

TIMPANOGOS SPECIAL SERVICE DISTRICT
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

February 16, 2017 6:00 p.m. Conference Room

Board Members

Present: Mark Johnson David Bunker Spencer Kyle Chris Condie
Brian Braithwaite Dale Ihrke Craig White Tracy Wallace
Lynn Walker Commissioner Lee

Excused: Trevor Coombs Mack Straw

District Staff: Jon Adams, District Manager, David Barlow, District Engineer
Danette Smith, Board Secretary Joe Martin, CPA

Others: Ken Spiers, Bowen Collins & Associates
Craig Carlile, Ray, Quinney & Nebeker
Brandon Wyatt, Bowen Collins & Associates
Sullivan Love, Vineyard

Call to Order

Mark Johnson, Board Chair, called the meeting to order. 6:00 p.m.

Public Comment

There was no public comment.

Approval of Minutes

1. Approval of the January 19, 2017 Administrative Board Meeting Minutes

Brian Braithwaite made a motion to approve the minutes from the January 19, 2017 Administrative Board Meeting. Dale Ihrke seconded the motion. Those voting "Aye" – Mark Johnson, David Bunker, Commissioner Bill Lee, Spencer Kyle, Brian Braithwaite, Chris Condie, Tracy Wallace, Craig White, and Dale Ihrke. Lynn Walker abstained. The motion passed with a majority vote.

Mark Johnson asked Craig Carlile for clarification. Mark said the way he understands it is even if you are not in attendance at a meeting it is not necessary to abstain, but important to review the minutes to see if you are in agreement and may still vote in the affirmative. Craig Carlile said you do not have to abstain if not present at the meeting, it is the board member's choice if they wish to vote or not.

Consent Calendar

There were no items on the consent calendar.

Finance

1. Financial Report

Joe Martin said it is an interesting time of year; because we are still closing out last year and most of the bills we pay in January are for last year. Joe said he prepared the financial statements, they are close, but things can move during the audit. Joe reviewed the financial statements with the board. The 2016 and 2017 impact fee reports were reviewed. Joe said we collected \$8,531,897.64 million in impact fees for 2016. Dale Ihrke asked what we had budgeted for impact fees. Joe said \$7,073,000 was our budget for impact fees in 2016. We collected \$487 thousand

1 in 2017 for 2016 impact fees; we had to push that back into revenue for 2016. We had no idea what that number
2 would be beforehand.

3 4 **Communication**

5 **1. Manager's Report**

6 Jon said January was a wet month and the flows went up. It continued in February and we saw instantaneous
7 flows in excess of 25 MGD. Jons said that will sometimes dilute the BOD, but the suspended solids are getting
8 flushed from the lines, which will purge those lines. The flow comes from various sources, like ditches and canals
9 that overflow and find their way into manholes. Brian asked if there was benefit to have that happen every once in a
10 while. Jon said it can show you where you have infiltration and bad lines. Jon said he does not think it hurts but it
11 may bump the cost up a little for the flow component of our fee. Jon said we are set up differently, the cities own
12 their own collections systems and we go in and help them televise. Tracy said a couple of years ago, we went
13 through and helped American Fork identify those areas where they had infiltration coming in. Tracy said he did not
14 know how much was put into data, if we could see how much it has decreased in American Fork or all the cities. Jon
15 said we can look at things historically, off the top of his head that was a substantial inflow. That line was capped and
16 American Fork's flow went down by an average of 500,000 to 600,000 gallons a day and stayed down. Sometimes if
17 it is infiltration and you patch a bad line or replace it the ground water just flows around until it finds another
18 entrance.

19 Jon said the plant finished the month of January in compliance. The phosphorus numbers, once again, were just
20 barely below 1 mg/L at .96. Nitrogen is creeping up as we concentrate on removing phosphorus. BOD and TSS are
21 higher because of the high flow like Jon said, but still well within limits. Ammonia is below where it needs to be.
22 Jon said he thinks we will see some pretty similar numbers for next month.

23 24 **2. Update on Board Retreat**

25 Jon said the Board Retreat will be held Friday, February 24th, from 8:30-4:30, here at the District. There is an
26 agenda with six focus areas. There are some people coming in to speak on the enterprise fund and bonding. We will
27 have a facilitator, and there are some items that Mark will take care of at the beginning.

28 Dale Ihrke confirmed with Jon that the District finished all of 2016 with zero violations. Jon said yes, that is
29 correct. Dale said that is quite a feat and said staff should be congratulated. Jon said when he had been here about a
30 year he talked to the Board about joining NACWA (National Association for Clean Water Agencies). Jon is on the
31 National Board. NACWA has a program that if you get a year with no violations, you get a gold award, on your fifth
32 consecutive year without any violations you get a platinum award. We will get our third or fourth platinum award
33 this year. That is an important measure to us, it is not a local measure, it is people who actually look at the data that is
34 turned into the EPA and state. Dale said that is a big accomplishment. When you look at the permit there are
35 probably a thousand times a year a violation could occur and to not have one in a year is a significant
36 accomplishment. Jon said sometimes with everything going on politically we forget that we are here to treat
37 wastewater, and protect the public health. Jon said the staff does an excellent job and it cannot be done without
38 paying attention.

39 40 **3. Update on Nutrient/Utah Lake Issues**

41 Jon said we prepared a template we were going to give out to the cities, but time was short. Jon said on the Utah
42 Lake Committee, there are mayors who sit on it as well as other entities. Each member entity has the right to appoint
43 a member to the Technical Committee. Jon attended a Technical Committee meeting on January 18th. Jon said the
44 board would still get a template and if the elected officials want to respond to the commission they can. Jon said on
45 the 18th he was given a document that the Technical Committee was going to form a Steering Committee to help
46 guide the research on the nutrient issue on Utah Lake to come up with specific standards. Jon said Eric Ellis is the
47 director of the Utah Lake Commission, and Erica Gaddis is with the DWQ. Jon presented the report which shows the
48 positions on the Steering Committee. Jon said it is lopsided; if you look at all the divisions on the committee, there
49 are only two POTW (publicly owned treatment works) spots. There is a good chance we could get outvoted. We

1 made our comments and met with Eric Ellis. They were going to add a County Commissioner and two mayors to try
2 to give the public officials more input.

3 Jon said the Technical Committee met February 15th and they came up with a chart to show how this was going to
4 work, and they had already changed it. They had decided that the Utah Lake Commission will present their findings
5 about where the study should go to the Water Quality Board, which is the state appointed board. DWQ will also
6 make their recommendations. The Steering Committee is essential, this is where you start getting into the technical
7 aspects and the Steering Committee would select a Science Panel. Jon said they were given an updated chart at the
8 meeting on February 15th and the 2 POTW spots were removed from the Steering Committee. The County
9 Commissioner spot was moved to a storm water spot, and they added another mayor to make three. That means we
10 would have to go lobby, as a POTW, to be put on through one of those mayors, who already have a designee. Jon
11 said some members of the Utah Lake Commission have wastewater treatment plants like Springville, Spanish Fork,
12 and Eagle Mountain and they could put someone from the plant on there. With what is at stake and the role they say
13 we play in this, as far as those nutrients going into the lake, we should have a say.

14 They added language to the narrative “DWQ will finalize the composition of the Steering Committee and its
15 charter with input from the Utah Lake Commission and other stakeholders, DWQ will coordinate with the Water
16 Quality Standards Workgroup, the Utah Water Quality Board and U.S. EPA to obtain formal approval and adoption
17 of necessary water quality criteria”. Jon said the concern we have is, even with input, DWQ will decide who is on
18 the Steering Committee. So as members of the coalition, we have been working for representation, and right now our
19 time was better spent in legislature. We have a resolution “HCR 15” that has already been to the House. The
20 sponsor was Timothy Hawkes. Jon testified last week, it was passed out, put on a consent calendar, voted on and
21 passed 70 to 0 in our favor. It is now in the Senate and the sponsor is Margaret Dayton. Jon said he will be testifying
22 tomorrow. It requires that DWQ sit down with us, the stakeholders, and local elected officials to conduct water
23 quality research on mutually agreed collaborative process. It urges the DWQ to work in partnership with POTW and
24 local elected officials to develop the best available science and research regarding Utah’s unique water systems.

25 Jon said they’re using recreational standards now to come in with numerical standards, that are there by rule, and
26 are pretty well set in stone. What it will mean to the cities, if they go from the 1. mg/L on phosphorus to the .1
27 mg/L phosphorus it will be millions and millions of dollars to try and remove phosphorus to a level that early studies
28 show may not make much difference. So, this pristine water body and this lake that we are going to create to
29 recreate, still may not exist. We are saying that is not the way to do things.

30 Jon said there was a similar experience in Salt Lake, had they had gotten their way up there we would have pretty
31 much eliminated the brine shrimp industry. This is a big fight, Lehi should be particularly interested in this, as they
32 have the largest discharger in the state coming into this plant. They have high phosphorus, and high nitrogen; as that
33 filters down through to us and we impose new local limits that will be big money to those people. Jon said now is
34 the time to get involved. We will get the template out, and Jon would like to see the member cities put pressure on
35 the Utah Lake Commission to back off, slow down and do the science. We will do whatever the science dictates, we
36 are not saying to not do anything, we’re saying let’s base it on sound principles. EPA supports adaptive
37 management, so the 1. mg/L they said we needed to meet, our board changed the type of plant we were building to
38 remove phosphorus down to 1. mg/L.

39 We are the ones that will have to go to the ratepayers; right now, by law, the DWQ does not have to show any
40 improvement to that water body. The other thing is we are a regulated community, they do not have tools to deal
41 with Agriculture and others. They are hoping that we bring Agriculture to the table, because we are a point source.
42 There are non-point sources that are contributing to the problem so they are hoping our ratepayers bring those people
43 into the fight. Jon said let’s get the sound science and have it be a collaborative effort that looks holistically at the
44 whole eco system. Jon said his 18 years at Salt Lake City and the Salt Lake effort, he saw what a huge difference
45 that made. Jon does not believe that turned out bad.

46 Jon said he asked Ken Spiers to give him some preliminary numbers if we go to .12 mg/L phosphorus. The
47 money we would have to spend here at this facility for some deep bed filtration was between \$35-\$37 million, in
48 addition to what we just spent. To do that consistently you are looking at substantially more. Studies have been
49 conducted by Dr. Merritt, Dr. Miller and Dr. Richards for years, and they were not in this to fight DWQ, they were

1 just studying the lake at that time. Those studies indicate that there is enough naturally occurring phosphorus in the
2 lake that you will always have algal blooms and that it is a unique water body; even though the phosphorus levels go
3 up in Utah Lake, it doesn't go out into the Jordan River. The lake does something, it is resting in columns; core
4 samples indicate that Utah Lake may not have been a very pristine water body at any time. Jon's concern is that the
5 mayors may be under the impression that if they do that for recreational and development purposes, you are going to
6 have this "Bear Lake." Somebody needs to answer for those dollars and guarantee results, that is why Jon does not
7 see how the elected officials and policy makers cannot be involved in it.

8 Brian Braithwaite asked if we have specific businesses that are contributing significant nitrogen and phosphorus,
9 Brian said the expectation from this board would be that they would be required to do some pretreatment. Those
10 businesses may want to get into this because it is going to have a direct impact. Jon said that is right; we have
11 powers under the Federal Pretreatment Program; if somebody violates, we go to Region 8 EPA and the Feds come in
12 and take care of it. We would be required to set local limits to comply with Federal Law that tells that industry that
13 we cannot take more than a certain limit from them. Jon said the total maximum daily loading says we can take "x"
14 amount of phosphorus into the plant and there are 20 people contributing a substantial amount of phosphorus so they
15 only get a component of that. Brian said some of these businesses have lobbyists that may be able to help us in that.

16 Brian said \$35 million is a lot of money, but if we knew it was going to make a positive impact that is one thing,
17 spending \$35 million and having no impact or a negative impact is really what the whole issue is about. Jon said we
18 have already demonstrated that we are willing to improve water quality by the investment that we have made. The
19 indication on nitrogen is that if we reduce nitrogen in this water body that it will promote the toxic producing algae,
20 the algae that bloomed in this lake was not toxic, unsightly yes. They did get some high counts, but they were using
21 algal counts not toxicity counts, toxicity was found at Lincoln Beach, where they scraped the sample off of the beach.
22 Out of all the comments that were received, so far, the state has not implemented any of those comments or
23 suggestions into the integrated report. The other thing to keep in mind is the EPA supports adaptive management and
24 supports the use of toxicity counts, our state has chosen to do neither.

25 Jon said Mayor Hadfield, American Fork, is the Chairman of the Lake Commission and Jon does not believe he
26 was aware of the potential costs. Dale Ihrke asked about the template. Jon said he will go back and input the
27 changes that have happened this past week and try to get it out next week. Jon said you do not always know when
28 the meetings are being held for the Technical Committee. They did come out with a schedule in February that
29 outlines the meetings for the next year, but before you didn't really know. When the Technical Committee met in
30 January and said this is what is being proposing, and we need comments by the next week, the only people who knew
31 that they had a week to make comments were the people attending the meeting. Jon said we have folks now that are
32 attending the meeting. They do not have a current list of who the voting Technical Committee members are, they do
33 not know. We asked for that, and there were people who were there that thought they were voting members, and
34 found out they weren't. They are not well attended, Jon would say less than half the members show up. We need to
35 get involved and this Steering Committee is pivotal. We need to have people on that Steering Committee that will
36 pick a sound science panel.

37 Dale asked if who we are working with. Jon said Orem and Provo are very involved and also our coalition
38 members. This resolution is an effort from state wide agencies. The problem is not unique to here, the concern that
39 we have is Utah Lake has been put on a fast track. Jon said he told the board at the November Board Meeting that
40 Utah Lake is the poster child for national EPA. Dale asked if that is where part of our lobbyist money has been
41 going. Jon said yes, and we have contracted with Amanda Smith, Holland and Hart, she is the former director of the
42 Division of Environmental Quality; she was over the DWQ. Jon said she is very experienced and we think she was a
43 wise choice. We participate with our laboratory in helping to do some of the testing, and we put \$100,000 in for
44 research. Brian asked if there is a timeframe to get a response back from the municipalities. Jon said we bought two
45 more weeks. Jon said he talked with Eric Ellis and he is trying to see which way to go, he is in a bad spot. Jon told
46 Eric he did not think it would be in his best interest to put a deadline in, that he needed to give the communities time
47 for a response. Jon said they would fine tune the template and get it out.

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1 **Action Items**

2 **1. Approval of a Closed-Circuit Televising Inspection Agreement with Pro-Pipe for selected section of**
3 **District Sewer Lines**

4 Jon said this ties into asset management. We did get the RFP back on the asset management. Evaluations were
5 done on the forms. David Barlow contacted the proponents and have scheduled their oral presentations for March
6 7th. Tied into that we have placed money in our 2017 budget to inspect our lines. David Barlow had identified key
7 areas, the sections we can do were given to our own crews and they have completed that. He identified other
8 sections where we would need help due to the size and location and we received bids from three vendors; Pro-Pipe,
9 Twin D, and Val Kotter & Sons. Pro-Pipe came in with the best price at \$43,578.50, which is a unit price. Jon said
10 we are asking for approval to go ahead with Pro-Pipe for the \$43,578.50; then we would be able to negotiate for
11 additional inspection as we find it is needed up to \$150,000 that was budgeted. Jon said we may not spend all of that,
12 but he is pretty sure we will go over the \$43,758.50, based on the bid and the unit pricing. That way we will have
13 that information ready for whoever is selected to do asset management. Tracy asked when we look to start this
14 project and have it completed by. Jon said as soon as this gets approved, we will line them up and they will start.
15 Brian asked if we have references or have used Pro-Pipe. Jon said we have used them and to choose out of the three,
16 he would pick Pro-Pipe. We hoped they would come in competitively and they did.

17 **Tracy Wallace made a motion to approve the Closed-Circuit Televising Inspection Agreement with Pro-**
18 **Pipe for selected sections of the District Sewer Lines, in the amount of \$43,578.50 with additional inspection**
19 **negotiated at quoted rates stated in the agreement not to exceed \$150,000. David Bunker seconded the motion.**
20 **Those voting “Aye” – Mark Johnson, David Bunker, Commissioner Bill Lee, Spencer Kyle, Brian**
21 **Braithwaite, Chris Condie, Lynn Walker, Tracy Wallace, Craig White, and Dale Ihrke. The motion passed**
22 **with a unanimous vote.**

23
24 Brian Braithwaite asked for more information about the Board Retreat. Jon said there would be tables set up, we
25 would provide lunch, staff would be present, and there would be a facilitator. Mark said as the agenda is finalized it
26 will be emailed out. Mark said the reason for the facilitator is to get through some of the issues we have been
27 discussing for a long time. There will not be any official action taken, but we may take some straw votes during the
28 meeting. We can then have resolutions prepared and votes can be taken care of in upcoming meetings as quickly as
29 possible. There will be some key decisions to be made, and some that we can't make, as the asset management is
30 still out there. Mark said the retreat was David Bunker's idea; he thinks it was a great idea and we will finally make
31 some progress here.

32 Mark said he, Jon and David Bunker would meet to determine the committee members. Mark said if anyone has
33 an opinion, suggestion or desire to let him know. They want everyone on a committee that they are comfortable with
34 and will participate in. There are a lot more financial guys than engineering guys on the board so we want to fill
35 these committees equally.

36
37 **Adjourn: David Bunker made a motion to adjourn. Chris Condie seconded the motion. All present “Aye”.**
38 **Meeting adjourned. 7:00 p.m.**

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