

SPANISH VALLEY WATER & SEWER IMPROVEMENT DISTRICT
SPECIAL MEETING-----

August 26, 1981

Meeting was called to order by Chairman Darwin Gilger at 7:05 p.m. with the following members present: George White, Linda McKinney. Also present, Dave Bretzke, Executive Director, Harry Snow, Attorney and Margaret Osborn, Secretary.

Attendance

The Board reviewed the letter received from Farmers Home Administration, dated, August 24, 1981. Darwin Gilger asked if the bond, referred to in the letter, had passed and Dave Bretzke stated it had. Dave Bretzke stated the loan to be secured by the Sewer Revenue Bond will be at 5% for forty years. George White asked if the Blue Prints were available to send to the Farmers Home Administration. Dave Bretzke said he would inquire into this. All survey work has been done. Dave also stated that Art Maxwell will be the key man to work with and Alvin Anderson will be the key man for Moab City. The letter requested evidence be presented to show that all funds are or will be available before the FmHa loan is closed. Dave Bretzke stated that \$368,000 is the local contribution and \$67,000 was left from Phase 2 of the sewer money. A maximum of \$900,000 can be borrowed on the Bond Issured. Dave Bretzke talked to Don Cook at First Security Bank and possibly an additional \$200,000 can be borrowed on a short term loan with a two year payback. We need to sell six hundred customers at \$600 per hook-up for the remaining \$360,000. We will need 168 customers who will pay with cash to obtain the \$100,000 needed to secure the FmHa loan. The remaining customers can possibly pay on a monthly basis at \$25.00 per month, plus interest. A Letter of Intent to Meet Conditions must be signed. Also the Loan Resolution, Sewer Grant and the Legal Agreement must be signed. The Board stated all the Ammendments, referred to in the letter, should be complied with as soon as possible.

Farmers Home Admin..

Dave Bretzke said the District Resolution had to be changed for the Sewer Rates charged to the customer. He stated there should be a minimum rate of \$12.00 instead of the original \$7.00. Darwin Gilger asked Harry Snow if there would be any legal problems in changing the rate. Harry Snow will check into this and report to the Board. Dave Bretzke stated that if the property line was within 300 ft of the sewer line, the customer must hook-up. Linda McKinney said there are a lot of people who would like to hook-up to the water and can't and said it would upset them if we forced them to hook-up to the sewer. Dave Bretzke stated that the District went as far as possible with the money we had for the water system and served the most populated areas. The sewer system will only be on the westerly side of the highway as far south as K.E. McDougalds. George White suggested an article be ran in the newspaper notifying the public of the sewer rate changes. Dave Bretzke will make the Resolution rate changes and report to the Board for approval.

CHANGE IN SEWER RATES

George White suggested the sewer line be installed in the lower part of the valley in Pack Creek drainage and run laterals from that line. The Board thought this might be the best way to go. Dave Bretzke suggested Art Maxwell walk-out the system with the Board and talk about problems that will be encountered.

SEWER LINE DRAINAGE

Motion by George White to approve the Legal Service Agreement, FmHa Form No. 1933-A for Harry Snow, Attorney, at \$50.00 per month ^{hour} seconded by Linda McKinney. MOTION CARRIED

LEGAL AGREEMENT

A Summary of Total Billing and Total Customers was presented by Dave Bretzke. Six new customers have been added in August, making a total of 504. The billing was reviewed by Dave Bretzke and he stated that the gallons billed and the gallons pumped would differ according to the date the meters are read. We have pumped 150 acre-ft from the George White well, thru July 30th, and are allowed to pump 625 acre-ft per year, per GCWCD contract with George White.

SUMMARY BILLING

Linda McKinney asked if the money received from the water extention lines goes back into the capital account. Dave stated the money comes in as a revenue and expenditures are met, and it becomes a wash-out account. If other people hook-up to the extention line, they also pay the \$500 hook-up fee. A subdivision customer has to pay the District a hook-up fee and also grant the District certain Water Rights.

EXTENTION LINES

The Property Tax Mill Levy approved by the Board on July 30, 1981 was reviewed by Dave Bretzke. Dave discussed the figures with Dave Adkison and the figures have been adjusted and sent to the State Auditor. Property Tax was raised from \$16,000 to \$19,000 and expenses raised from \$94,000 to \$97,701 leaving a mill levy of 3.18. Motion by George White to approve Ammended Budget, seconded by Linda McKinney. MOTION CARRIED

MOTION ON PROPERTY TAX LEVY

Darwin Gilger asked how much, per year, the District pays for the Farmers Home loan. Bretzke stated it was \$1,701 monthly and \$4,080 annually.

WATER PAYMENT

The bills were presented and reviewed by the Board. Motion by George White, to approve bills, seconded by Linda McKinney. MOTION CARRIED.

BILLS

Dave Bretzke reviewed the present sewer agreement the District has with the City of Moab:

SEWER USE CHARGE (MOAB CITY)

In city rate of \$4.20 was raised to \$7.00 month
In Highland rate of \$7.00 raised to \$9.80

SEWER USE
CHARGE


An Ammendment needs to be adopted on the Use Regulations of Sewer. Dave suggested the ammendments be made, discussed, and a meeting be held with the Moab City Council.

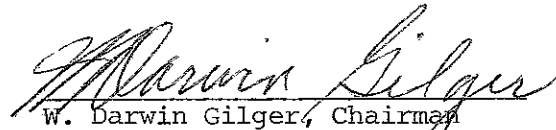
A discussion was held on the purchase of a computer. The price would be between \$8,000 and \$10,000. We are now paying Claus & Adkison \$450.00 per month for the billing charges. The Board was opposed to buying the computer, at this time, and would like to review this in a year.

COMPUTER
PURCHASE

With no further business, George White motioned to adjourn, seconded by Linda McKinney.
MOTION CARRIED 8:15 p.m.

ATTEST:


Neal K. Dalton, Clerk


W. Darwin Gilger, Chairman