

WORK SESSION—JANUARY 14th, 2010

Minutes of the Huntsville Town Council Work Session, at the Huntsville Town Hall at 7:00 p.m. January 14th, 2010.

Present: Mayor James Truett
Council Member Max Ferre’
Council Member Richard Sorensen
Council Member Alan Clapperton
Clerk/Recorder Gail Ahlstrom
Legal Council Jerald Engstrom

Excused: Council Member Steve Johnson

Citizens: Kevin Brown (Sunrise Engineering) Tim Hansen

Mayor Truett called the meeting to order. The meeting is being held so the council can ask more questions about the proposed feasibility study and grant contract. The council needs a clearer understanding of what the town is getting into and what the financial split is with the county.

Rex explained the sewer committee has been involved in pulling together information on the possibility of a sewer plant for the town. The county is excited that there is work being done to pursue the feasibility of putting in a sewer system. Rex stated that he let everyone he spoke to know that the reason the town was looking into this issue was so the town would be on equal playing ground and wouldn’t be blindsided in the future. The town may or may not move ahead at this time but will have the information needed to make a rational decision. In all the discussions with the state, the state wanted to have a valley wide study done. Rex is not comfortable with this; the issues on the north end of the valley are different from the south end. The water source comes from two separate water sheds.

Rex explained that the sewer committee went through whole process of bringing on a consultant and chose Sunrise Engineering. The town didn’t want to hire Sunrise until the town had grant money in hand. Sunrise gave the town a proposal of what a feasibility study would cost. The cost just for Huntsville Town is \$70,000.00. If the town took the lead with the study and included the south end of valley, the county would do a cost share with the town, with an 80% county-20% town, split. Rex took a proposal to the state, for Huntsville to get their 20% portion and the county their 80% portion. The stipulation on the request for the money is that at some point in time, when a project came to fruition, whoever took out the loan would be responsible to repay the grant money. At that time the funding from the grant money would be rolled over into the loan. Rex stated that the county cannot force the town into a financial obligation. The state and county are both interested in joining with Huntsville on this venture.

The county needs Huntsville; they do not want to be in the sewer business. Wolf Creek operates and runs their own sewer system, and has the potential to expand their system.

In all likelihood the ideal location for a sewer plan would be within the town boundaries because of elevation. The way the agreements are worded, there is no way to force the town to pay back the grant if the town never builds a sewer plant. Kevin Brown stated that the Division of Water Quality is waiting for the town and the county to look over the contractual agreement and give their approval, but not sign them yet. Then they will draw up the final contract as to who is going to pay what to whom. The town's portion of the study would be \$33,000 and the counties will be \$100,000. The feasibility study was going to cost the town \$70,000 initially, but by expanding the study to include all of the outer Huntsville areas the cost doubled. In terms of population and area size the town is really about 1/5 of the area, that is why the county is willing to pay for 80% of the study. The county and the town will have to work closely together on this project. The state is going to require a letter from Huntsville stating that both the county and the town would come together and agree upon the goals of what the outcome of the study will be. The county will contact the town and make a proposal. Alan asked if the agreement should be a three-way, between the town, the state, and the county. This issue was discussed at the state meeting and they decided to leave the agreement primarily between Huntsville and the county.

Rex stated that he was up front with them, the state is concerned that Huntsville will never build a sewer and they will never re-coop their money. The town really wants planning to take place, and to really look at the issues. Huntsville can't afford a study like this. In reality this would be a step in the right decision. The state has never required an entity to pay a grant back if they didn't proceed with a project. CM Clapperton clarified; if the town went ahead with the sewer would the town be the sewer district and owner of the sewer? The answer was yes. The \$33,000 would have to be paid back to the state only if Huntsville decided to move forward with a sewer plant. Rex commented that a third party can't obligate or make agreements for two separate entities. Rex stated that whoever takes out the loan on pursuing the sewer plant would take on the responsibility of repaying the entire amount of the grant. If the county decides to move forward with the sewer it does not obligate the town. But if both agree to move ahead an agreement can be worked out on how to share the costs with the town and the county.

CM Clapperton stated that there could be a lot of issues with the county: they could down zone lot sizes because of the septic issues. County has a potential of a huge upside to in moving forward with the sewer. Rex brought up that the town has never had much control in what happens around Huntsville. One benefit would be if the town was operating the sewer system the town could have more control on what is going on in the county. It will be hard to be cost effective when there are required 3 acre parcels of land spread all the county and try to connect them into one sewer system. It would be much more feasible to build the system in town. In Rex's opinion it's in the best interest to move ahead, but understands the council makes the final decision.

CM Clapperton asked if it would be a good idea to hold a public hearing on this. Rex's opinion is, don't hold the public hearing until the town has some information. CM Clapperton asked why the Federal Government isn't involved in this; they contribute to the pollution in the reservoir with their boats, outhouses, and sewer dump stations etc. The recreational areas contribute to the water quality. At this point in time there is nothing regulatory that will force the town into a sewer system. The county doesn't want 50 separate water systems being run in the valley and having to monitor them all.

(See Attachment #1) Kevin reviewed the feasibility studies tasks and costs. There will a kick off meeting with the county and town, to gather information and set goals. They will then conduct surveys, and gather GIS data, do the required environmental studies, seismic studies, and organize the information. There will be another meeting to share the information, gather some thoughts and ideas to make sure they are on the right track. At this point they will actually lay a few lines and do a couple practice runs to figure out water flows, potential locations of treatment plants, pull together cost estimates. They will hold another review meeting to present their findings and narrow the focus of a couple different scenarios. They will present costs, connection fee, user fee, and impact fee analysis. The town will then need to hold a public hearing and invite the entire south end of valley, possibly at the new Valley school. The study will take 150 days. CM Clapperton asked what the possibility of the sewer plant ending up in the town is. Kevin thought that it would be very possible. Rex thought the most likely spot would be down in the river bottoms by the Wangsgard's barn.

CM Clapperton brought up a couple of issues he on the proposed standard contract. Kevin commented that this would be something for the town's attorney will need to go over. The wording in this proposed contract is intended to protect the engineering firm not the town. Sunrise is doing this feasibility study for \$143,000.00.

CM Clapperton felt it was worthwhile to move forward with the study. Once the study is done citizens will have the ultimate say in the decision. CM Sorensen is also in favor of moving forward with the study, but expressed his dislike of the sewer system.

CM Ferre' made a motion to adjourn. CM Sorensen seconded. All votes aye.

Meeting adjourned at 8:00 p.m.

Gail Ahlstrom, Clerk/Recorder

James. A. Truett, Mayor