

April 18, 1991

To: City Services Committee City Council

From: Greg Trainor, Utility Manager

Re: MINUTES
City Services Committee Meeting Thursday, April 18, 1991 12:00 Noon

Present: John Bennett, R.T. Mantlo, Paul Nelson
Jim Shanks, Mark Achen, Dan Wilson, Greg Trainor Ron Lappi, Jody Kole
Conner Shepherd was present for the latter portion.

1. IRRIGATION WATER

A discussion was held concerning allocation of available water for lease to ranchers on Kannah Creek. The question was whether to provide water to "historic users" or to all individuals in Kannah Creek who are requesting irrigation water for lease. The direction provided by the Committee to the staff was to consider the historic users as our first priority allocating some standard amount for water with the balance being provided to other users if it is available. In all cases the water being provided for lease is on a "as available" basis, subject to interruption if the City requires the water for domestic purposes.

2. WHITING WATER PURCHASE

City Manager Mark Achen polled the Committee concerning their desire to continue discussions with the Whiting interests for their water. Members Paul Nelson and John Bennett indicated that they were not interested in continuing, that the City did not need the water, and that the Whiting asking price was too high. The Committee was asked to report the matter to the balance of the City Council.

3. SEWER RATE STUDY

A status report was provided on the progress of the rate study. (See attached outline).
City Manager Mark Achen feels that it is important that the special districts who contract for service with the City start becoming involved in discussions concerning the final outcome of the study. It was suggested that the City Manager, County Manager, and engineering staff of the districts begin discussions about where we are in the study, a definition of "backbone", and the method of charging users based on quantity and strengths of flow.

4. UTE WATER

City Manager Mark Achen discussed with the Committee the options available to the City to resolve or reconcile our differences with the Ute Water Conservancy District. All were reminded that "territory" is the last thing that the City wants for its water system because of the huge financial implications to provide water. Attorney Dan Wilson discussed the City's long-range objectives concerning Ute: upgraded standards in areas that the City will eventually annex, fire protection upgrades in the portions of the Ute District that are in the City, etc. By Dan's account there are three options with regards to the Ute District: maintain the "status quo", file the lawsuit, or compete with Ute for water service.

Maintaining the status quo does not bring the City any closer to its objectives. Competing with Ute is an expensive option which the City can not afford. Filing the lawsuit will provide the City a forum for discussion with Ute and, hopefully, a resolution to our differences.

Committee member Nelson asked: what are our objectives, what do we really want?

Discussion among the Committee generated a list of objectives reconfirming some which Council has already discussed and adding others:

1. Improve quality of development in areas that the City will eventually annex.
2. Clean up areas of mixed service, i.e. those areas that are City customers but are served with water purchased from Ute. These include West Orchard Mesa, Lakeside, N. 1st Street,

Willowbrook, Lowell Court and McFarland Court. These areas might be traded for areas within the Ute District that the City serves such as Galley Lane. In addition there are streets on which both utilities serve.

3. Upgrade fire protection in areas served by Ute which are inside the City limits or will be annexed by the City in the future. Some of these could be cooperative efforts with cost savings generated by the City on West Orchard Mesa going into water main upgrades.
4. Redefinition of service areas with the City serving areas such as the northwest area.
5. Continuation of joint approaches to long-term cost containment for both utilities (common projects with joint benefits).