

1 Minutes of the Hurricane City Council Special meeting held on March 23, 2017 in the Council Chambers at 147  
2 North 870 West, Hurricane, Utah at 5:00 p.m.

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4 **Members Present:** Mayor John Bramall and Council Members: Cheryl Reeve, Pam Humphries, Kevin Tervort,  
5 Kevin Thomas and Darin Larson.

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7 **Also Present:** Charles Reeve, Brent Gardner, Ken Richins, Mac Hall, Bud Scow, Dallan Wadsworth, Toni Foran,  
8 Kenneth Heaton, Stuart Stout, Kory Wright, Kelby Iverson, Colette Wadsworth, Kaden DeMille, Clark Fawcett,  
9 Mike Bringhurst, Lisa Bringhurst, and Lloyd Jessop.

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11 **AGENDA**

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13 1. *Discussion and possible decision regarding expansion of the Hurricane City Irrigation Lines*

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15 Mac-Mac gave some background on Hurricane City explaining that the Canal Company was the original  
16 governing board of the community. Citizens living here were given a field south of town and a lot in town  
17 where the garden water was located. Everything was used together and everyone was a participant in the  
18 Canal Company. Prior to the 1980's the city started having problems with the garden water which was  
19 flooding streets and homes. As a result, the Canal Company considered putting in a pressurized irrigation  
20 system on the north side of town, where the current system is located. Dennis Beatty did most of the leg work  
21 on the proposal and came back to the Canal Board and explained that it wasn't affordable and was not  
22 economical at the time.

23  
24 The city eventually put together a study and figured they could do it. The city could use the water acquired  
25 and it would solve the runoff and irrigation problems occurring in the city. The irrigation system has  
26 functioned fairly well since that time. It hasn't made money but it hasn't lost a lot of money either. The main  
27 reason the city felt like it could succeed when the Canal Company couldn't was that the water acquired in  
28 shares for outside use and would help extend the culinary use further. The culinary water system has been  
29 subsidizing the irrigation system ever since, until this year when it should break even.

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31 Approximately 3 years ago the Washington County Water Conservancy District (WCWCD) approached the  
32 Canal Company about securing a grant to close in all open ditches and pipe that wasn't pressurized. It also  
33 would include installing an additional pipe from the top of the church farm out past the airport as water is  
34 moved from in town to south of town. During that process Hurricane City was pulled in to the proposal. The  
35 grant failed due to some issues within the grant that the Canal Board wouldn't sign off on.

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37 The same group that put the proposal together recently re-approached the Canal Board to see if the Canal  
38 Company would be interested in re-applying for the same grant money again. The Canal Board had an interest  
39 which included taking out some of the issues that came up previously. In the discussion, it came up whether  
40 the city would like to participate. The Canal Company had before discussed the possibility of the city taking  
41 over homes that are East of 180 West and North of 400 South out to about 1160 or 1170 West. The writers of  
42 the grant felt like including that area as part of the grant could be a possibility. Mac approached the Hurricane  
43 City Council about the possibility of the city being included in the grant and with reservation the Council  
44 agreed.

46 During this process the Canal Company was asked if they would be interested if the city could put together a  
47 project that would take of everything North of 1500 South. It would go around the church farm but include  
48 Robert's Ranch and potentially Angell heights in the future. While the Canal Company has been working with  
49 Brent there have been a few issues that still need to be resolved.

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51 The purpose of the meeting is to inquire of the Hurricane City Council if there is interest in proceeding with a  
52 project of this size and if the city is so inclined then to allow the city Water Department to work with the Canal  
53 Company to work on a proposal. At the same time the Canal Company needs to decide whether they are  
54 willing to give up that much service area to the city. The results need to be turned in Monday. Cheryl asked  
55 about the flood irrigation going on. That is one of the issues.

56

57 Mayor Bramall explained our area is on the top of the nation's list for this type of grant as a priority due to our  
58 area and the Virgin River.

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60 Mr. Hall explained that the grant would cover half the cost. To save from pumping dirty water the thought  
61 would be to gravity flow water into ponds and clean it up before it is pumped back out.

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63 Mr. Hall also pointed out that the impact fee to the WCWCD would be about half for a newly constructed  
64 home on the pressurized irrigation system. Clark explained that though the impact fee may be reduced on the  
65 WCWCD side, the impact fee on the city side for water may need to go up, likely not the same amount as what  
66 the WCWCD is currently charging though.

67

68 Mayor Bramall explained that the purpose of the meeting today is whether or not to move forward on  
69 attempting to obtain the grant and working together. The city and the Canal Company will still be able to  
70 refuse the grant if the numbers ultimately show that the costs outweigh the benefit.

71

72 Mr. Gardner presented to the city council preliminary costs associated with the proposed project and  
73 explained that there are essentially two options for consideration:

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75 **First Option:** Serve everything North of 1500 S up to Gould's Wash.

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77 There currently is a 3 million gallon pond on the North side of the city and this option would allow for (2)  
78 additional 3 million gallon ponds (either at 1500 S or 1300 S) that the water would gravity flow into allowing  
79 for the sediments in the water to settle prior to pumping. The current pond North of town would be used as a  
80 regulating pond to help meet the peak demands on the system. There would be 9 million gallons of storage in  
81 the system and this would help fund the extension of the current lines into subdivisions where infrastructure is  
82 not currently located. This option would serve 674 homes with the potential of 2,000 homes until the  
83 infrastructure would need to be upgraded and expanded.

84

85 This would basically be like the same system currently operating on the North side of town.

86

87 **Cost Estimate**

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89 This option would cost roughly \$10.5 million for the infrastructure. This would also include 500 shares of Canal  
90 Company stock. A \$3,000 connection fee could be considered. A share of water approximately \$5,000 in value  
91 would be turned in to cover the connection and the remainder of the amount could be used for personal

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92 infrastructure on private property. The cost of water would be roughly \$2.5 million. Details will still need to  
93 be worked out on the connection sizes.

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95 **Second Option:**

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97 The second option would be to extend the water lines East of 180 W and North of 400 S. This would do  
98 approximately 200 homes.

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100 **Cost Estimate**

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102 The cost estimate for this option would be \$3.1 million. The system would have to be duplicated due to flood  
103 irrigation and sprinkler irrigation. 160 shares of Canal Company water would be purchased under this option.

104

105 Kelby Iverson asked if it would be required of individuals signing up to sell the Canal Company shares they have  
106 or could they use the water shares somewhere else. Mr. Gardner explained that they can be used elsewhere  
107 as long as there is a place to put them, if not then the water share could be put in jeopardy.

108

109 The question was asked about the use of the current user fees on the city irrigation system. Mr. Fawcett  
110 explained that the current fees pay for maintenance on the system as well as pay for the amortization of the  
111 current bond. One more payment in February and the current bonds will be paid off.

112

113 **Project Cost Comparison**

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115 **Option 1**

116 \$10,550,000

117 Cost/home: \$5,275

118 Potential homes served: 2000

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**Option 2**

\$3,142,000

Cost/home: \$15,710

Potential homes served: 200

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121 Mr. Gardner explained to the group that based on the current numbers it would be more cost effective to do

122 the larger project than to piece the project together over time as lines would have to be duplicated.

123

124 Mr. Hall explained that with this grant program it takes about 2 years to get the money and then it has to be  
125 spent in 5 years. Since the city has the current system it would be responsible for the project after the 50%  
126 match or whatever the match came in at.

126

127 The city would be responsible for the project if the 50% match is required.

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129 Mr. Gardner explained to the group the associated costs and possible financing of the project. Mr. Gardner  
130 asked about the operations and maintenance in the current city irrigation fund. Mr. Fawcett explained that  
131 right now the operations and maintenance is minimal for the irrigation system and is covered through the  
132 Water fund budget; however, expanding the system as being discussed could result in the need of hiring one  
133 or maybe two individuals to operate the system. There will be additional personnel costs.

134

135 Mr. Fawcett explained that right now between the Canal Company and the city there is an opportunity to see if  
136 converting the old system over would make sense. In the past, citizens have asked why this hasn't been done  
137 and the response is that it costs too much. At this particular time, it is possible that with this grant the costs  
138 may make sense. However, the intent of this conversion is not to place such a burden on current property

139 owners that they are forced to develop and sell their property. No one wants that. It would make sense to  
140 have the home prices come up to cover it. Mr. Fawcett explained that if this conversion doesn't make sense  
141 now with the currently opportunity with this grant then this will never work if it has to be paid at full price.  
142

143 Mr. Hall reiterated that the group shouldn't get lost in the numbers right now as there is a lot to still work out;  
144 however, a decision needs to be made whether both entities are interested in the support of the grant  
145 application and move forward to investigate further whether upgrading the system is feasible.  
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147 All Canal Company and City Council members agreed to support the submission of the application for the  
148 grant.

149 Meeting adjourned at 3:24pm.  
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