

11/14/95

PUBLIC HEARING
SPANISH VALLEY WATER & SEWER IMPROVEMENT DISTRICT
WASTEWATER COLLECTION SYSTEM EXPANSION PROJECT

The Public Hearing was called to order by the Chairman of the Board for Spanish Valley Water & Sewer District at 7:02 P.M. at the Grand County Council Chambers, 125 E. Center Street, Moab, Utah.

BOARD MEMBERS PRESENT were, Neal Dalton, Dan Holyoak, and Karla VanderZanden.

STAFF IN ATTENDANCE: Dale Pierson, Marsha Modine and Jan Harston.

SUNRISE ENGINEERING: Vern Fisher, B. J. Moore, and Alden Robinson.

FUNDING AGENCIES IN ATTENDANCE: Utah Division of Water Quality: Nancy Hess, Bryan Atwood, P.C.I.B.: Keith Burnett, Shirl Clarke, R.E.C.D.: Julia Nelson, John Morgan,

MEMBERS OF THE PUBLIC IN ATTENDANCE: George A. Vincenzi, Kerry E. Mott, William E. Love, Karen Robinson, Robert R. Norman, Jr., Diane Norman, Mary Hofhine, Hans A. Weibel, Richard B. Robertson, Barbara Holcomb, Arlis Roberts, Ken Roberts, Claire McCarrick, Alva Baer, Carol Baer, Larry Norman, Mary Norman, Albert W. Kern, Loretta Kern, Walter Schroeter, Bernadette Schroeter, Curtis Freeman, Len W. Sorensen, Larry A. White.

The Public Hearing began with Chairman Paul Morris introducing members of the Board, representatives from Sunrise Engineering and representatives from the various funding agencies.

DALE PIERSON, Manager/Operator of Spanish Valley Water & Sewer Improvement District presented a history of Spanish Valley Water and Sewer Improvement District, as well as a general history of the valley itself.

B.J. MOORE from Sunrise Engineering made a presentation regarding the existing wastewater system and the proposed expansion.

VERN FISHER, Sunrise Engineering made financial presentation for the proposed project.
Chairman PAUL MORRIS asked for questions from the floor.

Q. I presume the district obtained as much money as available in grants to us and then obtained as much money that was available in low interest loans.

A. Julia Nelson, RECD replied, "Numerous meetings were held with everyone coming to the table because there are limitations on grant dollars. Everyone bent and stretched to pull this package together.

Q. As far as the loans, they hoped to get no-interest loans. Why didn't you get the rest of the money in no-interest loans?

A. V. FISHER: There is an affordability guideline that has to be met to qualify for RECD money. In regards to that affordability guideline, there are guidelines that require that your loans be at 5 1/4%, that was the limitation on their money, they can't lend less than that, and that it be for forty years. So the combination of those two in affordability guidelines is different than grant eligibility. The CIB went 50/50 split on their package approved by the board, 50% loan, 50% grant, their guideline falling back under the state lending rate to hit the average with the 3% where they needed to be. Another criteria with the CIB is that they required zero interest money, their zero interest money and their grant money come out of the same pool of money and their loan money is out of a different pool of money. So, to maximize the funds, they do the grant and the loan so they don't expend all those.

Q. BILL LOVE: Let's pick a number - 100 houses decided not to join, you've lost \$26,000 at \$22.00 per month and you've lost \$200,000 at \$2000 per house for connection fees, who is going to pay the deference? How is the district going to do this if they don't have that much money.

A. FISHER: In the project, and according to the current rate ordinance and rate structure and guidelines of the State of Utah, anyone within 300 feet of the line has to connect, by law.

Q. LOVE: Is that house, or is that property line?

A. FISHER: That is property line. That is existing today. With the expansion of the system if it goes into an area, then they will be asked to connect.

A. P. MORRIS: Bill, those are State requirements, to form a sewer district at all, you must comply with the State regs. and that is one of the regs. you just absolutely have to have.

A. FISHER: The County requirement, if you are building today, is requiring 1500 (feet) before issuing a building permit, because of the problems in the area.

A. FISHER: We have not taken into account the new connections coming in. This was based off studies that were done 1 1/2 to 2 years ago while we were in this process.

Q. BERNADETTE SCHROETER: The people who are currently on the Spanish Valley Water & Sewer system , there will be no rate increase?

A. FISHER: There will be a rate increase to \$22.00 for everyone.

Q. SCHROETER: Not just the new 162 connections?

A. FISHER: That's right, everyone will go from, right now your current sewer rate per connection is \$15.00 per month flat rate, on an equivalent residence. That rate will go to \$22.00.

Q. SCHROETER: So, then the people who don't have.., the new 162 new connections, will have their \$2000.00 hook-up fee, no matter what the distance is?

A. FISHER: No, connection fee, that's a connection fee. They will have an additional charge from the property line. That will install to the property line. From the property line to their house and to tie the system together will be an additional cost that will be paid for by the property owner.

Q. SCHROETER: Any idea, per foot?

A. FISHER: It depends upon the terrain in the area, we just did one and it was somewhere between \$4.00 and \$6.00 per foot. I just did a home where we just put in a new sewer system and I was quoted \$5.85.

Q. SCHROETER: So, we are looking at \$2000.00 to connect , \$4 - \$6 to get it to your house, plus \$22.00 per month = \$264.00 per year cost.

A. FISHER: That is correct.

Q. SCHROETER: Okay, now, on your map, and you show that brown line on one side of the road or the other, is that where it will go, or is that ..?

A. PIERSON: What we like to do with the system is to have the sewer line opposite the water line on the road.

Q. SCHROETER: There is no water line.

A. PIERSON: If there is no water line, then we would probably base it on where we perceive the water line will go. In other words, if there is already one existing on the south side of the road, even if it is 1/2 mile away, we will probably stay on that side of the road.

Q. SCHROETER: We have no water in Kayenta Heights, and also, that is another interesting thing we are trying to figure out, is that our property goes to the center of the road, there are no easements there. As far as what we pay taxes on its surveyed to the center of the road, and you have your little brown line going on my property (referring to map on overhead projector).

A. PIERSON: Then we will have to come talk with you about a right of way in that road, if that is in fact the case, that is what we will have to do.

A. MORRIS: Typically, there are easements with any county road system that..

Q. SCHROETER: If there are, we are still paying taxes on your easement?

A. PIERSON: Yes, and I pay taxes on the road in front of my house too. My house is on Spanish Valley Drive.

Comment from floor: Yes, we are all doing that.

A. MORRIS: Yes, Bernadette, it is typical.

Q. SCHROETER: I just wanted to clarify some things. We are current paying \$85.00 to Spanish Valley Water, Special Water Service and Grand County Water Conservancy. Where is that \$85.00 going and will we still be paying that too?

A. FISHER: That \$85.00 will still be being paid. It was obligated back from previous bonds that were up there and that is where the tax increment that showed on there of the revenue of \$19,472.

Q. SCHROETER: So we are paying that?

A. FISHER: That's right, you assist in paying that back.

Q. SCHROETER: What is the Spanish Valley Water & Sewer fee of \$40.00?

A. PIERSON: Maybe what I need to address here is that there are three separate water districts: Grand County Water Conservancy District is..., what makes it confusing is that we run all three from our office, but they are separate districts and they have separate boards of directors. The board before you here tonight

is from the Spanish Valley Water & Sewer Improvement District. There is a completely separate board which is the Grand County Water Conservancy District and the Grand County Special Services Water District. Grand County Water Conservancy District is the county-wide district which built Ken's Lake project, the irrigation system, Sheley Tunnel, and is also the wholesaler of culinary drinking water, through that whole project we develop culinary water throughout the valley. Spanish Valley Water & Sewer District distributes water through its pipeline to the houses, and then does the sewer collection system, then the Moab City does the sewer treatment. GCSSWD was put into place by the taxpayers, all these projects, the bonds, everything was done by a vote of the public back in the late 70s' and early 80's. Dan (Holyoak), correct me if I'm wrong. I wasn't here then, Dan was. GCSSWD was put into place because the Conservancy District did not have enough bonding capacity to complete that project. They were not allowed to go out and get enough money on the market to actually do the entire project. There are certain bond ceilings put on conservancy districts. Both of those districts are county-wide and both of those are taxed, in other words, people in Castle Valley pay taxes to the GCWCD and GCSSWD, even though at this point in time they have no chance of receiving those service. Spanish Valley Water & Sewer Improvement District is, like I mentioned at the beginning, the specific south boundary of Moab to the county line, Mill Creek to the valley wall, and Kayenta Heights falls within those boundaries, so you are taxed by those three entities.

Q. SCHROETER: Where is this increase going to show up? Under Spanish Valley Sewer and Water, or am I going to get another tax?

A. FISHER: There is no other tax increase proposed in this project. It is strictly going to be paid from revenues from the operation of the system, so the \$22 per month that you will pay, will be billed on a monthly basis, and there will be no additional taxing being done.

Q. SCHROETER: Thank you. I still don't know what this \$40.00 is, I guess its just an overall county fee?

A. PIERSON: For Spanish Valley Water & Sewer. That's based on the existing bonding that we have for the water and sewer system.

Q: SCHROETER: Like the school bonds, you don't have school kids, but you still pay?

A: PIERSON: The original bonds were G.O. (general obligation) Bonds as opposed to revenue bonds.

Q. LOVE: I would like to run some numbers here. Let's take two houses that I have here. Connections fees \$4000.00. 1000 ft at \$6.00 per foot, \$6000.00 - my fee is \$5,200. It's \$15,000 that I am going to have to come up with. The average income in the county is \$18,000. What are you going to do for the people who are using 90% of their yearly income to pay for this. Take one house, connection fee \$2000, 500 ft - \$3000.00 more dollars, fee \$2600. = \$7000. What are you going to do for the people who pay 30% of their income to connect with the sewer system?

A. MORRIS: Well, if you're over 300 ft and you are in an existing subdivision, you're not required to hook up.

Q. LOVE: My property line is within 300 ft, but my houses are over 1000 ft. A lot of people have their houses 500 ft from the line. One third of a yearly income, they aren't going to be able to afford it.

A. PIERSON: One of the things that the district is currently doing and will continue to do, particularly in this project, in fact Vern and I have talked about starting this process fairly rapidly, once we are in the engineering phase of this project and know that the project is going to be built, that we will at that point in time allow people to not pay our connection fees all in one lump sum. If they so desire we will spread those costs over, we have a system currently over six months or a year, at the board's discretion we could extend it over a longer period of time. But what the board has given us is a policy of 6 months or a year, payment on connection fees. That helps. There is a vast number of folks out there, and there continues to be a vast number of folks out there, who have connected to the sewer with no problem, I guess what it takes is for the septic tank system to fail and all of a sudden it looks real attractive given the cost of what the cost of septic tanks are now, to connect to the sewer.

Q. LOVE: Well, that \$15,000 I have to come up with, that's a lot of money..

A. FISHER:: You bet, and that's another option that we are investigating, and that is an option to the valley, and we have to go through the process, is that there is monies available through the Community Block Grant Program that can assist in paying connection fees for the area, for people that can qualify under the low-mod income guideline. But again, it would be handled on an individual application basis. Also, through the 504-program through RECD (Farmer's Home), there is income assistance through low or no-interest loans as well as grants if people qualify. That again is on a individual basis. As this project comes to fruition, those options are going to be made available. Until the project is a go or a no-go we cannot be having those funds tied up. The income guideline again on CDGB on a one-person household,

the high-end on a single person household is about \$18,000, on an 8 person household, it is about a \$36,000 . And so, that gives you an idea of scale and range who would qualify for those funds.

Q. LEN SORENSON: I am in the process of completing a construction project and I need to know if you have any idea of when the completion date would be as to whether I need to put in a septic tank or if this is going to be completed soon enough so that I can hook up to it?

A. B.J. MOORE: Did you get a copy of the fact sheet that was passed around? (See attached to these minutes.)

Q. SORENSON: The single sheet?

A. MOORE: On the back it has a projected timeline on the project that shows project completion in the fall of next year.

Q. RICHARD ROBERTSON: I would like to address this to the officer's of the district. I hope that you will continue to consider some system for having people pay in accordance to their use. Whenever it is possible to have a reasonable means of determining how much a household puts into the system. I know that it is perhaps not appropriate to do it now, but that you keep exploring that and as soon as advisable set up a system. Otherwise, if we can each of us put into the system 5 years from now, we will be expanding the sewer plant again, and then in another 5 years, probably again. If we are paying according to what we use, we might be a little more careful and save in the long run on that.

Q. LOVE: Another thing, I rent two houses. At \$600.00 a month I have to increase my rent for five years at \$100.00 per month, that is a 30% rent increase to my renters. People in this valley cannot afford another \$100 per month increase on their rent.

Q. WALTER SCHROETER: I have two questions, one is on the schedule. Is that a complete project completion. You are not talking about doing this in phases necessarily. I read that as the entire project? All branches, and so forth?

A. MOORE: That's correct.

Q. W. SCHROETER: The second thing is, I live in Kayenta Heights, the question is what is the basis for extending up in that area. Does the number of existing hook-ups in that area justify the expenditure in that area, or is it the potential for additional hookups. That's an area that you won't have developers coming in and doing any work, its just individual lot owners. Can anyone comment on that?

A. MOORE: Kayenta Heights is one of those areas that is located upgradient. Let me explain "upgradient". Probably the principal reasons for taking sewer up there is because you're above the groundwater source and upgradient, whatever is going through that ground there is a high probability of whatever direction that is headed is towards the groundwater resource. The other reason is because of the density that is occurring up there.

A. DAN HOLYOAK: I think also that its because of the request of the people that live up there.

A. PIERSON: Another reason I think that it made us look better is as the lady that was up here before mentioned, that is an area of the district that has been paying taxes since 1970's and has not had service to that whole series of homes up there, and while it is down gradient from SVW&SID's existing source wells, it is "upgradient" from the spring area down below that serves the City and at least a portion of this project, that we are looking at, are water quality problems specific to Moab City drinking water. To get all those sources protected from whatever contamination eventually will occur from septic tanks.

Q. LARRY WHITE: I was looking at the proposed sewer lines against the East Bench area influential to my property. If the line stops the main line and you have a 300 or 1500 foot requirement, is that right?

A. MOORIS: Larry, for subdivisions, it 1320 ft. If you currently have property that you are currently subdividing and you are within 1320 feet of the main line, you must bring sewer into that subdivision, according to the Grand County ordinances that they passed .

Q. WHITE: If I am not within that and the homes are spread out over 700-800 feet, are you going to require that last home hook-up and pay that, and then a chain link effect because each home will start bringing into the next home because they are not lots they are acres apart, but will still be within that 1300 ft. as a home. Are they required to add those homes?

Q. MORRIS: Has this gone through the subdivision process?

A. WHITE: Not yet.

A. MORRIS: Well, the Planning Commission will probably determine whether or not you will need to bring it into the subdivision and if you do, you have to bring it to the property lines of each lot in the subdivision.

Q. WHITE: Are , I talked to Dale throughout the year about this, are the areas throughout the valley that may not be on your proposed list.

A. PIERSON: The most site specific areas we could as far as where the density was , where it appears the topography would take those sewer lines. I had done a similar research project about 6 to 8 months, maybe a year prior too, and we came out with virtually the same ideas. That was done 1 1/2 to 2 years ago, and since that time I've noticed some places that we have missed, places that maybe we can get to from different directions, all of that has to be done site specific, on the ground by the engineers before we can determine that this is exactly where that sewer line can go.

A: FISHER: And as this project was proposed and funded, it was based upon footages and distances of heights, and is project specific to this project as it is defined by funding agencies. As we seek changes in that process, if we redefine the scope to include more area, it definitely includes more cost, and there is not a funding mechanism in place at this time to assess those areas or those costs. There may be some modification in it, and one line trading for another line, instead of building it in one place, building it in another place, those kind of options may occur inside of it but adding footages and extra distances to the project under this funding scenario as it is, is going to be fairly limited.

Q. Question from the floor: How did you come up with the \$2000.00 connection fee? What did you base that charge on?

A. PIERSON: That connection fee was put into place a long time ago, 3 or 4 years ago. That connection fee was based upon, number one, the actual cost of material that has to go into the ground. Each connection requires pipe, the saddles, the clean-outs at the property line. It also requires the labor and equipment to dig down to the sewer main, and one of the things that the district was dealing with when the sewer connection fee was set at that amount was the fact that the, if I remember correctly, that the minimum lot frontage in the valley was , 150 feet I believe, based on the fact that we had got our system out to the point where the average size lot was an acre, and basing on that minimum frontage, we assumed that that amount of pipe, of 8" sewer and manholes had to be put in the ground to serve each lot as we moved out in the valley, plus the connection to the property itself and then came up with a fee of \$2000 based on those numbers.

Q. Question from the floor: Dan, do you remember what the original was for those of us who wanted it, but couldn't get it?

A. DAN HOLYOAK: Originally it was \$600.00. Along the way we have discovered that our cost is about \$2000.00.

Q. Question from the floor: We were told to get sewer and signed up for it, some refused it too.

A. DAN: Well, that's too bad, too.

Q. Question from the floor: Well, why didn't they tell us that when we put our signature down?

A. HOLYOAK: It's kinda hard to go back there, and uh....

Q. Question from the floor: Well, you feel like you're just being penalized now because it wasn't available to you then, and you still, as you say, have been paying for it all this time.

Dan: That's true.

Q. Question from the floor: I mean, you know, there are those of us who have been sitting on the same piece of property for 35 years and have not had the availability of the sewer, and thanks to Dan (Holyoak), we did get culinary water, but there are certain areas that they forget that people lives and then all of a sudden when they decide that there are people there, then the cost is a little bit out of proportion in the point of time where wages are not what they weren't even then it seems like we are being kinda double kicked. You wonder where does it equalize out. This gentleman has a very good point when he breaks down the cost per year to people trying to connect up to this.

A. HOLYOAK: That's probably true, you know the way costs have gone up since the \$600.00, \$2000.00 is still cheaper than if you look at the cost of everything else. Almost everything that you can think of has gone up 5 times what it was , 5 x 600 is more than \$2000.00

Comment from the floor: My wages haven't.

A. HOLYOAK: That's true, but the other costs have.

Comment from the floor: Our taxes have, too.

A. HOLYOAK: Taxes have gone up higher than that.

Q. LOVE: I would like to ask one more question. If this is for 160 people, how big is the line?

A. MOORE: Its for 160 more connections.

Q. LOVE: Yes, how big is the line?

A: MOORE: Typically what you have is...

Q: LOVE: How many houses is that?

A. MOORE: It depends upon several factors, principally the slope of the line, each line is different. The state has a guideline that requires 8" diameter.

Q. LOVE: I was wondering how much is planned for future planning, 160? Do we get an 8" line for 160 houses or can we get by with a 4" line? I think we are paying for future expansion here. No? Well, let me hear about it?

A. MOORE: 8" Pipeline diameter is what is required by the state. You know we could actually take the sewer and determine how much each line is going to flow and eventually put in a 4- 3/4" diameter pipe, they don't make that first of all, the other problem is we have a regulation that we have to maintain and its because that the maintenance equipment available basically starts with an 8" line.

Q: LOVE: How much flow do you think it would handle?

A. MOORE: Well, an 8" line, depending on whether its going like this, or like this...OKAY? Basically an 8" line is placed at the minimum slope its put out by the City, you're flowing 200-300 gallons.

Q. LOVE: How many houses is that?

A. PIERSON: How many houses is that?

Q. LOVE: Can you give me a number? Then we are paying for future expansion.

A. FISHER: Well, its a minimum requirement 8" line, its the minimum that can be installed. In a community of 200 people, its 8" line, its a standard throughout the area.

A. MOORE: There's a reason for it too, you get tennis shoes that go down those lines, they are typically larger than a 4" line required to serve that home, and an 8" would be safer.

Q. LOVE: One other questions, you have three elements, you have the sewer plant, you have the pipeline, and the water in Spanish Valley. What is the limiting element of growth, is it going to be the sewer line, the water or the disposal plant? I understand that we use 51% of our water now with our 600 customers now in Spanish Valley, you can change these figures if you want to, where do we stop and what do we have to expand to continue ?

A. MOORE: That's a good questions, I don't think anyone in here is actually qualified to answer that. We have County Commissioners and County Planners that direct that kind of activity and are responsible for those answers, but even then I don't think

they have the answer for that. Here it is, its America, and somebody wants to build a house, feel they pay the proper fees to do that.

Q. LOVE: But you have to know the capacity for the sewer, you have to.

A. MOORE: Well, that's what has happened here, we've had to have an expansion project.

Q. LOVE: Well, you have to know what capacity of the disposal plant..

A. MORRIS: You can count the lots that are adjacent to the trunk lines that we are planning to put in, that limits it right there, and what limits it after that is whether new subdivisions are approved by the Planning Commission which we have no jurisdiction.

Q. LOVE: I believe that they have to stop. All I am asking is what is the capacity? What is the capacity of what you are putting in?

A. MOORE: That's a good question, okay. Let me just try to help you out, and I don't have the figures in my head right now, but let me just tell you (using overhead), all of this existing green line up here, just in the green area goes down and feeds into this main line right here. That is the one currently that cannot handle it any more. What we had to do was do an analysis of over here, and we figured that we need a certain size pipeline, we had to look at the slope and the diameter of the pipeline, and we came up with, and also the State approved, installation of a 12" to handle all the flows from this area, and there are some additional capacity. Does that help any now? It will handle all the flows of this area, I haven't counted the number, well actually we did, but I don't have that with me, but that will determine the size of that pipeline.

Q. LOVE: In my experience you have a very low estimate and then once you get into it the cost skyrockets, and doubles and triples, and I'm hearing you don't know the capacity of the plant, how you're going to keep from the plant being totally overloaded, you haven't explained that yet, you haven't told me how many additional houses you are going to have, and you haven't even brought into the picture the percentage of water usage, and that isn't going to change.

A. MOORE: I would be happy to review this with you individually. I'll leave you with my card and we can get on the phone and we can review those numbers with you, if that will be okay. I don't have those now with me, but I could figure, research what our numbers are and what the capacity of this line is and this line, and

this line. Basically, can you see, that all this area will be going into this line, it's sized to handle this. Right now this green line has to flow, just what it is collecting in this area.

A. MORRIS: The new 8" lines, the number of homes that can come on are static due to the number of lines that are adjacent to them. What we did do for future development, if the valley does grow, is that for the next twenty years we have calculated 2% growth and the interceptor that B.J. (MOORE) showed you, is designed to hold that amount of growth if that does occur. Some years there might not be any growth, some years, who knows, there might even be an exodus, but that is what the interceptor is designed for. But the 8" lines, like I said, are static amounts based upon the amount of lots that are there. If someone rezones and increases density you know, that could increase it, but there's no way to calculate that.

A. PIERSON: The primary area that will be effected by future development, is that area that was in pink (overhead). The remainder of the system is all 8" mains. If you run 8" main up the road to the end, there will be 8 lots, or 6 lots or 10 lots on that particular 8" line and that's it because that's the number of lots there. I know when we worked out that 12" line we came up with a number, you look at it two ways, you look at it as actual gallons per minute flow, what it will actually flow. Then you try to calculate out how many houses create that flow. You can't always do that exactly, but I know we have that number, I just don't think we have it with us tonight. We're not trying to snow you under with false information, we just didn't bring that particular number. In fact, I'm going to have to ask these guys for that in order to do our capital planning process that we are presently doing with Moab City and the County. That number is certainly available for you, I think we just failed to get it here tonight.

A. FISHER: The other issue was on the treatment plant, the expansion project is based on a 10 year period of time, and to handle growth, the number, and I'm not sure what that number is, but based upon the growth of the valley it will handle it for a 10 year time period.

A. PIERSON: I don't remember what their percent of growth was on that particular plant. We can address water, there is a multitude of water sources available to us in the valley over and above the existing groundwater, and I would question that we have committed 55% of our existing groundwater, but that is another issue entirely.

Q. LOVE: Well, two years ago I was pumping mud out of Ken's Lake, so its not too reliable.

A. PIERSON: Well, Ken's Lake, is agricultural water, that's a whole 'nother deal.

Q. MOORIS: Are there any more questions?

Q. HANS WEIBEL: I fully support the project, but I am a little concerned because I was told we were going to get sewer in Navajo Heights and I look at this map, there is no line up there.

A. PIERSON: That is included in the project.

A. MOORE: It might not have gotten on the map, but it is included in the project.

Q. WEIBEL: There's a gentleman who has really been counting on it. His house is finished but he is waiting on the sewer line.

A. MOORE: I actually recognize your name because I have seen it on the plat map.

A. PIERSON: The maps that you are seeing tonight were actually generated some time ago. During our process with the City of Moab and the funding agencies, Navajo Heights is actually one of them that came up with a red light because of the main City sources, the springs, are directly underneath that particular subdivision that sits on the sandstone.

Q. WEIBEL: I would like to say that for public record, it is a great project, we need it. Believe me.

Q. CURTIS FREEMAN: I have a little, well, it's kind of a personal situation I want to ask. When they put the original sewer line across my property, I gave them an easement across. They put up risers for me to put in six trailers if I wanted to at that time. What is it going to cost me per space now if I was to hook onto that?

A. PIERSON: I would have to look Curtis, was that easement that you gave indicate that you were given those connection fees for the easements? Do you remember? It would probably be better for you and me to sit down and see where we are at on this.

Q. FREEMAN: It was put down for the trailer park, and they put a line down there, and I asked them at that time because I was right next to the trailer court I thought well I would just put in some trailers here, which I haven't. But I was just wondering?

A. PIERSON: If no connection fees were paid and there was, at that point in time, something that we are going to avoid on this project, connections were given for easements back on that project in 1983. If one of those two things were not done, then

probably in all likelihood you would have to pay the \$2000.00 connection fee, if they were never paid and there was never anything done to take care of that payment for you.

A. FREEMAN: That was the intent at that time, that I would get those connections. You know, they put those risers in for me so that it wouldn't cost me so much to hook on.

A. PIERSON: I don't really know without looking through the documentation.

Q: MOORE: : Have we covered all bases?

Q. KARLA VANDERZANDEN: I have a question for Bill (Love). Bill, your concern about affordability for people from various income levels is a good one. Bill, do you have any suggested alternatives?

A. BILL: Well, its a case of saying well I can't afford the taxes so I'm going to have to move. We have a lot of people that are sitting out there thinking their rates are going up. Its a very expensive project for 160 homes. I don't know if people can afford it. I think people should look very seriously at the \$18,000 income in the County.

Q. VANDERZANDEN: So, do you see an alternative?

A: LOVE: No.

Q. MORRIS: Nancy (Hess), did you have a comment?

A. HESS: You know, one thing that I can tell you Bill, is that the funding package that you have with this project is really quite unprecedented for what we have been able to do with all the funding groups involved. We were waiting, and the project would have gone sooner if Farmer's Home money would have been available. One of the reasons that the project has taken time has been waiting for that money to come. If the Congress doesn't pass the budget in a year or so, maybe it'll never come. But I think this is a pretty rare chance to get grants at all right now. When you first built your project EPA was giving 75% grants, and there was even money from Four Corners Regional Commission on a lot of projects down in this area was adding another 10% grants, but in the last few years that money has been taken away and there is no more grants available from EPA, and very few from Farmer's Home . Honestly, I think you hit a very good time for getting the funding package you did for this project and you might want to consider that it was lucky and the best you could do now. It will improve the value of your property, maybe that will be enough to make up for some of the expense.

A. MORRIS: BILL, one other point that has been made by the engineering representatives and we've touched upon it, but specifically we really don't have much choice in participating with the City on the expansion of their sewer treatment plant, and we don't have a choice about the interceptor. And if all we did was finance those , the money for those who get the sewer would still be about the same amount of money with the grant package that Nancy refers to, we are quite fortunate to serve all these other people in the valley which the thrust of that is the protection of our aquifers that we need to do now, and for the future generation and for the existence of this valley.

Q. Question from the floor: The expansion will just go to existing homes?

A. MOORE: Yes, that is correct.

Q. Question from the floor: How much of the treatment plant does the city of Moab pay?

A. MORRIS: The City of Moab has, as this gentleman has suggested, has changed their billing and they are basing it now upon water use. Some people's bill went from \$13.00 to \$113.00. So think about that too. Were trying to ,if there was water to every house that we served sewer to and we could serve the water and meter it, we could conceivably think about doing something like that, but we don't have the ability to know or monitor the sewer use. That's why it is across the board equitable, the same for everybody.

Q: MORRIS: Bernadette.

A. SCHROETER: How much time, if you expect to be finished in the fall, how much time do people have to pay this fee? You have to connect if you are so close to the line, well do we have to have this money lined up by the fall?

A. PIERSON: As I mentioned earlier, one of the things that we have under consideration, is that as soon as we know the project is going to happen, as soon as we start the engineering, we would allow those people who are going to be in proximity to those lines, part of that engineering has to be complete obviously, to know that that line will be coming in front of your house, we will allow those to start paying their fees at that time. Of course, this would be if they so desire. So you can spread those fees from that point in time to when the sewer was actually available.

Q. SCHROETER: Do we pay those fees to you?

A. PIERSON: Yes.

Q. SCHROETER: What about the actually taking the pipe to, from the road to the house?

A. PIERSON: That would be done by private contractors. In other words, you the property owners..

Q. SCHROETER: So in other words, the connection fee would be pro-rated but you are going to have to come up with the fee.

A. PIERSON: Yeah, the property owner would deal with a private contractor to install that service.

Q. Question from the floor: How much time before its available?

A. PIERSON: I don't know that I know the answer to that question, why'd you ask it. (laughter) I'm trying to remember what we did on the previous project, there was a time period set, and quite frankly, I don't think that this has been discussed on this project to my knowledge.

A. FISHER: No, we have not.

A. MORRIS: Put it on the agenda for the next Board meeting.

Q. Question from the floor: Then that would be a board decision?

A. MORRIS: Yes. We'll know soon.

A. PIERSON: On the last project quite frankly, the speed of being able to hook up was determined by the number of contractor's in the valley. When that project went in in 1983, there were probably the same three licensed contractor's in the valley then that are still here, and those guys were pretty well overworked for a period of time. It could only happen as soon as they could put them in.

A. FISHER: Typical, and this may not be what occurs here, but typical once the project is completed and is available for service then the district would start billing for that service at the monthly rate and so you would be paying for that service starting at that point in time, and then you would be connecting onto it as Dale is saying, as soon as contractors can be lined up to connect into it within this window of time. One place had a 6 month window that they were looking at but they were committed with their service fee once the connection became available, they started paying the monthly fee for use of the system and the debt service on system whether they were connected to it or not, and then they were allowed to connect just as fast as they could line up contractors. They're hitting a seasonal issue here.

Q. Question from the floor: The line was available though?

A. FISHER: Once the line is available.

Q. Question from the floor: Yes, but you can't use it until you're connected.

A. VANDERZANDEN: The reality is that there is very little enforcement of that connection requirement.

A. PIERSON: Yeah, the mandatory ordinance for connection was put in place in 1983. The Board chose to, with those who had septic tanks, they could continue to use their septic tanks until their tanks failed, at that point in time the Board allowed those individuals, if they so desired, to retain that septic tank. No new septic tanks were installed, no repairs of septic tanks were allowed. But, those individuals, and some do, very few, I think maybe we have 15 out there, very hard, won't-hook-up-people, but they do receive a monthly bill. The majority of those people do pay that bill even though they may have a septic tank. I don't know on this particular project if that scenario would be accepted or not.

Q. VANDERZANDEN: What would be the district policy toward a landowner who refused to hookup?

A. PIERSON: The only one I can think of is to discontinue their water service, if in fact they have water service. There are some legal abilities from the S.E. Utah District Health Dept, some legal processes that they have available that becomes not in the district enforcement. Once again, the primary thing that we are trying to do here is to solve what we perceive as a threat to the groundwater in and of itself. I don't think that it is in the best interest of the district or the public, particularly in this project, to encourage people not to hook up. Because of the water quality situation that we have, we're not making it any better by delaying things, quite simply. Each day that the septic tank sits there, there is more of a chance that the groundwater becomes polluted. Once again, these are decisions that the board would make as we go along but my perception of it is that we don't gain anything at this point by saying well let's not hook up to the sewer let's leave the septic tanks in place.

Q. WHITE: Can you tell us when this will be 100% official, when we will be ready to go. Yes, we are doing this, and yes, this is where we are going? Do you have a date on that decision?

A. PIERSON: I think it's when they approve the, I think it's when Congress goes back to work. Bryan would you perhaps explain. We've had public comments, and we've received public comments, and by the way, I encourage each of you if you so desire to make written comments to the District. Would you explain how those are taken into the process.

A. HESS: Its probably going to be a lot on what Farmer's Home does. Farmer's Home is completing an Environmental Impact. That will be done 15 days after the public hearing and the public's comments will be taken into consideration and weighed against needs and the environmental concerns that may surface. Our time schedule, assuming that Congress approves the money, it could be as soon as a month. Our agency has awarded a grant to the district for doing a design, then we will all wait until bids are opened and we can look at the cost of the project a little closer before we close the loans and get the rest of the funds and get the time schedule for construction by early next summer, and finish the project next fall.

Q. WHITE: So this is a done deal, its just not done.

A. HESS: If there is a lot of negative input then it may be reconsidered, things about it would be reconsidered, but there are parts of the project that we really have to do no matter. The Moab upgrade, anyway.

Q. Question from the floor: What if Congress refuses to fund the project?.

A. HESS: Then we all have to go back to the drawing board. It means we all have to dig a little more. Let's hope that doesn't happen.

A. SCHROETER: If you bring sewer up to Kayenta, and I have no problem with it, who knows the source of our water up here. We seem to be in a bowl up here, and if you bring sewer up there, you're going to get more houses up there. Do you have any plans to get up water up there?

A. PIERSON: We've had in front of this board, encouraging us to move ahead with this project, Lance Christie who has talked with all the geologists who have recently done a hydrological study in the valley and he has all the information that you could possibly want on the water situation over there. So, I would get ahold of Lance if I were you. Another good source is probably the State Engineer's office because he is that, the district office in Price, they are the ones that would be approving more wells in that area. The question of culinary water, we would like to eventually, I've got presently planned a culinary system upgrade, getting into areas that need additional culinary water, upgrade, beefing up the system, I've got planning in the works now that the costs are very close to this project, the cost will be pretty close to \$3 million dollar for things that we could possibly do. Kayenta Heights is part of that planning process. When the project will actually come about I don't know. One of the problems in Kayenta Heights is where you are in relation to exist-

ing pressure zoning on the existing system and there just isn't pressure to push water up there right now. That would have to be something we would have to solve.

Q. Question from the floor: Dale in your letter of November 2nd, you have a paragraph that stating that says you are extending the date for public comment. Does this refer to the funds?

A. PIERSON: Yes, that refers to this process.

Q. Question from the floor: Will there also be written process about the rates?

A. PIERSON: Yes. What the district intends to do with the rate increase is to hold Public Hearing on that specific item on December 13th, 7:00 P.M. at the district office.


Q. Question from the floor: Then there will be public comment then on the rates?

A. PIERSON: Right, right. And it will also be noticed separately.

CHAIRMAN MORRIS: If there are no other questions, we will close the public hearing.

PUBLIC HEARING WAS CLOSED BY CHAIRMAN MORRIS AFTER NO FURTHER COMMENT FROM THE PUBLIC AT 8:30 P.M.

ATTEST:


Paul J. Morris, Chairman


Neal K. Dalton, Clerk

VERBATIM MINUTES
SPBM:SV:11/14/95.jsh