

# SPANISH VALLEY WATER & SEWER IMPROVEMENT DISTRICT

Regular Meeting & Budget Hearing.....December 16, 1998

The meeting was called to order by the Chairman, Paul J. Morris at 7:35 p.m. at the District office. Other Board members present were George White, Dan Holyoak, Neal Dalton and Karla VanderZanden.

Others present were Dale Pierson, Rhonda Riberia, Marsha Modine, Gary Wilson, Ned Dalton, Karl Tangren, Bill McDougald, James Walker, Vern Fisher and Daron LeBlanc - Sunrise Engineering, Brent Williams - Moab City, Bob Erickson, and Bud Tangren.

After calling for additions or corrections to the minutes of the meeting of November 10, 1998, and hearing none it was moved the minutes be approved as circulated to the Board. Motion: George. Seconded: Dan. Motion carried.

Budget Hearing: Chairman Morris opened the Public Budget Hearing at 7:40 p.m. Hearing no public comment Chairman Morris closed the Budget Hearing at 7:50 p.m. Karla made a motion to accept the 1998 Amended Budget and 1999 Budget as presented. Seconded: George. Motion carried.

Budget  
Hearing

Citizens Concerns: Len Sorenson was unable to attend. Len has asked to be rescheduled for the January 13, 1999 Agency meeting.

Len Sorenson

RUS Loan Resolution Presented to the Board was the RUS Loan resolution for \$400,000.00 at 4.5%. A motion to accept the Resolution was made by Dan. Seconded: George. Motion carried.

RUS Loan  
Resolution

Sewer Project Update: Dale reported to the Board that Condie Construction was on the job, and had completed sewer lines on Easy St. and Chapman Lane. They were also busy completing items left undone by Ralph Olsen Excavating, i.e. putting in manholes, fixing leaks, and general cleanup. Paul stated he had spoken to John Chartier who said that one and a half weeks had passed since the first pay request was submitted. The pay request is still at Brian Golbach's office, who stated to John Chartier that he didn't understand them, and would need to review said pay requests, hence the delay. Concern was expressed that if the pay requests are not paid that Condie Construction may cease work. Ned suggested going to the State Insurance Agency to register a complaint against CIC. Discussion ended with agreement on the suggestion, noting that SVW & SID did not want to lose Condie Construction. Paul requested that Dale speak with Ted Barnes - Clyde, Snow, Sessions, & Swenson, and look into contacting the State Insurance Agency. Karla suggested a letter written directly to CIC to register a complaint against Brian Golbach.

Sewer  
Project  
Update

Sunrise Engineering Amended Contract: Dale presented to the Board Sunrise Engineering's Amended Contract to cover additional expenses due to the extended time on the project. The amended contract is for \$95,500.00. After discussion Neal motioned to accept the amended contract. Seconded: Dan. Motion carried unanimously.

Sunrise  
Engineering  
Amended  
Contract

Sewer Variance Policy: Dale reported to the Board that due to the fact that the State of Utah will be adopting a new Plumbing Code effective January 1, 1999 that will make properties within 300' of a sewer main connect by law, asking the Grand County Council for the variance based on extreme cost has become a moot point. Dale recommended pursuing the policy regarding Watershed protection. Brent Williams asked if the

Sewer  
Variance  
Policy

variance could cover financial hardship. No one was able to answer the question, prompting the Board to ask Dale to research it.

Water Project: Vern recapped that now that the RUS Loan Resolution had been passed, all of the money for the project was accounted for. The next step is to discuss potential rate structures. Vern stated Sunrise Engineering would be discussing this with the Agency Staff, after which point several scenarios and structures could be brought before the Board for their scrutiny. The next step would be a public meeting in Star Hall or another similar location, possibly the last week in January or the first week in February. Dale commented that there is now a Water Conservation Committee who as part of their task is to complete a rate structure. PCIB has recommended an escalating rate structure that would be lower for those who use less water and higher for those who use more. Dale also noted that the Water Conservation Committee would be holding their next meeting January 7, 1999 at the Agency Office. Neal asked who sets the rate structures. Vern responded that the State Agencies who have given grants, loans, repayment periods, operation and maintenance budgets base their structures on 1.75% of the District's median household income. Neal commented that he hates to see the rates increase again. Vern noted that the implementation of Impact Fees will help to keep the rates constant. Karl asked what would happen if the public did not support the project. Vern answered it then came back to the Board to decide what the next course of action would be. Dale noted that at public meetings such as these that the State Funding Agencies often show up to hear what the public has to say. Vern continued to note that the District was not in full compliance with State Laws in regards to storage, and certain parts of distribution system and that project was needed. He said that whether the project was completed in full, or in part were decisions to be made in the near future. Vern took a moment to bid the Board farewell as he will be taking a hiatus for the next six months. He thanked the Board, saying he had enjoyed working with everyone. He introduced Daron LeBlanc who would be working with the Board in his stead. Paul thanked Vern for all his hard work and effort, wishing him the best. Bob Erickson noted that he had been the Rate Manager for Anaheim and setting rate structures to increase with water usage helped promote conservation. He also suggested that the Board be fully prepared to explain the rate structures in detail. Paul thanked him for his comments. Brent asked where the source of water would be for the project. Vern answered that the steps are 1) get the funding in line, which was accomplished, 2) attain public approval for the project, and 3) find the water. Bud Tangren presented a few suggestions and comments based on his knowledge and understanding of water systems having been in Las Vegas starting in the '50's. Paul thanked him for his concern, and his suggestions. Dale was requested to work with Daron and prepare a memo detailing the possible scenarios for the Board before the next meeting, so a date can be set for the public meeting.

Water  
Project

Check Approval: Motion to approve the checks was made by Dan. Seconded: George. Motion carried.

Meeting adjourned 9:12 p.m.

ATTEST:

  
Neal K. Dalton, Clerk

Paul J. Morris, Chairman  
