

January 17, 1996

UTILITY COMMITTEE MINUTES

Meeting: Thursday, January 11, 1996 2:00 PM  
Alpine Bank Building, Rm 225

Present: David Graham, Jim Baughman, Linda Afman Jim Shanks, Dan Wilson, Greg Trainor, Ron Lappi,  
Terry Franklin, Trent Prall, David Varley

Cc: City Council, Department Directors, Administration Utility Superintendents

1. Rosevale Sewer Plant Investment Fees: Mesa County Request

The Mesa County Commission, as part of the financial package being developed for the Rosevale Sewer Extension Project, requested that the 201 sewer system defer payment of the sewer plant investment fees for low income persons living in the project boundaries. The Committee, after review and discussion, recommended that the plant investment fees not be deferred indefinitely, but that the fees be paid on a monthly basis with interest over a five to ten- year period of time with interest accruing at 8%. This same arrangement would be made for moderate income persons as well. Mesa County would be responsible for determining the income qualifications and accepting liens on properties with investment fees loans outstanding.

2. Rattlesnake Court Sewer Extension/Teri Dixon

(Councilperson Linda Afman excused herself from the meeting at this point and left the conference room as she represented Lee Garretta purchaser of one of the three undeveloped lots on Rattlesnake Court)

The Committee discussed the agreement reached with Mrs. Teri Dixon in October of 1995 concerning sharing the cost of extending sewer in Rattlesnake Court. Subsequent to that agreement, Mrs. Dixon notified the City of her intent to sue the City over the costs of sewer to Rattlesnake Court. Mr. Lee Garrett, who has purchased lot 21A, has agreed to pay the costs of materials for sewer to all three lots if the City would contribute the labor portion.

After discussion the Committee agreed to notify Teri Dixon that the City is withdrawing the previous cost-sharing offer. The Committee agreed to allow Lee Garrett to pay the material costs for the sewer extension and to have a payback agreement so that when the remaining two lots are built on, he will be reimbursed his costs of materials by those lot owners. It was recommended that there be a ten-year limit on the payback agreement.

3. Mike and Carol Anderson water tap.

(Linda Afman returned to the meeting at this time).

The Committee discussed the recent proposal made to the City by the Andersons in a letter dated December 29, 1995.

After discussion the Committee determined that the Anderson offer was the same made to the City in April of 1994 and rejected at that time by the City. This offer consisted of the City conveying to the Andersons all of the City property north of the "thread of Kannah Creek" and the "area of conflict" in exchange for an easement for the Juniata Enlarged canal and diversion structure. An easement for access would also be granted by the Andersons. Since the Juniata Enlarged Ditch Company already has prescriptive easements for access, diversion, and conveyance of water, the Anderson offer is empty.

The status of the Anderson's flowline tap was discussed. The Andersons had been previously notified by the City that the tap was to be disconnected on January 5, 1996 as a result of their intention to use the water for their commercial campground operation and their failure to get written permission from the City to do so. The issue is the expanded use of the tap and the uncertainty as to the water being adequately treated.

The Committee, after discussion and advise from legal counsel, agreed to notify the Andersons of a set of conditions under which they would be allowed to use the City raw water for commercial campground purposes

including firefighting and irrigation, but not drinking. The Committee rejected the Anderson offer for land exchange.

(Councilman Jim Baughman excused himself at this time because of his need to return to work.)

#### 4. Purdy Mesa Livestock Water Company

The Committee discussed a 20-year financial plan developed by utility department staff that would be the basis of an offer to purchase the Company. A copy of the assumptions and financial plan have been previously circulated to the City Council.

After discussion, staff was instructed to draft a formal offer for purchase and circulate it to the City Council for comment prior to submittal to the Purdy Mesa Livestock Water Company. The assumptions and financial plan were not amended by the Committee and consisted of a purchase of the Company for \$100,000, allowing the Company to sell 30 additional taps, the water rate being two times the in-city rate, and the City selling additional taps.

#### 5. Future City/Ute cooperation in water customer trades.

Staff reported on preliminary discussions between the City and the Ute Water District for future customer trades. Areas under discussion include west Orchard Mesa and north 1st Street between Patterson Road and G Road. Staffs are looking at details and plan a presentation to the joint Ute Board and City Council in the next 60 days.

There being no additional business, the Committee adjourned at 3:30 PM.

