



Minutes

DEPARTMENT of PUBLIC UTILITIES
ADMINISTRATION

Salt Lake City Public Utilities Advisory Committee Minutes June 25, 2015

The Public Utilities Advisory Committee meeting was held at 7:00 am on June 25, 2015 at 1530 South West Temple, Salt Lake City, Utah. Committee members present were Larry Myers, Dixie Huefner, Dwight Butler, Colleen Kuhn, Roger Player, Ted Boyer and Sydney Fannesbeck. Salt Lake City Public Utilities employees present were Jeff Niermeyer, Tom Ward, Kurt Spjute, Laura Briefer, Jason Brown, Jesse Stewart, and Janine Calfo. Also in attendance were Rusty Vetter, SLC Attorney's Office; Mike Wilson, MWDSL; Mike Collins and Keith Larson, Bowen & Collins; Mark Chandler, CRS Engineers; Trevor Lindley, Brown and Caldwell; Nick Norris and Tracy Tran, Salt Lake City Planning Division; Cory Christiansen, Water Works; Alan Taylor, Fosgren; Holly Hilton, Salt Lake City Mayor's Office; Lehua Weaver; Salt Lake City Council Office; and Jim Olson.

Welcome of New Committee Member: Sydney Fannesbeck – Roger Player

Roger Player welcomed a new Committee Member, Sydney Fannesbeck who was previously on the first City Council for 10 years. She knows the City pretty well and completed a Masters Degree in Public Administration after she left the City. She has also served on the Utah League of Cities and Towns for 16 years. She got very involved in water as a result of these terms and is now retired and taking HB60 classes at the University.

Approve Minutes of May 25, 2015 Meeting

Committee member Larry Myers moved and Committee member Ted Boyer seconded the motion to approve the minutes of the May 25, 2015, meeting as presented. All members present voted aye. It was agreed that the minutes and agenda packages will be sent to Committee members electronically, via email, from this point forward.

Financial Report – Kurt Spjute

Kurt reported that current sales charges are over \$93.6 million, or 3.43% above last year (a drop of .72% since last month). Aging receivables that are at 120 days are \$59,560. This is mainly due to the "Hive" bus passes being much lower than last month. Water that was delivered is 4,397 acre feet and is less than the 3 year average. Water sales were \$2.5 million less than anticipated (Average Year) and the same as April. Water delivered through June 14 was 1,620 acre feet less than average calendar year. Operation expenses are at least 6% less than budgeted in April, now 7.8% less than budget. Capital/Projects/Purchases are under budgets in all Funds.

Cash in all funds (less current obligations) is \$78.3 million. This is down \$2.7 million from February 2015. Outstanding bonds or debt is currently \$54.7 million (Water = \$11.8 million, Sewer - \$33 million, Storm Water - \$9.9 million and Street Lighting – Zero Debt).

We had a wet May last month that brought us a little behind in revenues. Charges by month are a little bit higher than last year, and a little bit lower than the year before. With the heat coming on – we will be getting back to average.

Between May 1 and 31st, water usage is down 50,377 CCF (100 cubic feet billing units) per day, or \$54,408 loss of revenue per day during May. Revenue is down \$10,916 a day since January 1 to May 31, 2015. Jeff Niermeyer explained the different benchmarks that are indicated in the Daily Water Use line chart. It shows a success in that the customers are slowing their water usage when the rain is falling.

Not much has changed in water reclamation plant flows. Of note, there was 33.4 Millions of Gallons per day flowing through the treatment plant in May.

Revenue Charge Comparison in May showed that the budgets are still a little bit lower than last year and Operating Costs seem to be holding in alignment.

Public Utilities Operations Summary shows that we are below budget and that is exactly where we want to be at this time.

Water Capital to Budget gives an idea of what we are doing and about where we are at for the budget for this fiscal year. We have either spent or encumbered most of the projects that we are working on in Water. Sewer is very similar. Storm Water Capital is very close in what we have encumbered and what we are working on. Street Lighting is fairly simple and we try to keep it within our budget and expenses.

Cash Comparisons for the last few years and where we are at now shows that Sewer has gone down quite a bit. We have had a lot of projects at the water reclamation plant and a lot of projects that we are anticipating. The other funds have held steady. The Street Lighting fund has done well and there are some future projects that will require that funding.

Northwest Quadrant Update – Jeff Niermeyer and Nick Norris of the Salt Lake City Planning Division

Jeff Niermeyer introduced Nick Norris of the Salt Lake City Planning Division. The City is making the last big effort on the Northwest Quadrant Plan to try to get a plan adopted for the area that is North of I-80 and West of the International Center. There were a lot of issues with the land owners, as there was a big change in the property ownership out there. Much of the land was sold to Kennecott. This plan was put on hold for a while,

until there was a proposal to construct a prison. The current property owners requested that the Master Plan for the Northwest Quadrant be completed. The Planning Department has been going through an effort to complete the Plan and part of these requirements has been to go out to the various boards in the City and present the Plan.

Nick Norris gave an overview of the Northwest Quadrant Plan. One of the tasks that has been given was to take that 2009 plan that was never adopted and use that as a base and then remove some of the policies and land use proposals for a variety of reasons – the biggest one being residential. The City Council and a number of interest groups are very concerned about the 2009 plan that put residential land uses in certain areas because of environmental concerns.

Primarily, what is being considered is essentially a continuation of the International Center with some limited development on the edges. To the West of that area is Kennecott's nature preserve. All of the green colored area on the map indicates the historic high watermark of the Great Salt Lake (taking into account Seiche waves caused by seismic events. It is proposed that, in all areas potentially affected by this phenomenon, development would be prohibited.

There are areas that are sensitive lands, but could have some limited development. It would be important to preserve some of the natural features. The lighter green areas on the map are the greenways that connect the natural corridors and wetlands. Development could occur around those areas. This would be a concept of Eco-Districts, industrial types of uses that are environmentally friendly that won't produce a lot of pollution but may use a lot of electricity and water. It is important to address those needs, and may require solar panels on each of the roofs along with night sky protections to help with the migratory birds and requiring landscaping that is native to the area.

There are some transportation issues, such as new roads that will need to be built. The Plan is for two primary arterials to handle traffic. The 7200 West off-ramp that would be continued through to roughly 840 North. As the area gets developed, developers would be required to build the new local streets.

Jeff said that, from the Public Utility standpoint, the issue is that The City has to provide water, sewer, drainage, flood control and street lights to that area. In 1986, when that area was first annexed to the City, there was a commitment to run utilities out there so the department, at that time, ran a large sewer and water line out there. The City also bought 200 acres of land that is just south of the existing airport runway (the old Brown Property) where a future wastewater treatment plant and have had that in our master plan for 20 years. The City is currently in the process of re-evaluating the plant site and the potential load. If there is move to an M1 designation, it will fundamentally change the sewer flow and the need for that particular plant. Our current proposal is to maximize the current plant.

The current study, for which the City has retained a consultant, will look at how to relieve the bottlenecks in the sewer system and will couple with this new proposal of densities. The water will require two new water mains. There has been a substantial investment to bring water across from the East Bench through Salt Lake City as the density and demand increase in the Northwest Quadrant. There are some East to West aqueducts that we have preliminary studies on that will need to be improved to bring that total water flow needed to support the quadrant. We need to see the population density in the area to understand the demand.

There are three different sites that are currently being reviewed for the new prison. There are other issues regarding an old landfill that will need to be addressed. The bottom line is, if there is development that is going to occur, the City will have to provide the service. There is a six year nexus on collecting impact fees and building infrastructure. If a population of ~5000 (i.e. prisoners) people arrive in a period of a year, that alters how those utilities will be provided. Who will pay for the utilities extensions?

Jeff also wanted to point out what Seiche wave flood events may be. There are two events that can drive a Seiche wave. The high level of the Lake, in the history of the Valley, is 4,212 feet. The Lake, right now, is down to about 4,193 ft (a very low level). The Bangerter pumps are scheduled to be turned on at 4,208 ft to keep the level at 4,212 ft. At that level, the Lake is lapping at the freeway and the airport runways. When there are wind storms that come across the shallow lake, the wind can drive Seiche waves. Those waves are estimated to be about 5 ft tall. This is why habitable floors shouldn't be built at 4,217 ft.

The Hansel Earthquake took place in 1909 and created a 12 ft wave that came across the lake. The size of the wave was calculated at that level because it had overtopped a railroad trestle that was at a known height. This wave wiped out the Saltair Resort in that year. Although it is a rare event, there is the possibility that there could be a new Seiche wave generated by a future earthquake. These are the types of events that The City is looking at when thinking about development in those lands.

Jani Iwamoto asked if the ground out there was stable in regard to liquefaction. Jeff pointed out that it would be the most unstable ground in the valley in that regard. Looking at some of the construction that is going on at the airport, they have to drill columns 60 ft into the ground to address the liquefaction issues.

Sydney Fonnesbeck asked about the ground water level in the area. Jeff pointed out that, generally, the groundwater is very shallow in that area. In 2011, when we had a wet spring, the ground water was high enough that you could stick a shovel in the ground and hit water. Today, you may have to dig 6 ft to hit groundwater.

Currently, the Northwest Quadrant area is being used for agricultural uses, such as animal grazing.

It is hoped that the prison committee will pick a different site. We want to be prepared so that we can adjust, as a City, to accommodate the impacts. It will be very expensive to build anything out there. As the industrial areas fill up, there is going to be more pressure on this area. Jeff pointed out that a community about the size of another Price or Moab could potentially be developed in that area. It is a significant impact to our infrastructure as a Utility. We are working closely with the Planning Division.

Nick noted that he did not need any formal ruling by the Advisory Committee. He wanted to give everyone an opportunity to weigh in on the issues. The Planning Division will be going out to all of the City boards and committees during the engagement process over the next month and a half. They have been given a task to have a plan that is ready to go to the Planning Commission by the end of August. Comments can be emailed to Jeff and he will forward them on. When a public draft is available, it will be sent out to anyone who would like to view a copy.

Larry Myers asked that if the prison does locate out to that area, is it just a question of who is going to pay for the utilities. Jeff said that we do have the capacity to get utilities there, the big issue that he is having is that we will require them to extend the utilities out there, and they will also be forced to size them to whatever the master plan shows. That will create some bottle necks that will arise. If the prison starts consuming a lot of utilities, will the businesses that are close by have to pay more for the infrastructure to support their development? If it is not in the current master plan, then we cannot collect an impact fee for it.

Mountain Accord Update – Laura Briefer

Laura informed the new Committee members what Mountain Accord is and gave a brief update. There is now a draft Accord that the executive board (of 25 elected and appointment members) is going to look at this next Monday to review for revisions or to come to an agreement. The Accord has a lot of information with respect to intention. The parties have all agreed to a diversity of intention, purpose and outcomes, but also agreed upon actions for implementation. Major actions include a Federal land designation, land exchanges and transit improvements (to relieve transportation issues – particularly within Big and Little Cottonwood Canyons and how the Salt Lake Valley and the Wasatch Back connect).

The Federal land designation would be conducted through congressional legislation and would permanently protect Federal lands within the Central Wasatch. The designation could be something like a National recreation area, a National conservation area, and a Congressional National Monument. This “container” of special legislation is for the protection of region’s water supplies and for other recreational and environmental benefits.

Colleen Kuhn asked if there is a copy of the Accord that is available for review. Laura indicated that she would make a copy available, either hard-copy or posted on the

Mountain Accord website (<http://www.mountainaccord.com>).

Larry Myers asked if the American Fork Canyon Group will have any impact on Mountain Accord. Laura indicated that there are still come negotiations occurring. One of the issues is that American Fork Canyon Group is working on a similar process with regard to the American Fork Drainage, but is about a year behind Mountain Accord. Jeff Niermeyer has sat on the Federal Designation Task Force for Mountain Accord and they have invited some elected officials that have been active in the American Fork process.

Dwight Butler asked what Jeff's opinion is of the land exchange. Jeff said that from a watershed perspective, it would be a good thing because we are protecting some 1,400 acres in Big and Little Cottonwood Canyon. The challenge has been to realize that this has been a "compromise dialogue".

There will be an advisory group set up with a broad range of stake holders that will help formulate the management plan for the area within the proposed federal designation.. The advisory group is actually written in as a requirement in the proposed legislation. One of the advisory group representatives will be representative of water resource interests.

Dwight Butler asked if Park City is opposed to the train tunnel. Laura stated that agreement could not be reached between Park City, Summit County and other Accord participants with respect to transportation connections between the Cottonwood Canyons and Park City. Therefore the NEPA process will not include a connection between the Cottonwood Canyons and Park City/Summit County. However, it is recognized in the Accord that a connection will be studied further at a local level

Construction Projects Updates – Jason Brown

Jason Brown is the Engineering Manager under the Chief Engineer with the Department of Public Utilities. There are quite a few projects that are happening within the department. There are about 133 different Capital projects that are broken down into different categories:

Sewer		35 Projects
Reclamation Plant	18	
Collection System	17	
Water		73 Project
Water Mains	27	
Treatment & Other	46	
Storm Drain		10 Projects
Street Lighting		15 Projects

133 Total Capital Projects

One thing different that we did this year, that we haven't done so much in the past is that in our water mains and in our collection system, there are a lot of little pieces of pipe that have to be replaced. Rather than having 27 different contracts, we have combined them into two projects, based on geographic location. This helps us manage those projects and give us an economy of scale in order to get a better price.

A few of the highlighted projects are:

Storm Drain and Canals: Across the parking lot is the new Vactor Barn Building that has been completed with a concrete floor. The great winter helped with getting the building done on time. This building was required to house the Vactor trucks to keep the water in the trucks from freezing in the winter and making them readily available.

A smaller, but necessary, project is the replacement of storm drain lids. There are about 14,000 storm drain lids in the city and is a constant project. There is a new measuring device called a Ramp Flume at the Jordan and Salt Lake Canal.

Capitol Hills Pump Station: There was an ongoing dialogue to ensure that we are giving the community a product that they need.

North West Oil Drain: This is the last year of the remediation. It is one of the bigger project that we are continuing to work on. There is also some significant litigation with the previous contractor who failed to do the project right the first time.

Creek Side Intake – Big Cottonwood Treatment Plant: The under-developed facility was aging and difficult to maintain. There is a new structure that is one of the best things that could have been done. It is driving the treatment costs down. The gates that create the settling basin allows the capture of a lot more of the water that we are entitled to as it comes down the creek more efficiently. The new settling basin has a screen that allows the "floatables" to be discarded before they even get into the treatment process.

Sewer Collection and Reclamation: The Orange Street Sewer was evaluated four years ago and the study showed that the sewer lines were in really poor condition. The concrete pipes were deteriorating. The pipes were lined with a CIPP liner (Cured in Place Pipe). The liner allows a lot more capacity out of the same size of pipe.

W.A.S. (Waste Activated Sludge) Building: \$7M project at the reclamation plant. This building will help make the facility more efficient.

There are a host of other projects like water main replacements and sewer lining projects that are going on as well, about \$3M on the water side and about \$2M on the sewer side.

Final Comment – Jeff Niermeyer

The new Advisory Committee members can make appointments to have their portraits taken at Jay Lynn Photography. Jeff indicated that the July meeting will be cancelled. The next meeting will be Thursday, August 27th at 7:30 AM.

Meeting Adjourned at 8:54 am

Minutes approved September 24, 2016