



Mayor
Nanette Billings

City Manager
Kaden DeMille

Water Board

*Mac J Hall, Chair
Dr. Troy Gubler
Kelby Iverson
John Slack
Lea Thompson
David Hirschi
Stephen Nelson
Mike Vercimak
Ken Richins*

Water Board Meeting Agenda

Tuesday, May 30, 2023

6:00 PM

Water Department Meeting Room – 646 W 600 N

Notice is hereby given that the Water Board will hold a Regular Meeting in the Water Department Meeting room located at 646 W 600 N, Hurricane, UT. A silent roll call will be taken, along with prayer by invitation.

AGENDA

1. Call to order, prayer
2. Approval of Minutes from April 25, 2023
3. Discussion on culinary impact fee update approved by city council.
4. Discussion and possible recommendation to the city council to approve the new secondary water impact fee.
5. Report on Water System
6. New Business
7. Adjourn

Hurricane City Water Board
Meeting Minutes
May 30, 2023

Present: Ken Richins, Mac J Hall, Lea Thompson, Kelby Iverson, Troy Gubler, John Slack, Mike Vercimak, Angie Tripp, Stephen Nelson, Councilman David Hirschi, Kaden Demille and Dayton Hall

Guests: Russ Vernon, and Glen Carnahan with Alpha Engineering

Item #1 Call to Order, Prayer

Mac Hall called the meeting to order at 6:00 pm. David Hirschi offered the prayer.

Item #2 Review of Minutes of April 25, 2023

Mac Hall asked for a motion to approve the minutes from April 25, 2023. Troy Gubler motion to approve. Mike Vercimak seconded the motion. Motion passed.

Item #3 Discussion on culinary impact fee update approved by city council.

Ken discussed the recommendation from the water board for the culinary impact fee that was approved on 18th day of May 2023 goes into effect 90 days after that.

He went over the average impact fee and culinary impact fee that followed the impact fee in the county. This is something that hasn't been done in a while.

David Hirschi asked about the average what it was based on Ken explained.

Item #4 Discussion and possible recommendation to the city council to approve the new secondary water impact fee.

Ken discussed how we took all the questions from water board and gave to Alpha Engineering to get the final information on the attached document.

Ken read the questions sent from Alpha Engineering and Kelby Iverson went over the answers. See the following Documentation showing the questions and answers.

Kelby had questions on when you pay the impact fee to the district, will they know that has been paid. City attorney Dayton Hall talked about how other cities that were in that meeting that also has the waiver on the fee since we are installing secondary meters. Dayton Hall explained that if the district and the city was going to charge for the same thing it would be a problem for both sides.

Ken explained at this time we are not planning on more than just the base rate for irrigation which is \$12.00. Sometime in the future it might be charged differently. The irrigation water has only been raised once since it was set in place. This is something in the future that needs to be looked at and raised.

John Slack had some questions if you have two sources of culinary water will you go up in the tiers. Ken Richins talked about adding a note to question number 4 and add number 6. Glen Carnahan with Alpha Engineering will add the additional information to the documentation which is attached.

City manager Kaden Demille stated that we will have to investigate our billing software to see how the secondary meter will be tracked but not metered at this time. This is something we will have to investigate with Caselle which is the billing software to see how it will work. We will also have to discuss how Caselle and Harmony will work together on retaining the information.

Ken gave a brief discussion on table 19 which shows the impact fee schedule see attached document showing how this works by using a schedule.

Kelby Iverson asked if it was going to be a hard fast process about switching over to the irrigation. Ken Richins stated that it will be done in phases certain areas of the city done at the same time.

Russ Vernon gave a brief discussion on how they came up with the impact fee on the buy in for water shares and impact fee this is for new development. He discussed how this is paid by using user fee's along with the impact fee. Zions Bank does an analysis that is calculated and changes every year. He discussed how we can take this credit and show it over 5–10-year period. He explained how it will look at 5 years and 10-year period.

Mac Hall asked so this is credit given back to the homeowner as a rebate. Russ Vernon explained this is coming from the user fee and impact fee.

Kelby Iverson had some questions on if someone was to build, they would need to say how much property they are going to plan on irrigating. Ken Richins explained yes, they will need to.

Glen Carnahan said he really appreciates everyone's questions and answers while trying to figure out the impact fees for the secondary system.

City attorney Dayton Hall said let's go ahead with impact fee to get adapted. He will need to work on getting this put into an ordinance.

David Hirschi recommendation to approve the secondary water impact fee as had been explained with the added note to number 4 John Slack second motion. Motion passed.

Item #5 Report on water system.

Ken talked about the Dixie Springs well Grimshaw was getting a lot a water out then noticed they were getting gravel pack in which they needed to shut down. Not sure if there is a hole in the screen. They are having some rig issues and ordered some parts to repair. They are hoping to get the new hydraulic pump in so they can start working on it.

The water in the springs is up so it's a good year for access to water.

Item #6**New Business**

Mac Hall went over some meetings that's been going on for the construction phase of the project. Getting the pumps and material for the ponds it would be around 2 years before the ponds and pumps are in place. The rest of it like putting in the meters would require everything south of Gould's wash roads dug up at once to get it done during the window time for irrigation. Mac explained the committee working on this project said the installing would take approximately over 2 years to do it where there is no canal system. The next year do it where the canal company has pipes now.

Glen Carnahan explained that this is a big project its approximately 19 miles of pipe ½ the pipe will go in where there isn't current irrigation pipe in the ground.

Ken explained that Alpha Engineering has been working with city engineer Arthur Lebaron on the 920 W drainage issue He gave a brief explanation on what we would need and the sizing of the pipe and cost. Glen Carnahan explained the electrical supplies are still behind on shipping.

Kelby Iverson asked if the conservancy district is doing a reallocation in the sand hollow area and is going to affect our wells. Ken Richins explained that they are doing an aquifer study that defines that reliable yield of each person's water rights. We are working with them to move this along.

Mac Hall adjourned the meeting at 7:20 pm David Hirschi seconded. Meeting adjourned.

June 2, 2023

Hurricane City Water Department
Attention: Ken Richins
646 West 600 North
Hurricane, Utah 84737

Re: Hurricane City Secondary Water Impact Fee – Water Board Follow Up

Dear Ken:

The proposed draft of the Secondary Water Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) were presented to the Hurricane City Water Board on April 25, 2023. Below are the follow up questions we noted from the Board. Their questions are in italics and the answers follow in Bold text:

1. *Will Hurricane City get the outdoor component of the WCWCD Impact fee for source? Need to make sure we are not double charging for source water.*

Yes, Dayton Hall and Ken Richins were in a meeting with Zack Renstrom, General Manager of the Washington County Water Conservancy District on 5-22-2023. He reaffirmed that Hurricane City will collect the secondary water impact fee in the areas we have new developments with separate culinary and secondary water meters. The district will not charge their outside component impact fee for these services.

2. *What is the cost difference between culinary water and irrigation?*

The current culinary water rate is \$17.17 base rate, the first-tier rate is \$1.13 per 1,000 gallons and the highest tier rate is \$2.04 per 1,000 gallons. Pressurized irrigation is \$12.00 for a base monthly fee.

3. *What are the legal ramifications of temporarily providing culinary water in leu of irrigation until irrigation is available?*

We are not aware of any.

4. *Will the user be charged the culinary rate for the water metered through the irrigation meter until it is switched to irrigation?*

The user rate will vary depending on the source and area. New homes in the irrigation expansion area will need to pay the culinary rate until irrigation water is delivered to them. Some areas will be served by well water that is not culinary grade. They will be able to pay the base rate only. Bottom-line if the water costs are for culinary grade quality, the City will need to charge the culinary rate, minus the irrigation base rate. The irrigation base rate will not be charged until they are supplied by secondary water. Meter usage for both the culinary and irrigation meters will be combined so the user is billed one base rate, then the tier will take effect, the same as if the user was being served by a single culinary water meter.

5. What is the lag time to provide irrigation service to those who are temporarily connected to the culinary system?

Irrigation expansion area developments will be connected as soon as the new system is operating. Those being supplied by irrigation well water will be connected as soon as their systems are in place. Those being served by reuse water will be served as soon as reuse is available. The reason the city requires dual water systems in all the new developments is we are preparing for the future. Water is a limited resource, and we need to use culinary water for culinary use. Also, the cost to retrofit these developments with secondary water at a later date would be astronomical and the City would have to pay for it.

6. It was noted that we need to add a water acquisition credit to cover those who have water rights or shares that transfer them to the City at the time of connection.

When properties in the irrigation expansion area subdivide and Hurricane Canal Company shares are being used on the property, a secondary water impact fee credit will be issued for the equivalent value of the canal shares based on current fair market value. Hurricane City shall have first option to buy the remainder of the Hurricane Canal Company shares associated with the property at the current fair market value at the time of the transaction.

Year 2025 Example: A 5-acre parcel is subdivided into nine 1/2 acre lots. Lots would meet RA-.5 standard with a secondary water impact fee of \$1,850 for each lot, resulting in a total secondary impact fee of $9 \times \$1,850 = \$16,650$ for the development. If fair market value of a share of Hurricane Canal Company is \$10,000, the required shares for credit would be $\$16,650 / \$10,000 = 1.67$ shares for the development. The amount of water shares would be adjusted based on the current cost of the shares. The City would have first option to buy the remaining shares used on the property at the fair market value (\$10,000/share) at the time of the transaction.

Let me know if we can provide any additional information.

Sincerely,



Glen E. Carnahan, P.E.
ALPHA ENGINEERING COMPANY

Table 19. Conceptual Impact Fee Schedule

Development Standard ¹	Description	Basis		Impact Fee
		Irrigated Area (Square Feet)	Unit Cost / Square Foot	
RA-1 (Table 10-14-2)	50,000 sf – 25,000 sf Gross Lot Area 30% of Area Irrigated	7,500	\$ 0.37	\$ 2,775.00
RA-.5 (Table 10-14-2)	25,000 sf – 15,000 sf Gross Lot Area 33% of Area Irrigated	5,000	\$ 0.37	\$ 1,850.00
R1-15 / R1-10 (Table 10-13-2)	15,000 sf – 8,000 sf Gross Lot Area	3,500	\$ 0.37	\$ 1,295.00
R1-8 / R1-6 (Table 10-13-2)	8,000 sf – 4,800 sf Gross Lot Area	2,500	\$ 0.37	\$ 925.00
RM-1 (Table 10-13-2)	6 Units/Acre → 7,260 sf/Unit 15% of Area Irrigated	1,089	\$ 0.37	\$ 405.00 per Unit
RM-2 (Table 10-13-2)	10 Units/Acre → 4,356 sf/Unit 15% of Area Irrigated	653	\$ 0.37	\$ 240.00 per Unit
RM-3 (Table 10-13-2)	15 Units/Acre → 2,904 sf/Unit 15% of Area Irrigated	435	\$ 0.37	\$ 160.00 per Unit
Agricultural/ Commercial/ Industrial	Non-Residential Land Uses	Actual Per Development Plan	\$0.37	Irrigated Area x \$ 0.37

¹ From Hurricane Utah, Code of Ordinances / Title 10-Land Use Regulations

5/24/2023 DRAFT secondary Water impact fee credit

When Properties in the irrigation expansion area subdivide and they own hurricane canal company shares being used on that property, they will receive a secondary water impact fee credit for irrigation water provided by them for their development.

For example, if a property owner has a five-acre parcel and has a preliminary plat for, 9 - ½ acre lots. This would put them in the RA-.5 portion of the impact fee schedule. (Refer to table 19 of the Impact fee schedule) The 25,000- 15,000 sf, Gross area 33% of irrigated area. At the current canal water share rate of \$10,000, the impact fee credit will be \$1,850 per lot. This impact fee credit will be adjusted based on the cost of canal shares, The city shall have first option to buy the remainder of the canal shares associated with the property parcel, at fair market value at the time of the transaction.