

OFFICE HOURS

Mon-Thurs. 7 a.m to 5 p.m. * Friday 7 a.m. to 11 a.m.

CITY MANAGER	Matthew J. Dixon
CITY RECORDER	Erika J. Ahlstrom
TREASURER	Jami L. Jones
JUSTICE COURT JUDGE	Reuben J. Renstrom
FIRE CHIEF	Thomas A. Graydon
PUBLIC WORKS/BUILDING OFFICIAL	Mark B. Larsen



MAYOR
Jeffery G. Monroe

CITY COUNCIL
Sara Lusk
Michael Poff
Farrell Poll
David Thomas
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June 28, 2010

RE: New Water Tank and Water Rates Increase

Dear Concerned Citizen,

Thank you for taking the time to attend the public hearing held before the South Weber City Council on June 22. We appreciate it when residents take an interest in what is going on in the city and avail themselves of the opportunity to be heard through the public process.

During the public hearing we heard from both opponents and proponents with regard to impending improvements to the water system and the rate increase that will follow in order to accomplish these crucial improvements. However, due to time constraints we were not able to answer all of the questions posed.

The city staff would like to take this opportunity to give some detailed explanations in response to the concerns that seem to be at the forefront of everyone's minds. Attached you will find a memo from City Manager Matt Dixon with detailed responses to questions that were asked at the public hearing. **Please note these responses are staff's responses and do not necessarily represent the views and/or opinions of the city's elected officials.**

We hope this will be helpful.

Thank you again for your time.

Sincerely,

Erika J. Ahlstrom
City Recorder

Memorandum

Date: 24 June 2010
To: Mayor Monroe, City Council, Residents
From: Matt Dixon, City Manager
Re: **Responses to questions from the 22 June 2010 City Council meeting**

On 22 June 2010 a public hearing was held to gather questions/concerns related to constructing a new 1 million gallon water tank, replacing two sections of dilapidated water main lines, and raising the water utility fee by \$14 a month per connection. Below is a list of some of the most common questions raised during the meeting along with my brief response for your review. I apologize if I've missed any of the important questions that were raised and offer my assistance in helping answer any additional questions that any of you may have related to these projects. **Please note these responses are staff's responses and do not necessarily represent the views and/or opinions of the city's elected officials.**

Why is the water tank's proposed location in this spot? Why not somewhere else? The city's Capital Facilities Master Plan in 2000 determined the city would need an additional 2 million gallons of storage between then and build out. Of that 2 million gallons at least 500,000 needs to be in the upper zone (southeast corner of SWC) and the remaining 1.5 million gallons could be anywhere in the system. The new water tank needs to be located such that it is able to feed the upper zone. Two sites were studied and eliminated for a variety of reasons so the city continued to look for sites that could service the upper zone while looking more to the west along the bluff between SWC and Layton. Needing storage for the upper zone means the city's options for this new tank are limited to areas near the southeast part of the city. The proposed location is about as far west as it can be and still be able to reasonably connect into the upper zone. The idea of locating the new tank in the west end of town near the current tank site will not be able to serve the upper zone. However, it is an idea the city has considered for the next tank that will need to be built as the city grows. The current need is to have the tank feed into the upper zone – which putting the tank further west would not allow. Benefits of locating the tank on this site which are on the periphery of the additional storage for the upper zone include the ability to serve water to the upper bench area (currently not serviceable), which would provide possible economic benefits that may be realized by development in the upper bench area as well as a possible future connector road with Layton City that may have significant long term benefits to the residents of SWC.

Why do we need an access road from 1900 East to the tank? All reservoirs need access roads for maintenance purposes. The reasons for these roads are: 1. Access to the tank for regular operation and maintenance, especially during times of emergencies, and 2. Location for the installation of the distribution waterline and drain line required, and 3. Access to the distribution and drain lines for operation and maintenance purposes. In order to bring the distribution and drain lines from the tank down into the system a road will need to be built by the track hoes laying the pipe. Once these lines are buried the city will not want the ground on top of the lines to become re-vegetated and overgrown.

Allowing it to do so would only cause greater expense and challenge when those lines need to be worked on in the future. By locating the lines beneath a gravel access road the city will always be able to easily and quickly access both the tank and the lines for operation and maintenance.

How much more is the access road costing the city? The original design that was bid included a 49' wide gravel road connecting 1900 East to the tank. The city engineer recommends the city not consider constructing an access road smaller than 30' wide. This width (30') will allow the city sufficient room to work on the lines (distribution & drain) as necessary to maintain them as well as access for all necessary equipment. Staff contacted two of the contractors who bid the project and asked them to put some numbers together to illustrate the savings the city could expect if the city elected to construct a 30' road versus the original 49' access road. Whitaker Construction estimated the city could expect to save between \$50k and \$70k, while Staker Parson Company estimated the savings to be between \$25k and \$50k. It is important to point out that these were simply estimates since the city did not go to the expense of having a complete design done for a 30' road. Assuming the city were able to save \$70k (estimated best case) by constructing a 30' access road, the savings would not be sufficient to justify lowering the proposed rate increase of \$14. One of the concerns with not constructing a 49' wide access road now that could eventually, if desired, be improved and become a public connection to Layton City, centers around putting large equipment on the hill, disturbing the vegetation and slope of the hillside now and then again if the city decides to connect to Layton City. Arguably it would be better to only have to disturb the hillside once as a part of the water tank project, especially realizing the cost difference is nominal (1%) and will not change the recommended rate increase of \$14.

Why doesn't the city just drill a new well? It is important to remember the city needs two things: 1. More storage for our current population, and 2. A second source to feed into the system. Constructing a new well would solve the second objective and would provide the city a second, reliable source, however, the costs associated with studying, drilling, and acquiring land for a new well could cost significantly more than simply tying into Weber Basin Water's line as the second source. By drilling a new well the city does not meet the state's requirements for storage and the city would still be required to construct a new tank. Additionally, the city would not be able to save the cost of building a pump house, since we would still need to pump from the well to fill the new tank. It is important to point out that the city's current well, although technically a second source is not large enough to support the community and is only used as a small supplemental source. Additionally, the city's ability to pump more water from the well is limited by the fact that the city does not have rights to any more water than we're currently pumping.

What about different base rates or exemptions for those on fixed incomes? This is a very good public policy question and one that the council will need to decide whether or not they want to structure the rates with such exceptions. The bottom line is that there is a certain amount of revenues that need to be generated in order to provide the water service, pay debt service and maintain the system, how the rates are actually structured would be a policy decision that would need to be considered. Basically, some residents would pay more in order to compensate for those who would qualify for some type of a reduced rate. The details of how this might work would need to be studied to determine how it might work.

It seems the city is moving awfully fast on this, why not slow down? Below is an abbreviated chronology of events that have led up to this point:

- 2000 Hansen Allen Luce (1st Engineering Consultant involved) complete SWC's Water Capital Facilities Master Plan and identified the city's need to add an additional 2 million gallons storage for buildout. Minimum of 1/2 million gallons in the upper

- zone; the rest in either zone.
- 2005 Study completed by Wasatch Civil Engineering (2nd Engineering Consultant involved) identifying potential sites for new a new water tank.
- 2006 (July 25) City Engineer, Tim Petty (3rd Engineer involved), recommends and council approved GeoTech study to be completed on Red Hawk's development site. (Sept.) Jones and Associates (4th Engineering Consultant involved) hired as new City Engineers. Two main projects discussed upon hiring: 1. 475 East, and 2. Water Tank. Problems with Red Hawk site: a. Access, b. 5 Property Owners, c. No 2nd Connection to Supply
- 2007 475 East established as priority by city council. (April) Memo from city engineer stating city needs 200,000 gallons of additional storage to meet state requirements and recommend building 1 million gallon tank.
- 2008 (Mar.) Council approves contract with EarthTech to study UDOT parcel as viable site for new tank. (Apr.) EarthTech report negative because of unstable soils and access to site.
- Staff begins looking for other viable alternatives...**
- (July) Staff reports new site found and will start working with property owners.
- 2009 (Sept.) Discussion of water tank project. Council moved to move forward with GeoTech study and Survey work. (Oct.) Council awards bid for GeoTech and Survey work on new site. (Dec.) GeoTech report results presented reporting site suitable for tank and construction of access road. Council moved to secure property, finalize bid documents, bid project, adopt parameters resolution and get applications in for funding.
- 2010 (Feb. 16) Council discussed repair/replacement of dilapidated waterlines and requested staff prepare and bid the project. (Feb. 23) Council reviewed their 2010 Goals, Councilmember Thomas motioned to make water tank & water line project a priority and for staff to move in that direction. Council voted to approve the motion. (Apr. 13) Council discussed potential funding and rate increases. (Apr. 20) Open house held to review: 1. The Problem, 2. The Project, and 3. Possible impacts to Water Rates (\$14.20 estimated for both tank and water line projects) (Apr. 27) Council voted "to move forward with the water project by directing staff to finalize property acquisitions/easements, design and bid water line replacement portion of project, secure financing via state and/or publicly issued bonds and to send to the Planning Commission the question about the width of road whether it needs to be private or public thoroughfare width, and have the project ready for bid award and to be placed on June 22, 2010 council agenda." (May 11) Council approved contract for traffic engineering study to be completed relative to the 1900 East connection with Layton City and its likely impacts to SWC. (May 27) Planning Commission reviewed traffic study and discussed 1900 connection. (June 22) Public Hearing held with City Council to review and discuss \$14 a month water rate increase.