of dollars. Brett felt it was important to get one other professionals opinion on sizing, locations and everything else. He said that would be his recommendation. Chairman Hansen asked if Jones & Associates would put together a scope of services and proposals from three firms. Brett

said that he would probably just get a methodology from those firms and get a quote of what they would charge to do the analysis. Board Member Thurgood asked about the 24" pipe that out of Evans canyon. Brett said it is the pipe that comes out of Evans and down into Perry, it is not the pipe that connects the two. He said they looked at the pipe that connects the two and it is fine for capacity. Brett said initially they were supposed to put a 36" pipe in. Brett said he could have the proposals back by the next meeting. Brett explained that it is really for the Boards liability if there ever was an event or something fails, if it was well studied it helps eliminate the liability to the Board. Board Member Thurgood felt the Board should go ahead with getting a study and at the same time have Brett collect as much information on the RCF fund.

Brett asked if they wanted to make a motion on the Cherry Ridge Basin. Chairman Hansen said he does. He said he would like them to put together something fairly simple similar to the debris cleaning that we put out for bid before. He felt that we needed to put it out for bid now and get the trees and the debris cleaned out of it. Chairman Hansen said we would need to get permission to access his property to do the cleaning. He said we would be widening the channel on his property and so we would have to have his permission. Brett asked if it was big enough to bid it. Chairman Hansen said their limit is \$5,000. He felt it was bigger than \$5,000. He said we will talk about this next month.

5. Discussion/Motion on what basins to upgrade.

MOTION: Board Member Thurgood moved to go ahead and get Jones & Associates to prepare a bid for the Geotech work on Evans and Mathias and have the bids done such that we would have them here for a bid opening on April 15th and also look more in depth with the Revolving Construction Fund. Board Member Roche seconded the motion. All in favor.

6. Motion to Authorize Jones & Associates to prepare plans and specifications for the upgrade of the debris and determine a date to put out for bid.

He said there was a motion made previously in the meeting to have Jones & Associates to go ahead and get a Geotech study done for Evans and Mathias.

7. Update from Jones & Associates on the progress of the "Emergency Action Plan."

Chairman Hansen said he wanted an up-date on the Emergency Action Plan. Brett reported that Matt is still working on it. He said it does not have a deadline but would like to have it done in a month or two. Brett said if we do work at Evans and Mathias they will come under that umbrella as soon as you start impounding debris or water it will get listed on the States dam registry. He said they will probably want to inspect them every year with Perry. He said a lot of times they have him prepare that along with the construction plans. Chairman Hansen said that is what we would expect with those projects.

8. Council Member Comments

Chairman Hansen said he was put on the City Council agenda and talked to the Mayor and City Council about the work that the Flood Control had done on the cities debris basins, cleaning out the boxes, and pipes. He said he told them that we had spent \$71,000, cleaned 60 catch basins, 6 basins, a couple thousand feet of pipe, and paid for some pipe along 900 West. He said that was to get them to a point where they can take it over and do a proper maintenance and operation. Brett presented a schedule to them based on 4 different zones throughout the community. He said they have a 5 year rotation plan. Brett said it sounded like the Council will consider this in the budget. Chairman Hansen asked them to get it into effect now because the flood control may not come back and help again. Brett said he felt it helped illuminate a lot of flooding.

9. Payment Approval (if any, roll call vote)

Chairman Hansen stated that there are two invoices to pay. He said the first one is for Jones & Associates in the amount of \$3,996.50, and the second is for Susan Obray in the amount of \$100.00.

MOTION: Board Member Thurgood moved to approve the first invoice for Jones & Associates for \$3,996.00, and second invoice for \$100.00 for Susan Obray. Board Member Hirschi seconded the motion. Roll call vote.

Board Member Thurgood yes
Board Member Roche yes

Board Member Hirschi yes
Chairman Hansen yes

Motion Approved: 4 yes 0 no

10. Items for Next Agenda

- (1) Bid Opening for the Geotech firm for Evans and Mathias Canyons
- (2) Bid from a Geo-Tech Firm for Cherry Ridge Basin
- (3) Discussion Regarding work to be done on the Cherry Ridge Chanel
- (4) Information on the RCF or CIB loans

Chairman Hansen said that Board Member Thurgood will be leaving the first of June and the board will need a replacement.

11. Adjournment

MOTION: Board Member Hirschi moved to adjourn. Board Member Thurgood seconded the motion. All in favor.