

AMERICAN FORK CITY COUNCIL
MARCH 30, 2021
WORK SESSION MINUTES

Members Present:

Bradley J. Frost	Mayor
Kevin Barnes	Council Member
Staci Carroll	Council Member
Rob Shelton	Council Member
Clark Taylor	Council Member

Members Absent:

Barbara Christiansen	Council Member
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Staff Present:

David Bunker	City Administrator
Camden Bird	Community Services Director
Wendelin Knobloch	Associate Planner
Rebecca Andrus	City Engineer
Terilyn Lurker	City Recorder
Anna Montoya	Finance Officer
George Schade	IT Director
Cherylyn Egner	Legal Counsel
Adam Olsen	Senior Planner
Darren Falslev	Police Chief
Derric Rykert	Parks and Recreation Director
Scott Sensanbaugher	Public Works Director
Jay Brems	Water Superintendent

Also present: Ernie John, John Woffinden, and John Schiess

WORK SESSION

The purpose of City Work Sessions is to prepare the City Council for upcoming agenda items on future City Council Meetings. The Work Session is not an action item meeting. No one attending the meeting should rely on any discussion or any perceived consensus as action or authorization. These come only from the City Council Meeting.

The American Fork City Council will meet in a work session on Tuesday, March 30, 2021, electronically, commencing at 4:00 p.m.

Mayor Frost welcomed everyone to the work session and read the determination for an electronic meeting.

1. Presentation and discussion on current water conditions and irrigation outlook and water conservation strategies

Mayor Frost said that the City's water conservation board has met recently. He also met with several of the neighboring cities' mayors where they had a great discussion with the water systems managers. They came away united that each city needed to take very seriously the issue; they discussed ways to get the message out on water conservation. Based on the Governor's emergency declaration, this year was different

from years past. He turned the time over to Ernie John and John Schiess. He explained this is dealing with the pressurized irrigation systems, not culinary water.

Ernie John stated he would be providing information on American Fork Canyon and the projected flows coming out of the canyon. He showed the Utah drought monitor released by the NRCs; Utah County is in the exceptional drought zone.

John Schiess explained when the PI system was installed, they looked at the historical data and plotted out the normal flow from the canyon during irrigation system. There was a period of years between 2006-2010 where the gauge wasn't in place, so it was estimated. For the last 10 years, they have had eight years of significant drought. When they have two bad years in a row the second one was typically lower, so they were looking at a bad year that year.

Mr. John showed a graph on the Jordan drainage and the moisture level in the ground. The State of Utah has been tracking this for 16 years and they are the lowest they have been. They have one sensor in American Fork Canyon that sat at 8100 feet. It peaks fairly early in the year; this year they should have had 22 inches of water at the peak, but they peaked out at 15 inches. There is another sensor in Little Cottonwood Canyon that sat at 9100 feet on the snowbird side. It looks better but they have 30 inches when they should have over 40 inches at this time. Another 80 inches of snow would be needed to create normal levels and he didn't think they were going to make it.

Mr. John showed pictures of Tibble Fork. They should have a significant amount of snow at Tibble Fork, but there was hardly any there. He gave information on the snowpack levels at the different reservoirs. They are below 50% of normal; he estimated they were 40-50% of where they should be for this time of year and they were not growing. They could be as low as 30% and he wouldn't be surprised to be the lowest in 92 years. They have had only two normal years of flow in the last ten.

Mr. John noted how much water the City owned in different places; in 2020 they used 11,000-acre feet that they could measure and estimated another 1500. In total he estimated that they had used 12,500-acre feet of water in 2020. They were expecting 100% allocation of CUP water. They had gotten 100% allocation out of Deer Creek the year before, but they wouldn't find out until the Provo River Water users meeting how much they would get. However, they were expecting around 60% on the high side and as low as 40%.

Mayor Frost asked for an explanation on how they get the water from Provo Canyon. John Schiess explained how the City got the CUP water. The Deer Creek water will come down in the piped Murdock Canal. Mr. John stated that all water wasn't the same and had different values; they received different amounts of water.

Mr. Schiess said that Deer Creek was the first area that was not able to deliver the full amount.

City Administrator David Bunker clarified that they should get 100% of the 2100 CUP water, but they were anticipating a reduced amount of the 1300 acre-feet of Deer Creek water. Mr. John stated that was correct and they anticipated about 50% of the Deer Creek water. Mr. Bunker commented on the supplemental water rights and clarified that the rights were all for well water. Mr. John replied that they used about 1400 feet of well water for the irrigation system. They had used all of their allocated water the year before and the rest had come through the PI system.

Mayor Frost commented that when they meet and talk about the water, they refer to it as late season water which is what they use to supplement what was needed.

Jay Brems said that they don't start calling for the CUP or Deer Creek water until late June or early July. CUP water went into upper reservoirs and Deer Creek water went to the lower pond.

Mr. John stated that two years ago, when they had a really good year, they didn't start pulling water until late July as they had enough water from the canyon that they could hold off until end of July. The late season water is very important during the hottest months of the year.

Mr. Bunker said that minus the early water, they would have used 6200-acre feet from the canyon. This was important because that was the bulk of the irrigation water. If the source gets depleted, or becomes unavailable, this is where it hurts them. If they are at 50%, they need to make up over 3100-acre feet somewhere.

Mr. John stated that it was going to be lean this year. He then discussed supplemental water rights. These were their subsurface water rights. They have water rights in the aquifer they can use sparingly, almost not at all. There were two issues: cost and depleting the aquifer. The cities are making a concerted effort to using the aquifer sparingly because of slow recharge of the aquifer. Out of almost all of the 40 flowing wells that have been given to the City, there are no flowing wells due to the aquifer depletion.

Council Member Staci Carroll said she understood that PI was for watering lawns and asked if that water went back into the aquifer. Mr. John replied that some goes to evaporation and transpiration, and the plants are using the water to grow. The big issue is the water recharge can only happen at the mouth of the canyon and the river. As they get closer to the lake, they have layers of clay and there is no way to get through it.

Mr. Sensenbaugher recommended only using the aquifer during an emergency. Mr. John agreed and said that they had an update in 2020 and it wasn't as good as what they would like. Mr. John reported that the aquifer sat by itself and recharged at 100,000 acre-feet a year on average, but is allocated at 240,000 acre-feet per year.

Council Member Shelton said that in past years, Mayor Hadfield was quick to point out that there was not enough water out of the canyon. He asked if they needed to relook at how the plan was originally drawn up to meet the needs of the community. Mr. John replied that when they originally looked at this it was fine to use the water for culinary. However, if they used it for PI then it was a double-edged sword because they weren't recharging as fast as they thought they were. Council Member Shelton asked if they should seriously consider looking at other sources because the current path they were on was not sustainable. Mr. John replied that all of the cities in Utah County were on board with aquifer preservation and finding alternative sources.

Mr. John said that the cities had put out an RFP and they are working on putting together a data base so all cities can track where the water is.

Mr. Bunker said that before American Fork went to a PI system, they used a certain amount for indoor and outdoor water. However, when they went to two systems, the water usage went up dramatically. The design of the system was geared toward average uses, but they were blowing it out of the water. Mr. Scheiss said that with the original system, they understood they would use wells in drought conditions because there was enough water. He said that eight of the last 10 years have been drought conditions and they have used those wells. They are looking at different ways to address the matter. First of all, conservation was important, and they needed to install meters, so people know what they are using and being incentivized for conserving. Before the PI system was designed, they were using three gallons per minute per acre of irrigation. They designed it for six gallons per minute per acre to compensate extra use. They didn't design meters at the time because the technology wasn't there. They are actually using eight gallons per minute per acre, and he would expect even more that year because of the hot dry summer. Meters would help cut use and protect sources. They have identified how they need to get water back into the aquifer. They wanted to add the water from the sloughs and streams by the lake to the aquifer. Additionally, they were looking heavily at reuse water from the sewer treatment plant.

Mr. John said they expect another year of drought. They were suggesting holding off watering lawns voluntarily until May 1st. This would allow them to save water from the Canyon flow until July, August,

and September. Water they save now will help later. At some point later in the year when flows tapered off, they would have to use their stored water.

In response to a question from Council Member Taylor, Mayor Frost said gardens are going in and it is minimal use; this would allow gardeners to have that water available to get their crops started. Mayor Frost stated that the main water users are on board and they can work on educating the public in general.

Mayor Frost asked if they were required to give flood irrigators water on April 15th. Mr. John replied only if there is water coming down the canyon and to date there wasn't enough; he has already talked to the three big flood irrigators and they would be day to day.

Mr. John said there are some commitments that the City has like ballfields and cemeteries, but the major users agreed to hold off and everyone was doing their part.

Council Member Taylor said it was the same people who abuse the system regularly and water as much as they want. They need something where people will pay attention and realize how serious the situation is so that people will heed the recommendations made by the City. He stated that Camden Bird was doing a great job with social media, but he felt they needed something to wake people up and realize how critical it was.

Mr. Schiess said he doesn't plant his garden until the first Saturday in May. The grass is dormant until May.

Council Member Taylor stated this is a crisis situation.

Mr. Brems if they have the big users not water until May 1st, they will need to use the wells to make ends meet at the beginning of the year. The message needs to be clear: this is different from any other year. They could run out of water and real education needs to take place. The situation will depend on how serious the people take the water problem. His only hesitation on waiting until May 1st is that people go overboard on the water when it becomes available. The message of waiting would let people know it was serious. People have already called about fertilizing their lawns and when water would be available for that. They can get cooperation of the large water users, but it was the rest of the City following the plan that he was more concerned about. The metering was the only way water will be conserved.

Mr. Bunker shared a story of Cedar Hills. They had a year where it was a bad drought, and they were in a position where they could see water resources were not going to keep up. They were already on an every other day watering schedule but they needed to do more. Council sent out a notice that they were in a critical stage and needed to cut back. They day after the notice was released the system drained empty because every person in the City wanted to get their water before it was gone. After that, they couldn't get the system charged and it created a panic.

Mr. Brems said they will have real-time data from the system they can show and compare to historical levels but certain information that went out hurt rather than helped.

Mr. John agreed. He foresaw them coming up with enforcement to get the conservation to where it needs to be. Scott Sensanbaugher said that one of the things they have been talking about the last couple of days was a water shortage contingency plan. Salt Lake City has one and he has created a draft one. There are five levels of water situations from mild to critical; the committee was reviewing it and getting feedback. The intent was to get that to the council as quickly as possible for them to look at.

Council Member Taylor said he saw their points and understands the worry of the Cedar Hills issue. However, the only thing he can think of was they start on a stout social campaign that starts on water conservation by either telling them no water until May 1st or voluntarily not water until May 1st.

Mayor Frost said that all cities will be doing this.

Council Member Carroll asked about rain versus snowpack and if they have a wet spring did it improve the water outlook. Mr. John said it does for a couple of reasons: the majority of the snow is in March and April. It would be rain down here and snow up in the mountains. Two years ago, they delivered water in May because they had so much rain and they didn't need to use extra water. A good year can turn into a poor year in one month though.

Mayor Frost said that if they can have people turn their water off, it would help. If they do not water because they don't need it, it would help out.

Council Member Taylor said that not everyone can afford rain sensors or a smart clock, but just by flipping the switch it would help and using common sense and not watering during rain events would help. Mr. John stated he resets a bunch of clocks just to help out. He thought that smart controllers are a great thing to do. It takes Highland 40 manhours to turn off all the water in their parks when it rains because they weren't smart controllers.

Council Member Shelton said they need to look at the solution to get readings to people more than every three months. If people can see their water bill based on consumption, they would use less water. With a public relations campaign, he liked it being data driven. He asked if there was a way to build something visual for people to see the water usage and see if their conservation efforts were making a difference.

Mr. Sensenbaugher said that he had put together a brief presentation on something they have been working on. He went over the terminology and definitions. He showed the smart meter and explained what they could do. Smart meters were different from smart controllers. He explained the technology and discussed the AMI system.

Mr. Bunker said the smart meters are at the road and the citizens couldn't modify that but that the smart controls are in their garages and these can be modified.

Council Member Taylor he was able to obtain a sensor that attached to the closes weather system that helps with watering. It shuts it off if there is rain, if the temperature was low, etc. and that they needed to incentivize those.

Mayor Frost said that the controller has a rebate through central Utah. He doesn't have one, but it was just as easy for him to turn his off. The elderly are nervous about the new technology so they might need some help.

Mr. John said they have had a water users conference for the last several years: the first fully instrumented water system was the Weber Valley Water Conservancy District. Over the years they began metering everyone they could show the water usage in real time. They worked in concert with the smart controllers. The City would put the meters in, but the homeowner would need to dial down with the smart controller. They are the gold standard for the State of Utah, but they spent a lot of money.

Council Member Shelton asked if the meters would be in the park strip or under the asphalt. Mr. Bunker replied that they were in the park strip. Mr. Sensenbaugher said they were going in right near the culinary. Mr. Bunker said the rebate was \$100 and needed to be used within 60 days and a picture of the installed meter with the serial number needed to be submitted.

Council Member Barnes said he was in the age group of not liking technology, but he can go down to the basement and turn his meter off. The issue was that people have been able to water as much as they want. Right now, they let people water three times a week, but some people would like to water twice a week, but it was difficult with the current schedule. He agreed they were watering too much so maybe they went from three times a week to two times a week. He asked if there was any data to support this.

Mr. Brems stated one of the biggest things with odd/even days of water was balancing the water usage during peak demands. Another issue was the demand at night. If they want to go to watering two days, they will still have water coming from the canyon that would need to go somewhere. It comes down to enforcement. There are people who are watering every day of the week even with the restrictions. People have the attitude that they are paying for it year-round, and they water for longer times per station as they feel they are entitled to the water. There needed to be a way to balance the usage throughout the week. It boils down to enforcement and the understanding.

Mr. Sensanbaugher said the system was designed properly; the usage was just high. They are over-using the system and they need to get serious about plans to meter the PI water.

Mayor Frost said this was also about common sense and taking responsibility for the precious resource. They need to create a plan that may not even be applicable in another year, but this was going to be a drought year. Some people take it seriously, while many others do not, and enforcement was important. Last year, Pleasant Grove was very strict with watering. They are learning a lot of new things and are understanding they are in a critical situation. He would like to get the feelings on a mandatory or voluntary start point for irrigating on May 1st.

Council Member Carroll said she saw the rationale about turning it off, but she hoped to appeal to people's better nature. Council Member Taylor thought they hold off until May 1st, but if it does need to be an option, they need to hit people hard with education. Council Member Barnes wanted to push it back to May 1st, but he felt that with the concerns it should be voluntary and hope for the best; they can crack down later if they need to. Council Member Shelton thought it should be voluntary; he felt they needed to keep people updated on how they are doing with water conservation.

Mayor Frost said that the mayors were going to do a quick video so the citizens can see that every city will be doing this. They will also be drafting a statement and issuing a press release. He liked the idea of a measure for the citizens to see how well they are doing. There will not be a meeting on April 6th to present at. He felt the conservation board would be meeting on a monthly basis that year. The Governor has already declared an emergency and they will use that as they go forward.

2. Discussion on the Fiscal Year 2022 Culinary Water, Pressurized Irrigation, Sewer, Storm Drain, and Sanitation funds

Anna Montoya reviewed the budget process. It was a collaborative effort that went on for several months. They meet with departments and administration to go over the budget and the council goals.

Culinary Water

They were estimating a 5% revenue increase based on growth in the City. Interdepartmental was up and was based on grant revenue. Interests were the same. Financing was the water bond; they have drawn \$15 million and about \$7 million was being carried forward. With expenditures, they are estimating a decrease in expenditures which is mainly due to the water line project. They are estimating a 3.2% increase for personnel. Operating stayed roughly the same and in debt service. They will have their first payment this December and would be a partial payment.

There had been a request to show the trends. Trends showed that personnel and operating are consistent. Capital projects were a roller coaster depending on the projects that have been approved.

In summary, they are not proposing any rate increases. This was a non-rate increase year. They will find out if they receive the CBGD grant in the next couple weeks. Personnel was up 3% for merit increases as a placeholder. Operations are staying fairly flat. They have \$8.5 million for water projects and \$1.2 million

for annual improvement. They have a couple of wells that need work. They are estimating some AMI metering; culinary and PI will take part of that cost over a couple of years.

Council Member Shelton asked if that would mean that in two years the entire City would be on AMI. Ms. Montoya replied that as far as budget, yes. Mr. Sensenbaurer stated that it was the placeholder to get started.

Ms. Montoya continued with the presentation and stated that the last rate study was done in 2018. The capital mentioned in that was for the water line project that had been started already. The debt service was 30 years at 1% and will come out of the new rates approved in 2018. Also included in that study was the VAC truck that was purchased this year.

Culinary Water Impact Fee

They are estimating an increase in revenue because they had decreased that due to COVID but that did not decrease as expected. As for operations, part of the water line project was out of pocket and that will come largely out of impact fees. There are some reimbursement agreements, and a portion of the debt service bond came out of impact fees.

Pressurized Irrigation

The revenues were increasing and largely due to growth. They received a \$1.5 million grant and that was carried forward as they haven't started. Total revenue increases were \$3.3 million. With expenditures, there was a decrease in personnel that was due to an allocation error and not that they cut a position. With operations, they were needing an increase so they could have another PI rate study. With capital, they talked about PI metering. They approved a \$3 million budget for metering project that will be carried forward to 2022. They are adding an additional \$3 million and this is about 60% of the overall cost.

Ms. Montoya went over the trends for this fund. Personnel and operation remain flat, but projects have increased. There were no rate increases. They had received a \$1.5 million Board of Reclamation grant that would be carried forward. Personnel went down but does include placeholder for merit increase. Operations went up as well as capital projects.

PI Impact

These were the same as culinary. Operating included the carryover of water reuse feasibility and land purchase which will carry forward. Reimbursement agreements that came out of impact fees of \$500,000.

To summarize the water, they separate the funds and track them separately.

Council Member Shelton asked why they have the negative on the current assets. Ms. Montoya replied that was cash out for the irrigation project back in 2016. Council Member Shelton asked about the culinary non-impact fees and commented that there was a large increase. He asked if that was due to the \$7 million. Ms. Montoya replied no.

Sewer

They have an increase in charges for services due to growth. There is a decrease in personnel as they are decreasing overtime. Operations stayed the same and Capital decreased. The trends were fluctuating a bit because of inoperating expenses and due to projects and TSSD charges. With capital, there has been some upsizing and bursting projects. The sewer portion of water line projects are not carried forward. The sewer bursting was reduced. The last rate study was in 2014 and there was a recommended capital purchase of a VAC truck. There was nothing recommended for this year. They are earmarking funds for a maintenance building. The study recommended 1% replacement cost be set aside, so they are holding about \$800,000 for improvements and replacement.

There was a new study being done in 2020 but was put on hold due to COVID. They can revisit that if they would like to. It addressed a revision of the rate structure.

Sewer Impact Fees

These fees were reduced last year but they are looking at about \$400,000 revenue for this year. Operations occurred through a reimbursement agreement.

Storm Drain

This was similar to the others - the increase was due to growth. The personnel decrease was due to a calculation error. The operating went up slightly due to tree trimming and debris hauling to clear out the storm drain. Capital went down. She discussed the trends: personnel and operations about the same. Capital has been up and down based on the projects. In 2021, the increase was for the AF River rehab. They were going down about \$770,000 in capital projects as they will carry forward about \$200,000. They purchased a VAC truck which they will not have this next year. The last rate study was done in 2014 and some of the capital has been earmarked or reserved. Part of the reserves was \$1.4 million per year based on the study.

Ms. Montoya went over the Available Fund Equity. The estimated equity available be for sewer was \$3.695 million. For storm drain it was negative because the rate study recommended the \$1.4 million per year. They have more needs than they have available funds.

Mayor Frost said if the Council wants to talk to him about the increase, he will talk to them. Based upon the information they were learning they could talk to him about it.

Sanitation

They were recommending a slight increase. The contract states the less of 2% or CPI. They were recommending a 2% rate increase and she went over the cost per container. They were recommending an additional punch on the garbage pass which would be about \$100,000 and the rate increase would absorb that.

Council Member Carroll asked why there would be an additional punch card. Mr. Bunker explained with TSSD no longer taking green waste, they are suggesting an additional punch to take care of that. Council Member Shelton asked if this punch could only be used for green waste. Mr. Bunker replied that it can be used any way they would like. Council Member Shelton made a comment about the green waste and Mr. Bunker said they can adjust it.

Council Member Shelton said there was rumor about TSSD starting an indoor facility and taking green waste. Mr. Bunker said that was a possibility.

Ms. Montoya said that based on the revenues, there was a deficit of about \$90,000. They could look at options, but they may need a larger increase in the upcoming years to keep up with expenditure increases.

3. Adjourn

Mayor Frost said they will not have a work session next week; the next meeting is the 13th. They are currently planning on having that in person at the Council Chambers.

The work session adjourned at 6:05 p.m.



Terilyn Lurker, City Recorder