

EMIGRATION IMPROVEMENT DISTRICT  
BOARD OF TRUSTEES REGULAR MEETING

THURSDAY, JULY 17, 2014

EMIGRATION CANYON FIRE STATION  
5025 EMIGRATION CANYON ROAD  
SALT LAKE CITY, UTAH

Board Members in Attendance: Mike Hughes – Chair, David Bradford, Mark Stevens by telephone

Ex Officio: Fred Smolka—General Manager, Eric Hawkes—Assistant Manager, Joe Smolka—Project Manager, Jeremy Cook—Legal Counsel

Chair Hughes called the meeting to order at 7:00 p.m.

**1. Consent agenda approval**  
**Minutes of June 19, 2014**  
**Adopt State Certified Tax Rate**

Fred Smolka explained that when property tax valuations decrease, tax rates are allowed to increase so the District will receive the same amount of tax revenues it received the previous year. Property values in the Canyon have decreased, so the tax rate for 2014 will be .009672 as established by the State Tax Commission. Board Member Stevens recalled that the District was criticized for being at the maximum tax rate and asked if they could make ends meet without raising the rate. Mr. Smolka explained that they need the revenue, and this rate will not increase the amount of tax revenue the District receives. Chair Hughes commented that they did not expect the downturn that occurred four years ago, and they probably are not even back to where they were four years ago.

MOTION: David Bradford made a motion to approve the consent agenda. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

**2. Financial considerations**

Mr. Smolka reviewed the financial report and explained that it was necessary to borrow some money from the Utah Public Treasurer's account to make the loan payments. He discussed the accounts receivable, impact fees, and hookup fees and provided a recap of the outstanding loans and loan balances. He commented that when he, Board Member Bradford, and Mr. Hawkes met with the State Auditor's Office, it was suggested that it might be helpful for the Trustees to see what checks have been issued each month, so he had provided that report to the Board Members this month. He recalled that Board Member Stevens was appointed to conduct a regular internal audit for the Board, and he goes through an internal audit program with Mr. Smolka and also reviews the check register at that time.

MOTION: David Bradford made a motion to approve the quarterly financial report for the first and second quarter of 2014. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

### **3. Report on certified delinquent notices and water turnoff notices**

Mr. Hawkes reported that he is preparing the list of delinquent accounts for the certified delinquent list, and about 69 potential accounts that will be certified to the County. He has prepared a letter for each property owner with a delinquent account showing the amount currently owed and the amount they will owe if the account is certified to the County. He has also issued a water shutoff notice to five individuals who have not made a payment in the last 90 days or more.

Board Member Stevens asked how many of the delinquent accounts are not hooked up to water and now have to pay the new hydrant fee. Mr. Hawkes replied that more than 40 of the accounts on the certified delinquency list are being billed for the fire hydrant fee and were not billed previously. Board Member Stevens believed a fair number of those being billed for the hydrant fee are opposed to it. Chair Hughes stated that he can understand why people may not want to pay another bill, but he does not understand why they think the obligation should go away because they don't want to pay it. Board Member Bradford recalled that they discussed these issues when they considered levying the fee in the first place and decided they needed to do it because of the need of the District. Chair Hughes asked how long people have to respond before being placed on the certified delinquent list. Mr. Hawkes replied that they were given a deadline of July 31.

### **4. New connections**

Mr. Hawkes reported on two new connections to the system. Mr. Smolka reported that they anticipate at least two additional connections. Board Member Bradford asked if that is the number of connections they can normally expect. Chair Hughes commented that they actually have had more connections than what they had projected.

### **5. Ken Struhs and Sandra Smeeding repairs completed**

Mr. Hawkes reported that they repaired Mr. Struhs's driveway. He explained that there was no other location for the meter, so they lowered the lid about 3 inches, removed the asphalt, and put in new concrete, and Mr. Struhs seems to be happy to have it repaired. The cost of that repair was about \$1,900. They also did a similar repair in Sandra Smeeding's driveway. Mr. Smolka requested that the District not put meters in driveways in the future.

### **6. Report on meeting with State and County on septic system funding**

Chair Hughes explained that they had a roundtable discussion with about 20 people from the State and Salt Lake County regarding potential solutions to septic system issues in Emigration Canyon. He believed most of them believe alternative solutions are needed for failing septic systems, even though it may not yet be presenting in the creek. They want the EID to act as the body politic to help consolidate several properties and solve their septic issues. He got the

impression that they actually want to do something and could put funding together to do so. He offered to identify some sites the EID could take on initially, and the State and County will see if they can put together funding mechanisms to initiate them. Board Member Bradford stated that he likes the concept of looking at this as a set of model projects rather than the rescue of desperately failing systems. By doing that, it may be easier to get a group to participate with each other and not meet the resistance that comes from identifying a property as having a failing septic system. Chair Hughes clarified that they are not talking about someone putting in an alternative system on their own property; this has to be a situation where they cannot, so it means putting a system off-site at a considerable cost. However, if they can get a funding mechanism in place, they could make it work. He commented that attitudes seemed to completely change during the meeting and turned in the direction proposed by the EID. He also explained that all the parties have agreed to exchange information and have it all in one repository. He stated that no problems are showing up in the creek like some of the agencies believe, but they can take advantage of the fact that they are focused on Emigration Canyon to get some funding to help solve some problems in the Canyon.

Board Member Bradford commented that, if they could get at least two demonstrations that would serve 10 to 12 people between them and simultaneously get experience in how the systems operate, how they are installed, and what the impact is on homeowners, they would be in a dramatically better position to roll this out in the community in general. He also noted that it is primarily animals and wildlife that pollute the stream, although Chair Hughes stated that they also discussed the impacts recreationalists have on the stream.

## **7. New well status report and water system report**

Mr. Hawkes reported that the Upper Freeze Creek Well is up and running again and is performing well. He explained that they have conducted multiple tests, and some defects were found in the pump, which was warrantied. However, the pump supplier said the cause of the problem was voltage spikes, and they thought it might be the variable speed drives or the filters. They did find that the grounding on the system was poorly done, and Rocky Mountain Power did not have their panel grounded to the system. The EID has run an additional ground so it is grounded with that and vice versa. There was also a 3% direct current going down the ground that they thought might be an issue, but the professionals have indicated that is well within tolerance levels. They have also added another surge protector and may do some other things for double protection. This is currently covered by Hills Construction and Aqua Engineering under warranty, and he has not heard that there would be additional costs to the District other than possibly the cost of materials.

Chair Hughes asked about the water levels. Mr. Hawkes reported that the well is currently pumping at about 902 feet, and previously it was pumping at 899 or 898. Board Member Stevens asked how much they are pumping from the well. Mr. Hawkes replied that for the last week they have pumped it at 260 gpm almost nonstop. He stated that before they got the Upper Freeze Creek Well running again they were pumping Well 2 down to about 530 feet, Brigham Fork was pumping down to about 323 feet, and Well 1 was pumping down to about 120 feet.

Mr. Hawkes reported that two days before they had Upper Freeze Creek up and running again, the Brigham Fork Well went down. It is pumping gravel and clogging up the system. It was only flowing 30 gpm when it should be flowing at 160 gpm. Board Member Bradford asked if the problem could be solved in the short term by raising the pump. Chair Hughes stated that it would just fill with gravel again. He believes either a section of pipe has separated, or there is a hole letting the gravel pack into the pipe, and they need to fix the problem. He recalled that he says every year when they do the budget that they are not putting enough money into operations and maintenance, and this is why. Every year they have problems with the wells. Mr. Cook commented that he represents a number of water companies, and well failure is just part of the business. There is no such thing as a reliable well.

#### **8. UFC flush/drainage ditch**

Mr. Hawkes recalled that they were not able to adequately test the drainage ditch and flush it for a period of time before the well went down. Now that the well is running again, it is evident that the ditch will not hold the amount of water. He reported that Craig Neeley has called MC Contractors to come back and install the ditch the way it was originally designed. There is some hesitation as to whether that may suffice, and if that is the case, they may have to put the water in a pipe. Board Member Bradford asked if there is a reason to not divert it into the stream. Mr. Hawkes replied that they would have to get approval from Salt Lake City to run it through their property. Mr. Smolka recalled that one reason for having it run down the ditch is that some of the water would be absorbed into the ground, and it would have a smaller impact on the stream. Chair Hughes asked Joe Smolka what he believes the problem is. Mr. Smolka replied that the ditch is not deep enough, and the cobble is not big enough, and he believed they should give MC a chance to try to fix it under warranty. He liked the cobble idea rather than a pipe, because it will be much better if they can disperse the water into the ground before it gets to Freeze Creek. If they pipe the water, a lot of the water will go into Freeze Creek. He recalled that Mr. Neeley was never satisfied with the construction of the ditch. Chair Hughes stated that he believed Mr. Neeley would solve the problem.

#### **9. Any items requested by visiting public, then adjourn**

There was no additional public comment.

The regular meeting of the Emigration Improvement District adjourned at 8:30 p.m.