

**City of Rigby
City Council Meeting
December 21, 2010
7:00 p.m.**

Mayor Smith welcomed everyone to the meeting and turned the time over to Larry Anderson, Chief of Police, who invited everyone to join him in the pledge of allegiance. Mayor Smith turned the time over to Councilman Simonson who gave the prayer.

Dave Swager, City Clerk/Treasurer, performed roll call. Those present were: Councilman Blackburn, Councilman Day, Councilwoman Hinckley, Councilman Maloney, Councilman Simonson and Councilman Zimmermann.

Public Hearing-Water Facilities Planning Study-

Mayor Smith stated the next item on the agenda was a public hearing for the water facilities planning study and asked for a sign-up sheet and turned the time over to Jim Mullen of Keller Associates for his presentation.

Mr. Mullen stated he could make this as detailed and long as the council wished to have and Mayor Smith stated he would like to have the simple details of the information for the council prior to the next meeting where a decision or vote would take place. Mr. Mullen stated that as part of the water facilities planning study DEQ requires an environmental impact document. Mr. Mullen explained this document refers to the environmental impact a project would have if it was approved. Mr. Mullen stated they are also required to send copies of this environmental impact document out to several federal, state and local agencies and explained these agencies are asked to comment on whether there are endangered species in the area or if there is historical significance in the area where construction would take place. Mr. Mullen explained that once this document is reviewed by the state agencies they ask the citizens and city council be made aware of any alternatives in the plan. Mr. Mullen explained this gives the citizens and council can have the opportunity to ask questions and allows the council to decide if they concur with the recommendations and findings of the study. Mr. Mullen referred to the Mayor's comment about a vote and stated that would occur in approximately two weeks and explained the purpose was to document the meeting minutes and attach them to the environmental impact document and submit it to the State. Mr. Mullen stated this would show the State the city council heard about this and voted in favor or against or gave some modifications to the plan submitted.

Mr. Mullen stated that Mike Jaglowski of Keller Associates had been the project manager on this but asked to be excused this evening due to his wife having surgery yesterday. Mr. Mullen stated that Mr. Jaglowski is more familiar with this project than he is but explained he had gone over the information with Mr. Jaglowski several times and feels comfortable in his years working with the city to answer any questions the council may have. Mr. Mullen stated the water facilities planning study is an evaluation of the city's drinking water system and ultimately contains recommendations for improvements. Mr. Mullen stated the plans to make these improvements and address certain needs are contained within this study. Mr. Mullen stated the purpose of having this study was to give the city a plan document to use as an outline for years to come. Mr. Mullen stated this plan

outline gives the city goals to work on year by year and allows the city to budget for upcoming items and prioritize appropriately. Mr. Mullen stated the water facilities planning study gave the city a direction in where to go and explained the purpose of the meeting this evening was to give the findings from this study. Mr. Mullen stated they looked at the fee system and tried to identify where the city currently stands. Mr. Mullen stated they looked at 1980, 1990, 2000 and 2010 fees and explained from this information they tried to predict the population and associated need for the future. Mr. Mullen stated they had projected a 1 ½ percent growth rate per year and according to their 20 year planning they anticipate the population to be about 5,500 people by 2030. Mr. Mullen stated that a few years ago they talked about a growth rate for Rigby of about 5 or 6 percent but has seen the economy slow down so they adjusted their calculations accordingly. Councilman Blackburn stated this assumes a pretty conservative growth rate but referred to potential future annexations and stated this would cause a substantial increase. Councilman Blackburn asked if this would have much of an impact on this calculation and Mr. Mullen stated it would depend on which areas are brought in and what comes with it. There was a brief discussion regarding past annexations and what type of land has been brought in. Councilman Blackburn stated that he felt the city was pretty much built out and the only way to expand was to perform annexations. Mr. Mullen stated this type of thing was accounted for in the projected growth rate. Mr. Mullen stated the city has grown by annexation in the past and explained that it will continue to do so. Mr. Mullen stated there may be times that with certain annexations the city would experience more growth than projected but explained it will eventually settle back down to the 1 ½ percent over time.

Mr. Mullen stated that with increased population comes an increased water demand and referred to a graph in some documents he was presenting. Mr. Mullen explained that in January the city did not really have a high water demand and stated the city is using just over 500,000 gallons per day. Mr. Mullen stated that when warm weather approaches they see the water demand increases significantly and explained that by June the city is using 4.5 million gallons per day. Councilman Zimmermann asked if this included both culinary and irrigation water. Mr. Mullen stated this is water that comes from the wells and explained this is the culinary water and includes those that irrigate from their house taps. Mr. Mullen asked Scott Barry, Water/Wastewater Supervisor, how much flow he receives at the wastewater treatment plant and Mr. Barry stated during the winter approximately 350,000 per day. Mr. Mullen stated these numbers should be typically comparable as far as well production and treatment plant influent. Mr. Mullen stated that with this information one could safely assume that what goes into a house as far as water comes out again as septic but explained that is not the case due to there being approximately 150,000 gallons per day that is somewhat unaccounted for. Mr. Mullen stated that some of this can be contributed to leakage in both the drinking water system and the collection system. Mr. Mullen referred to another graph and explained it shows the difference between residential usage and commercial slash industrial. Mr. Mullen stated that in looking at the water system and assigning it for future needs they found several different demand characteristics. Mr. Mullen referred to the peak hour demand and explained when a water line is sized they base it off of worse case scenario. Mr. Mullen stated the city on the peak hour demand uses 6,150 gallons per minute. Mr. Mullen stated this translates into about 2,200 gallons per capita per day based on this flow rate. Mr. Mullen referred to the maximum day or the hottest day in July when everyone is watering lawns or washing cars the city is using 4,100 gallons per minute or 1,400 gallons per day per person. Mr. Mullen referred to a graph and explained if they were to take an average day between the months of May through September the city uses approximately 2,800 gallons per minute or the equivalent of 1,000 gallons per person per day. Mr. Mullen stated the average use for the entire year is about 1,500 gallons per minute or

approximately 540 gallons per day per person. Mr. Mullen stated the winter usage without any irrigation for the city is 500 gallons per minute or 180 gallons per day per person. Councilman Day asked if this was per person or per household and Mr. Mullen stated it was per person. Mayor Smith stated that did not equal the amount for the EDUs which is 9,600 gallons per month. Mr. Barry stated the potato warehouses and other high users are included in the per capita total.

Mr. Mullen stated that one thing to consider when evaluating a water system is whether or not it can adequately fight fire within a community. Mr. Mullen stated the type and size of structure and the established building and fire codes identify how many gallons per minute are required at that structure in order to meet code. Mr. Mullen referred to another table and stated that at the intersection of 1st North and 1st West by the Rigby Junior High requires 4,000 gallons per minute in order. Mr. Mullen stated the Harwood Elementary requires 3,000 gallons per minute, Spud Alley requires 2,500 and the intersection of State and Main requires 2,000 gallons per minute. Mr. Mullen stated they use a computer model system and fire flow testing at the fire hydrants to determine how much fire flow can be obtained in a certain area. Mr. Mullen explained this information tells them how well the system will meet an emergency demand in a particular location. Councilman Zimmermann asked what size water lines go to fire hydrants and Mr. Mullen stated the minimum allowed is a 6 inch but explained with new developments they would like to see this increased to 8 inch. Councilman Zimmermann asked if this was at 20 psi and Mr. Mullen stated that was correct as a minimum under all scenarios.

Mr. Mullen stated another issue was pressure and explained that during peak hour demand event the city needs to maintain at least 40 psi throughout the system. Mr. Mullen stated that fire flow during an emergency scenario the city needs to maintain 20 psi and cannot fall below this amount. Mr. Mullen explained that if the pressure drops below this amount there is the risk of collapsing the line. Mr. Mullen stated the main line pressure maximum is 100 psi and explained if it goes above this amount then you will start to see leaks where fittings have blown apart. Mr. Swager referred to the city fire hydrants that were tested and asked if any of those were below the 20 psi requirement. Mr. Mullen referred page 12 of a document given to the council and stated there are red dots which show the areas that were tested and explained none of them were below the 20 psi. Mr. Mullen stated there were some areas where due to the size of the line if the city was to try and draw off the amount of water needed to fight a fire it would fall below that 20 psi. Mr. Swager asked if those were indicated on this table and Mr. Mullen stated it was not but referred to page 14 and explained those red dots indicate areas of inadequate fire flows.

Mr. Mullen referred to page 7 and stated the city currently has 4 wells with a total water right of 5,884 gallons per minute. Mr. Mullen referred to the priority year and explained the older the year the better the water right. Mr. Mullen stated the city's current water right is pretty good but explained that as the city grows it will become short on water rights. Councilman Blackburn referred to the water rights that were recently purchased by the city and Councilman Day stated those were surface water rights purchased out of Rigby Canal. There was a brief discussion regarding the difference between surface water rights and ground water rights and how this affects how much water the city can draw from the wells. Mr. Mullen stated the city water rights show the city cannot take more than 5,884 gallons per minute out of the ground. Mr. Mullen explained that if the water is removed from the ground at a constant rate and then moved to storage tanks it could be pumped at a higher rate out of those tanks when necessary. Mr. Mullen stated that as they look to the future these tanks become more of a benefit as well as acquiring additional water rights. Mr.

Mullen explained that tanks help to mitigate the peak demands on the water system. Councilman Zimmermann asked if the city was still planning to put in a tank by the new school and Mr. Mullen stated that was correct and explained it was one of their recommendations.

Mr. Mullen referred to page 8 and stated this details supply and demand concerns. Mr. Mullen stated that in 2009 the population was approximately 4,000 with the maximum daily demand is about 4,100 gallons per minute. Mr. Mullen stated the firm supply, which is the supply with the largest source out of service, is a question of whether the city could supply the maximum day demand with one of the wells out of service. Mr. Mullen stated the firm supply is currently 4,400 gallons per minute. Mr. Mullen stated if you looked at the projections for 2015 with an increase in population of approximately 400 people shows that demand will go up accordingly. Mr. Mullen explained how this affects the water system supply and how increasing the supply is necessary to meet future demands. Mr. Mullen referred to another graph and explained this is a comparison of other cities with their supply and demand ratios in gallons per person per day.

Mr. Mullen referred to page 9 and stated the next component they look at is storage. Mr. Mullen stated there are several variables they look at when determining the size and type of storage necessary. Mr. Mullen stated there is operational storage, equalization storage and fire storage. Mr. Mullen that according to 2009 numbers the city needed to set aside 0.3 million gallons in operational storage, 740,000 gallons for equalization storage and 960,000 gallons for fire storage. Mr. Mullen explained that total required storage for the city would be approximately 2 million gallons for 2009. Mr. Mullen stated that presently the city has 930,000 gallons for total storage within the community and explained there is a deficit of approximately 1 million gallons in order to meet the need within the community. Mr. Mullen explained that by 2030 this deficit will increase to 1,400,000 gallons. Councilman Zimmermann asked why the fire storage never changed between 2009 and 2030 and Mr. Mullen stated the fire storage was based upon the need to fight a fire at the Junior High. Councilman Zimmermann referred to the populous going up and asked if that need for fire storage goes up as well and Mr. Mullen stated that it did not. Mr. Mullen stated the Junior High is the biggest facility where they need storage and explained this is 4,000 gallons per minute for three hours. Mr. Mullen explained this need stays consistent regardless of what the population is. Mr. Mullen stated if the building was expanded then the fire storage would have to be changed accordingly. Councilman Blackburn stated that in order to obtain the necessary storage the city would have to double the current storage facilities it has now and Mr. Mullen stated that was correct. Mr. Swager referred back to the fire storage being considered for the Junior High and asked why the High School was not considered in that evaluation. Mr. Mullen stated that he did not have a good answer as to why it was not considered but stated it may have something to do with it being outside current city limits. Councilman Zimmermann asked if it was serviced by city water and Mr. Swager and Mr. Mullen both indicated that it was. Mr. Mullen explained that 4,000 gallons per minute is one of the highest rates he has seen and did not feel the High School would be different but stated that he would look into it. Councilman Blackburn referred to the proposed storage location out at the grade school and asked what the capacity would be there. Mr. Mullen indicated it was either 1.5 or 2 million gallons. Rick Lamoreaux, Park/Street/Sanitation Supervisor, referred to this additional storage and asked what type of line would be needed to carry the water back into town and Mr. Mullen stated he believed there was a 12 inch line out to Hailey Creek and stated this would be more than adequate.

Mr. Mullen stated the next thing they look at for water systems is the water quality. Mr. Mullen stated the water quality in Rigby is very, very good. Mr. Mullen stated there is no need to disinfect the water with any type of chlorine. Mr. Mullen stated the water coming out of the aquifer meets all the parameters required for quality. Councilman Zimmermann asked how often the water quality is checked and Scott Barry, stated there are certain samples done once a month and others that are performed once every three years. Mr. Mullen stated there is a Consumer Confidence Report (CCR) that is sent out to every customer once a year showing them the water quality and parameters that are looked at such as radon and nitrates. Mr. Barry stated last year's CCR is listed on the city's website for anyone interested in taking a look.

Mr. Mullen referred to the supply, quantity of supply, quality of supply, storage and explained from here they look at the distribution to users throughout the system. Mr. Mullen stated they look at the hydraulic capacity of the system. Mr. Mullen stated they have a computer model with which they can connect this system in graphical format and explained with this they can run very complex equations. Mr. Mullen stated they can exercise that model and do what-if scenarios. Mr. Mullen stated they can actually calibrate the model to actual conditions such as flows, pressures and things like that. Mr. Mullen stated they feel very confident in the model they have developed for the city and that it accurately reflects what is going on in the system. Mr. Mullen stated this helps identify problem areas, areas that need to be upgraded and helps answer what happens if a big store comes into town. Mr. Mullen stated this would help answer whether the city can supply enough water to them or what needs to happen in order to do so. Councilman Zimmermann referred to the recent leaks discovered within the water system and asked how that would be handled with this model here. Mr. Mullen stated the leaks obviously need to be repaired and Councilman Zimmermann stated he understood that. Mr. Mullen stated the leaks were minor enough that it did not affect this model. Councilman Simonson stated that he thought the city was losing a considerable amount of water in two or three leaks. Mayor Smith referred to the leak study that had been performed recently and stated it showed the city was losing enough water to service 900 homes a month. Mr. Mullen stated this is not a small amount of water but explained when they look at a model scenario to try and determine how much fire flow can be taken from a fire hydrant which should be 4,000 gallons per minute the rest becomes negligible. Mr. Mullen referred to page 12 with all the red dots and explained they run the computer model to try to predict how many gallons per minute they would get from a certain fire hydrant. Mr. Mullen stated they then go to that fire hydrant, open it up and measure the water flow and pressure. Mr. Mullen stated that if those two numbers match within five percent (5%) then they feel the model accurately represents what is going on in the system. Mr. Mullen stated that when something in the field does not match the findings in the model they tend to find valves that are shut, pipes segments that have not been connected to the system and explained that if they can reach this 5% then they feel it is calibrated correctly. Mr. Mullen stated that often times they are within 1 or 2% between field measurements versus computer predictions. Councilman Simonson referred to page 5 where it refers to maximum per person per day is 1,446 and stated that comes to more than 1 million gallons. Mr. Barry stated the leaks they found had come out to approximately 250 gallons per minute and explained that since then they have found more leaks. Councilman Simonson stated that while Mr. Mullen indicates these are negligible he feels 1 million gallons is a lot of water. Councilman Blackburn asked Councilman Simonson if he thought this water being saved would have an impact on the water pressure. Councilman Simonson stated he felt it would impact what the city needs for the future because if this is the case then the city does not really need as much as currently being looked at. Mr. Barry stated the leak on 5th West was 85,000 gallons per day being lost. Mr. Mullen

stated that when he said negligible he was referring to the water model itself. Mr. Mullen stated this was a lot of water and stated there are associated costs with this such as costs to pump, to store and boost this water. Mr. Mullen stated that any time there is a leak it needs to be addressed and repaired and explained the more of these leaks that are fixed the longer some of these recommendations can be delayed. Councilman Simonson referred to the water deficits that Mr. Mullen previously mentioned and stated the more leaks that are found and repaired then that deficit number goes down. Mayor Smith stated that part of this program is to repair but the other part is to implement a plan to upgrade and maintain. Mr. Mullen stated the city's system is old and leaks are going to come more readily as time passes and explained the gravels in the city they cannot detect a leak unless a leak survey is performed. Mr. Mullen stated that in some communities they know within days if there is a leak because the leak surfaces and puddles are formed. Councilman Simonson referred to the comparison of water usage and wastewater treatment and stated there is a significant difference between the two. Mr. Mullen stated the amount of water being lost is significant in the areas of cost and waste and expressed the need to curtail this at every opportunity.

Mr. Mullen referred to page 12 and stated performing the fire flow testing helps calibrate the model so it will accurately reflect what is happening in the community. Mr. Mullen stated this helps find potential problems during the what-if type scenarios and feels it is a good tool for the community.

Mr. Mullen referred to page 13 and stated they look at the hydraulic capacity some more. Mr. Mullen stated the delivery for maximum day plus fire for 2009 was 8,100 per minute with peak hour being 6,150 gallons per minute. Mr. Mullen stated that if the pumping capacity is 6,150 gallons per minute the pumping capacity reserve is at a deficit of 1,950 gallons per minute. Mr. Mullen explained the pumping capacity reserve is when the city is pumping out of the tank or booster station.

Mr. Mullen referred to the pink dots on page 14 and stated they indicated some of the deficiencies the model predicted. Mr. Mullen referred to an area on the page and stated it has a flow of 4,500 gallons per minute and explained there is only about 3,000 gallons available. Mr. Mullen referred to another area and stated it had a flow of 2,500 gallons per minute but only about 1,400 gallons available. Councilman Blackburn asked if that was Spud Alley and Mr. Mullen stated that was correct. Councilman Blackburn asked if that was a 4 inch line and Mr. Mullen stated that was correct. Mr. Mullen referred to another area and stated there is an available flow of 977 gallons per minute and there needs to be 1,500 gallons per minute. Councilman Day referred to the page where the model indicates there is a deficiency and asked if the water could be isolated to give this area more water in the event of a fire. Mr. Mullen stated the city could do that but explained the deficiencies are often caused by the line being too small. Councilman Day referred to the deficiencies and asked if each of these were caused by the lines being too small. Mr. Mullen stated the issues they are finding in the capacity of the distribution system are caused by the lines being too small. Councilman Day stated that if the water was isolated to that one area the water would still be deficient due to the lines and Mr. Mullen stated that was correct. Mr. Mullen stated there could only be so much water sent through a pipe. Mr. Mullen referred to another area and stated there needed to be 1,500 gallons per minute but there is only 597 gallons per minute available. Mr. Mullen referred to another area and stated it needs 1,500 gallons per minute but there is only 560 gallons per minute available. Mr. Mullen explained there are some areas in town that are deficient in meeting the fire flow demand. Mr. Mullen indicated the yellow lines on the page and stated these

are lines that are either undersized or chronic maintenance lines. Mr. Mullen stated there were relatively few issues with the water lines. Councilman Day referred to the new spud house located near the North Rigby interchange and asked why the water lines were not upsized to accommodate fire protection at that time. Mr. Mullen stated that he could not immediately answer that question. Councilman Day stated that now the city has policies in place that make water a condition of getting a building permit and was curious if this just didn't happen in this case. There was a brief discussion regarding this spud house and some of the circumstances surrounding it being built and the timeframe in which that was done. Councilman Blackburn referred to the deficiencies and asked if these are typically found because they wanted to save money. Mr. Mullen stated the requirements for fire flow have increased over time and explained the lines may have been adequate at the time they were put in place. Mr. Lamoreaux stated the line going out to this spud house is a twelve inch (12") line but explained it is not a looped line. Mr. Mullen stated that if this line could be looped back into the system it would greatly increase the fire flow for that area. Mr. Mullen referred to other cities they have performed this study in and stated they often times see a lot more yellow and a lot more pink. Mr. Mullen stated there are some areas that need to be addressed but felt that overall it really isn't that bad. Mr. Mullen stated that on Dove Avenue there are some issues with both the water and sewer lines.

Mr. Mullen stated that he would now like to talk about some possible solutions and where the city goes from here. Mr. Mullen referred to the limited supply coming out of the ground and stated the city could either do nothing, increase supply, decrease demands or a combination of everything. Mr. Mullen stated if nothing is done about the supply over time there will be a decrease in pressures, loss of water in some areas and possible contamination due to back siphoning which would endanger public health. Mr. Mullen stated an option for increasing supply would be to drill new wells, obtain more water rights or find a surface water supply that can be treated or exchanged for ground water. Mr. Mullen stated that in order to decrease the demand within the community would be to install meters. Mr. Mullen stated this helps because then people become accountable for the water they use. Mr. Mullen stated this becomes very equitable because then people are paying for what they actually use. Councilman Simonson referred to the \$150,000 listed in the study for water meters and asked if this was to purchase, to install or complete. Mr. Mullen stated that would be to install the meters in every home within the city. Councilman Simonson referred to a section in the report where it reads meters are 100% grant funded in projects permitted in ARRA and asked if installing meters would be the first priority if the city could get this grant. Mr. Swager stated this grant is not available anymore. Mr. Mullen stated another way to decrease demand would be to increase a secondary water system for irrigation throughout town using the reclaimed wastewater. Mr. Mullen stated another way to decrease demand is to continue with the leak detection and repair project. Mr. Mullen stated the city could also implement general water conservation by public education and public policy.

Mr. Mullen stated he would now like to discuss their recommendations regarding the water supply shortfall. Mr. Mullen stated they recommend that a new well be drilled over near the Well #4 site and to obtain additional water rights. Mr. Mullen stated they also recommend the installation of radio read water meters throughout town. Mr. Mullen suggested the city provide public education on water conservation. Mr. Mullen stated they also recommend the city continue with the leak detection and repair and develop emergency mandatory curtailment program and plan of action. Mr. Mullen stated once this plan is established it informs people what to do in the event of an emergency curtailment. Councilman Day referred to the recommendation of drilling another well

near site four and stated that is located outside of town and asked for a reason for this. Mr. Mullen stated the reason would be they would like to see the installation of a storage tank where the new well would pump out of the tank and supply water to the system. Councilman Day referred to placing a storage tank that far out of town when the majority of the water usage was in town and asked if this was the most economical decision due to the cost of pumping the water back into town. Mr. Mullen stated that a consideration would be where the city will be in 20 years. Councilman Zimmermann indicated that future annexations would take care of this being considered out of town and Mr. Mullen stated that was one theory. Mayor Smith asked if it costs more to pump the water into town once the line is pressurized and Mr. Mullen stated that it does and explained friction loss needs to be taken into consideration. Councilman Simonson referred to the new schools being considered and asked where they are going to connect into and what they are going to do. Mayor Smith stated this is a concern for the city at this point.

Mr. Mullen stated he would now like to discuss the recommendations for the water storage shortfall. Mr. Mullen stated the city could do nothing, build new storage, drill new wells with new water rights, and reduce demand or combinations of everything. Mr. Mullen stated if the city did nothing it would mean that over time there could be a decrease in pressure, loss of water in some areas and possible contamination due to back siphoning which would endanger public health. Mr. Mullen stated the city could choose to build new storage on either an existing site or find a new site. Mr. Mullen stated if the city chose to drill a new well with new water rights it would eliminate the need for water storage by developing enough supply to meet the highest system demands. Mr. Mullen stated that some cities rely on storage to augment their supply by balancing how readily available water and water rights are for their community. Mr. Mullen stated that as time passes water rights are going to become increasingly difficult to obtain therefore making water storage an optimal solution. Mr. Mullen stated their recommendation would be to construct a new concrete well or well distill tank near Well #4 and to reduce the demand on the system as previously discussed.

Mr. Mullen stated he would now like to discuss the recommendations for the delivery system shortfall. Mr. Mullen stated the city could do nothing, install additional pumps and booster stations, and reduce the demand or a combination of everything. Mr. Mullen stated that installing additional pumps and relocating pumps at the new storage facility booster station. Mr. Mullen stated their recommendation would be to place the booster station at the back of the new storage facility and felt this would eliminate the delivery shortfall. Mr. Mullen stated this would be better if the city could reduce the demand significantly it would delay the need for projects in the future.

Mr. Mullen stated the next topic is the fire flow bad lines and felt the city needed to eliminate bottlenecks by putting in larger pipe diameters. Mr. Mullen stated that in areas where the larger pipes are not feasible the city could have people install fire sprinklers to help meet those demands.

Mr. Mullen referred to page 20 and stated this is the current cost estimate to follow all of their recommendations. Mr. Mullen stated this comes to 5.8 million dollars but explained the first priority would be to install the 1.5 million gallon storage tank, booster station and well. Mr. Mullen stated the second priority would be to abandon and relocate services on 4 inch lines and replace Dove Avenue, abandon and relocate services on the alley near Highway 48 and replace broken or substandard fire hydrants. Mr. Mullen stated the third priority would be to improve the current fire

flow deficiencies and install meters on all existing connections. Mr. Mullen stated these were the recommendations they have for priorities but explained the city council may find other priorities.

Mr. Mullen referred to a graph on page 21 and stated this is how this impacts the consumer. Mr. Mullen stated there is currently an O&M charge of \$17.64 and the existing debt service is \$9.00 which makes the current rate \$26.54. There was a brief discussion regarding the debt service being retired and Mr. Mullen stated that he had been unaware of that. Mr. Mullen stated the additional O&M would be \$5.87 for the booster for the well and the additional debt service would be \$11.73 which would make the total increase \$17.59 which would bring the total monthly charge to \$44.00. Mr. Mullen stated that since the \$9.00 was retired then it would actually make this charge \$35.00 per month for priority one. Mr. Mullen stated that if the city chose to do something other than priority one or some additional items then this monthly user amount would be changed accordingly.

Mr. Mullen stated this concludes the study results and referred to another document and asked the council if they had a chance to read over this. Councilman Blackburn referred to the 20 year loan at 1.75% interest rate and asked where it initiated from and Mr. Mullen stated it was through DEQ. Councilman Blackburn asked what the process on something like that would be after the submittal of an application and Mr. Mullen stated there would need to be a bond election or judicial confirmation and then submit an application. Mr. Mullen stated the State has so much money set aside and prioritized and if the city ranks high enough on this list then they would receive the funds. Councilman Blackburn referred to the interest rate and how those change over time and asked if this was a good rate on a project such as this and Mr. Mullen stated that it was. Councilman Blackburn stated that if the city did nothing then the system would deteriorate more and perhaps the cost of borrowing the money would be even more substantial. Mr. Mullen stated the low interest on the money and contractors willing to do the work at lower costs right now are two benefits for the city. Councilman Day stated that if the city paid the \$1.8 million for meters it would more than likely cut the maximum day usage in about half and asked if it would be a wise investment to do this before attempting some of the other options presented this evening. Mr. Mullen stated that meters are often difficult to get passed in cities because people generally do not like the concept of meters but felt this is a very good thing to help out the water system. Mr. Mullen stated it actually reduces the demand on the system. Councilman Simonson stated that if installing meters could reduce water usage by even 30% then it should be given higher priority than the other options. Councilman Day stated that he would like to see the city meter stuff before adding facilities and storage and those types of things. There was a brief discussion regarding installing meters, reducing water demands and potential growth of the city. Councilman Day stated that he would like to see the city reduce the demand of the water and perhaps delay the need for an additional well or storage for years to come. Councilman Day stated he felt the responsible thing to do would be to meter the water system and then take another look at the projected needs for the future. Councilman Blackburn stated that he felt there would be more growth in the next three to five years and that currently the population is close to 4,000 people so reaching that 5,000 mark is pretty close and did not want to see an opportunity like this pass without giving thought to it. Councilman Simonson stated that if the city could reduce the usage then it would in turn reduce the pumping costs. Councilman Simonson referred to the approximate \$8,000 cost in pumping for June and stated that saving 35% of this really isn't a lot compared to the \$1.8 million but felt over time it would add up. There was a brief discussion regarding water rights, drilling a well and concerns over the water demand. There was a brief discussion regarding the surface water rights that were

purchased by the city and the idea of transferring those to ground water rights and the problems that have arisen with doing that. Mr. Swager stated the Twin Falls Aquifer is stopping any water conversions for the Upper Valley and explained the last one to be approved was for the Jefferson County School District in 1986. Councilman Day stated this whole project needs to be done in steps and feels the first step would be to install meters and then see what the capacity is at that time. Councilman Day stated the results of the study could actually change after the city goes to metering and reduces the demand. Councilman Day stated he couldn't understand putting in a storage tank that may or may not be used for the next 15 years. Mayor Smith stated a combination of installing meters, stopping the leaks and replacing lines before they start to leak could result in postponing the more expensive options. Mr. Mullen stated that per capita the City of Rigby has a huge water usage and explained part of this is the larger yards and another part is the turning on of sprinklers and allowing them to run longer than necessary. Councilman Day referred to page 8 where it shows the highest day demand and asked if it was a bad thing for a well goes down while a pump gets replaced. Mr. Mullen stated that when performing this study it was a State requirement to look at the usage with the largest well taken out of service but explained a few days waiting on a pump was not a large concern.

Mayor Smith asked Mr. Mullen to please explain to the council what they will be voting on in two weeks. Mr. Mullen stated the city would be voting to adopt the plan as outlined in this study. Councilman Simonson asked if this included setting priorities one, two and three and Mr. Mullen stated the more accurate they could get this plan the better it will help the city to implement things in the future. Mr. Mullen stated that if the city wanted to look at the priorities and perhaps change or rearrange them this would be the time to do that. Mr. Swager referred to priority one and a comment made about drilling another well without having the water rights to do so and asked if this priority could be split from the storage facility and Mr. Mullen stated that was correct. Mr. Swager stated that if the city could drill a well to increase supply which is the concern of Mr. Mullen without building a tank and reduce demand would work for the council. There was a brief discussion regarding the use of another well and how this affects the supply. Councilman Blackburn asked what the estimated cost of a well would be and Mr. Mullen stated around \$700,000.

Mayor Smith opened the meeting to the public and asked for any testimony.

Rebecca Squires of the Jefferson Star asked if there was any mechanism by which the council could adopt increases to save up for future expansions such as a well or storage tank rather than going into debt for it. Mr. Mullen stated the city needed to develop a plan to make increases and save the additional money.

Mr. Lamoreaux suggested the city go back to charging the summer watering rates until the meters could be installed. Mayor Smith stated this was something that Mr. Swager had been looking in to. Mayor Smith stated that consideration needed to be given for the apartments versus double lots that should be charged more for water. Councilman Simonson asked if another fee could be assessed without having a public hearing and Mr. Swager stated this fee was already addressed in the ordinance. Mr. Swager stated the council would just need to enforce the ordinance.

Councilman Day thanked Mr. Mullen for his presentation this evening. Mr. Mullen stated that if the council thought of any additional questions they were to call either him or Mike Jaglowski.

Mayor Smith closed the public hearing at 8.22 p.m.

Adopt Resolution – 2011-156 – Authorizing the Establishment of a Health Reimbursement Arrangement/Voluntary Employee’s Beneficiary Association (HRA/VEBA) Plan-

Mayor Smith stated the next item on the agenda was to adopt Resolution 2011-156 and explained this had been previously discussed.

Mayor Smith stated there was a copy of this resolution in the council packets and asked if there were any questions or comments. Mr. Swager stated there needed to be a change on the portion with that starts now therefore and explained that instead of reading the board of directors in needed to read the city council. Mr. Swager referred to section two where it talks about the plan being funded and explained there is not collective bargaining in the city and so the part that reads the plan will be funded with employer contribution amounts determined from time to time pursuant to the employee policy needs to be removed. Mr. Swager referred to section three where it refers to collective bargaining needs to be removed as well. Mayor Smith asked if they could still vote on this pending those changes and Mr. Swager stated that was correct. Councilwoman Hinckley asked if this program was presented to the employees and what was their response. Mr. Swager stated it was presented at the last council meeting and explained that both Mr. Barry and Mr. Lamoreaux were present and indicated they were both in favor of this. Mr. Swager state this was slated to begin in January 1st and each active participant would be funded \$150 with another \$150 scheduled for July 1st if the financials for the city continued to improve. Councilwoman Hinckley asked if all department heads were given a chance to review this and Mr. Swager indicated they had. Mayor Smith asked if this needed voted on this evening and Mr. Swager stated they would if it was going to start by January 1st. Councilman Day referred to the last council meeting when Mr. Barry had indicated that he preferred this plan and asked Mr. Barry if that was correct and Mr. Barry stated that it was. Councilman Blackburn stated that with this plan the employee was able to take the money with them when they left city employment. Councilman Simonson stated that he had talked this over with his wife as she has this program through her employment and she feels it's a great benefit to have. Councilman Day referred to the last council meeting where they had discussed changing this plan from year to year if it wasn't working for the city and asked if they should add a section in the resolution indicating such. There was a brief discussion on the processes needed for changing the plan if necessary. Councilman Day stated if they were to adopt this he felt a representative needed to meet with the employees and discuss the program, how they can access their money and things like that. Mr. Swager stated there would be an employee meeting on January 4th to address all of the insurance changes as well as an HRA VEBA account specialist would be here as well. Councilman Simonson moved to adopt Resolution 2011-156 with the previously mentioned changes. Councilman Maloney seconded. On a roll call vote:

Councilman Day	--	aye
Councilwoman Hinckley	--	aye
Councilman Maloney	--	aye
Councilman Simonson	--	aye
Councilman Zimmermann	--	aye
Councilman Blackburn	--	aye

Amending Code 8.1.12b – Multiple Business-

Mayor Smith stated the next item on the agenda is amending code 8.1.12b for multiple businesses.

Mayor Smith stated this was discussed at the last council meeting and explained this was the flat fee and then an additional \$5.00 per month. Mr. Swager stated that Robin Dunn, City Attorney, had asked for input from the council regarding this but no decision was necessary this evening. Mr. Swager stated they were planning on the re-codification for the city code later this summer and explained some of these changes needed to be addressed. Councilman Day referred to the previous business owner that had come before the council and asked if that had been addressed. Mr. Swager indicated that he had gone back to the original billing for them.

Interfund Transfers – Quarterly Transfer Per Budget-

Mayor Smith stated the next item on the agenda was the quarterly transfers and turned the time over to Mr. Swager for his presentation.

Mr. Swager referred to documents in the council packets and explained these were the quarterly fund transfers. Mr. Swager stated this was a budgeted transfer of \$21,000 from the three enterprise funds which are water, sewer and sanitation. Mr. Swager stated this transfer was back to the General Fund to cover the administrative costs for these three funds. Mr. Swager stated that he needed council approval in order to make these transfers. Mr. Swager stated there would be \$5,251.50 from each of the enterprise funds will be transferred back to the General Fund. Councilman Blackburn moved to approve the quarterly interfund transfers. Councilwoman Hinckley seconded. On a roll call vote:

Councilwoman Hinckley	--	aye
Councilman Maloney	--	aye
Councilman Simonson	--	aye
Councilman Zimmermann	--	aye
Councilman Blackburn	--	aye
Councilman Day	--	aye

Transfer from Sewer Revenue to Sewer Bond Reserve Account -- \$75,000-

Mayor Smith stated the next item on the agenda was a transfer from the sewer revenue account to the sewer bond reserve account and turned the time over to Mr. Swager for his presentation.

Mr. Swager stated that in the process of closing the USDA- RD loan the city needed to implement a reserve account that was equal to one-tenth (1/10) of the annual payment. Mr. Swager referred to a document in the council packet and explained that he has completed this transfer. Mr. Swager stated he included the documents indicating this requirement and a copy of the check in the council packets for their information. Mr. Swager stated he placed this money as a CD in the Bank of Commerce. Mr. Swager stated that he needed a resolution passed to approve this transfer. Councilman Day moved to approve the transfer of \$75,000 from the Sewer Revenue to the Sewer Bond Sinking Fund. Councilman Zimmermann seconded. On a roll call vote:

Councilman Maloney	--	aye
Councilman Simonson	--	aye
Councilman Zimmermann	--	aye

Councilman Blackburn	--	aye
Councilman Day	--	aye
Councilwoman Hinckley	--	aye

Other Council Business-

Mayor Smith stated the next item on the agenda was other council business and turned the time over to the council for anything they needed to discuss or disclose.

Councilman Day stated that he still wanted to pursue the Elite Townhomes Subdivision regarding the land open for landscaping. Mr. Swager stated that he had sent Mr. Avery a letter and was waiting for a response. Mr. Swager stated that he would send a second letter as follow-up. Councilman Day stated they had approved his subdivision with this in mind and wanted to make sure it was done as promised. Councilman Day stated if there was no response then he wanted to get Mr. Dunn involved. Councilman Day stated that he wanted to make sure this property was of use to the landowners in that subdivision even if it was used as additional parking.

Councilman Simonson referred to the road coming in by the county courthouse and asked what was happening there. Councilman Simonson stated that Mr. Price was still required to put that road in and Mayor Smith stated the deadlines had been set for next summer. Mr. Swager stated the city has some billing for his because Mr. Lamoreaux has seal chipped some of the roads in Rigby Town Square. Mr. Swager stated there is one lot still in Mr. Price's name and explained that he has filed a lien on it so if Mr. Price tries to sell it without satisfying his requirements it would slow him down a bit. Mayor Smith stated that Mr. Price had come to see him and had talked about some deal that was in the works that would give him the money he needed to finish this development.

Employee of the Year-

Mayor Smith stated that during his time as Mayor the city has tried to recognize the employees. Mayor Smith stated there is the Employee of the Month program and reminded the council that last year they had the Employee of the Year. Mayor Smith stated that he, along with some council members, has decided who this Employee of the Year is. Mayor Smith stated this is a tough decision because the city has a lot of really good employees. Mayor Smith stated there is a part time kid that works for Mr. Barry out at the treatment plant that is here on time every time ready to work. Mayor Smith referred to the Police Department and stated these men go unappreciated so much of the time. Mayor Smith stated that Scott Barry and Tom Sessions work with some very messy things at times, Rick Lamoreaux gets up in the middle of the night to come plow snow and explained that he doesn't have to manage the employees because they do a great job managing themselves. Mayor Smith stated that since taking this position he has come to know a lot of the employees with the exception of the Library employees and explained he doesn't get to see them like he does the other employees. Mayor Smith stated he feels that all the employees should get this plaque as they all deserve it but only one can have it. Mayor Smith stated it had been narrowed down to three employees and after careful consideration narrowed it down to one. Mayor Smith came around and presented the Employee of the Year plaque to Rick Lamoreaux. Mayor Smith stated that Mr. Lamoreaux has done a lot to educate himself; he comes in all hours to plow snow, and expressed appreciation for his help and attitude.

Approval of Minutes-

Mayor Smith stated the next item on the agenda is the approval of minutes and stated there were two meetings to approve.

a. December 7, 2010

Mayor Smith stated they would start with the December 7, 2010 minutes and asked if there were any additions or corrections.

Councilwoman Hinckley referred to page 3 at the bottom of the top paragraph and stated she thinks it should read if they "preferred". Councilman Zimmermann moved to approve the December 7, 2010 minutes as corrected. Councilman Simonson seconded. All were in favor.

b. Special Meeting – December 14, 2010-

Mayor Smith stated they would now review the December 14, 2010 special meeting minutes and asked if there were any additions or corrections.

Councilman Day stated that he had asked for clarification on what the motion was and when asked if he made the motion he said no. Councilman Day stated that he thought Councilman Blackburn had made the motion. Mayor Smith stated that he remembered that comment. Councilman Maloney moved to approve the December 14, 2010 minutes as corrected. Councilman Zimmermann stated that his name was spelled incorrectly as well. Councilman Simonson seconded. Councilwoman Hinckley abstained from voting. All others were in favor.

Review and Approval of Bills-

Mayor Smith stated the next item on the agenda was the review and approval of bills and asked if there were any questions or concerns.

Councilman Zimmermann asked what the deal was with the front window in the office. Mr. Swager stated the front window near Judy Bridges, Utility Billing Clerk, was an old thermal window with no ventilation so it was changed out to supply some ventilation for the front office. Councilwoman Hinckley referred to page 5 under leak detection and repair and asked what that was and Mr. Swager stated this was the company that did the leak detection tests. Councilwoman Hinckley asked how much had been completed and Mr. Barry stated they completed 20 miles of city with 8 leaks and 4 bad hydrants. Mr. Barry stated they have repaired 3 of the leaks so far. There was a brief discussion on some of these leaks being caused by poor construction. Councilman Zimmermann moved to approve payment of the bills. Councilwoman Hinckley seconded. On a roll call vote:

Councilman Simonson	--	aye
Councilman Zimmermann	--	aye
Councilman Blackburn	--	aye
Councilman Day	--	aye
Councilwoman Hinckley	--	aye
Councilman Maloney	--	aye

Mayor Smith stated that last week they had held a luncheon for all the city employees. Mayor Smith stated that Paula Sessions, Planning and Zoning had the camera and was able to take pictures of the employees with Santa. Mayor Smith stated it was a good time and they were able to

visit with all but three employees. Councilwoman Hinckley this would be a good tradition to start with the employees. Councilwoman Hinckley stated the comments that she heard was not taking a night for a formal dinner.

Public Comment-

Mayor Smith stated the next item on the agenda was public comment and turned the time over to the audience.

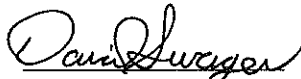
No public comment was given.

Councilman Simonson moved to adjourn the meeting. Councilman Zimmermann seconded. All were in favor. The meeting was adjourned at 9:15 PM.

City of Rigby


Keith Smith, Mayor

ATTEST:


David Swager, Clerk