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DIRECTOR

SALT LAKE CITY CORPORATION

DEPARTMENT OF PUBLIC UTILITIES
WATER SUPPLY AND WATERWORKS
WATER RECLAMATION AND STORMWATER

DEEDEE CORRADINI
MAYOR

Memorandum

To: Mayor Deedee Corradini
From: LeRoy W. Hooton, Jr. *LWH*
Date: November 9, 1995
Subject: Mayor's Weekly Summary 

- Began legal investigation of reestablishing the City's water rights to wells drilled in the 1930s along the Jordan River in Lehi. This may stir up some issues in Utah County and Lehi.
- Met with the South Salt Lake Planning and Zoning Commission regarding rebuilding the 3rd East Pumping Station at 2500 South 300 East. They were interested in the surplus property associated with this project.
- Met with Wayne Crawford regarding his approved Farr and Harper water right application that allows him to drill a well and build 5 cabins in Big Cottonwood Canyon. The City has filed a lawsuit regarding the decision; however, in an effort to negotiate his withdrawal of the approved application, we indicated a willingness to discuss the matter. We confronted him with our title search and engineering investigation that indicated there was no Farr & Harper water right associated with the rights he had purchased and that unless pumped, the subject property he purchased the water right from could not be irrigated from the Farr and Harper Ditch System.

He agreed with our factual representation; however, he indicated that he views this as a business opportunity and now that he has found a way to circumvent the City's Canyon Water Sales Ordinance, he plans to acquire other rights and has business partners to fulfill the market demand for water in Big Cottonwood Canyon. He said that he would stop his business venture if the City would buy his 5 lots (with water) for \$500,000.

We indicated to him that we would not be willing to settle under his terms and will proceed with the lawsuit. (The same engineering study indicates that over 80% of the water in the Farr and Harper Ditch has been forfeited through nonuse, greatly limiting our exposure from the water right.) We feel that if we pursue the lawsuit, it will send a strong message to others and the State Engineer on future attempts to transfer water into the canyons.

SLC water department sues others to "send a strong message."

SLC water department sues the State Engineer to "send a strong message."

• Water Development Coalition Meeting. The following recommendations will be presented to the legislature:

1. Maintain the integrity of SB 49 sales taxes funding with 1/16% for transportation funding and 1/16% for water, beginning on July 1, 1997.
2. Remove barriers to bond market for local financing of water projects. Legislation should be passed allowing all local water project sponsors (to include water conservancy districts) to issue bonds pursuant to the Utah Municipal Bond Act.
3. Dam Safety restoration plan to provide legislation authorizing a ten-year, \$50 million program to restore the structural integrity to Utah's unsafe dams, estimated to cost in today's dollars \$62 million. It is recommended that \$5 million be appropriated in the 1996-97 budget to begin engineering for identified dams requiring immediate attention. The monies will be used as participation funds, with the dam owners paying a portion of the cost.
4. State incentive to encourage access to the bonding market by passing legislation that would encourage local project sponsors to seek financing in the public market by providing funds from the existing State water agencies (i.e., Water Resources, Safe Drinking Water and Water Quality) who would be required to reserve 10% of all available funds for a public financing program ("Incentive Reserve"). These funds would be available to only those projects that have formed "local financing cooperatives," which have been successfully formed by school boards and municipal electrical systems. The IPP Project is the result of a local government financing cooperative.

5. State Appropriations Recommendation:

1996-97

New Funds for Existing Programs	\$15,000,000
New Dam Safety Restoration Program	<u>5,000,000</u>
	\$20,000,000

1997-98

New Funds for Existing Programs (SB 49)	\$15,000,000
New Funds (General Fund)	5,000,000
Dam Safety Program (2nd Year)	<u>5,000,000</u>
	\$25,000,000

6. Continued State Water Planning.

Mayor Deedee Corradini
November 9, 1995
Page 3

- The first meeting of the newly formed JTAC organization was held to begin watershed management of Deer Creek Reservoir and the lower Provo River. This has been a major goal of ours this year to extend watershed protection programs to this source of drinking water.
- The City/County Health Department Environmental Health Division has requested Mountain Dell Golf Course take steps to correct problems with the existing wastewater disposal violation. Currently, sanitary sewage is surfacing on the golf course, which is within the City's watershed. The four-point action plan includes connecting all toilet waste effluent into an existing holding tank and completely replacing the existing drain field for gray water.
- The Wing Pointe Golf Course irrigation project was approved for \$384,773 by the Coordinating Committee under the Central Utah Completion Act Conservation Credit Program. Also, the joint City-Greater Salt Lake Audubon Society "Wiser Water Use in Salt Lake City" project was approved for \$22,700. The Central Utah Water Conservancy District Board will approve the recommendations in December after another public hearing.

LWH:lb
cc: Brian Hatch
Roger Black