

**Interlaken Town Council Public Hearing Minutes
Water Rate Ordinance Amendment
FY2025 Budget Amendment
Wednesday, 06 November 2024, 6:01 PM – 7:13 PM**

Meeting Conducted Remotely with Zoom Video Conferencing Software

Zoom Meeting ID: 516 337 9977

Password: 84049

Zoom Meeting Link

<https://us02web.zoom.us/j/5163379977?pwd=QlJNT3loV3J4Nm83TFJObGVzUE1ldz09>

Physical location available at 347 Luzern Rd., Midway

1. Call to Order - Mayor Harrigan called the meeting to order at 6:01 pm

2. Roll Call

Greg Harrigan, Mayor

Sue O’Nan, Council Member and Treasurer

Timm Dixon, Council Member

Erin Merryweather, Council Member

Jill Jacobson, Council Member, was absent

3. Approval of Agenda or Changes

Motion: Council Member O’Nan moved to approve the agenda.

Second: Council Member Merryweather seconded the motion.

Discussion: No discussion.

Vote: The motion was approved with the Council Members unanimously voting Aye.

4. Presentation – Water Rate Ordinance and FY2025 Budget Proposed Amendments

Town Administrator Bart Smith presented a report detailing the status of the FY 2025 budget and a proposed ordinance to increase the annual base water rate for connected and permitted lots from \$972 to \$1,176 for FY 2025. The rate for undeveloped lots would increase from \$816 annually to \$984 in this fiscal year. This ordinance, if it were to remain in effect for FY 2026 and beyond would adjust the annual base level fee to \$1,380 and \$1,152 for connected and empty lots, respectively.

Service Type	FY2025 (Current)	FY2025 (w/Increase)	FY2026 (w/2025 Increase)
Connected Lots	\$972	\$1,176	\$1,380
Empty Lots	\$816	\$984	\$1,152

See the attached report and proposed ordinance for more information.

5. Public Comment

Council Comment: Timm Dixon – Timm reminded us that he does this for a living. He deals with water on a daily basis. He’s in favor of PRVs (pressure reduction valves) but doesn’t think we need to do a water system study. He doesn’t recommend paying Jones-DeMille and feels we should pursue grants.

Public Comment: Steve Connor, 322 Jungfrau Hill Rd. His water pressure is about 140 psi. Why can't we also raise the overage rates as well and is it wise to wait for grant revenue to do a water rate study?

Greg – we will pursue grants but feel that we should not wait for another water line break. Not sure increasing the overage rates would significantly impact our revenue.

Gary Singer, 283 Interlaken Dr. What is our annual capital investment and have we considered joining Midway? Smith noted it is \$90K for this year.

Greg – it's a no to join Midway. Greg described our history and the circumstances that led to becoming a town.

Matt Herman, 230 Edelweiss – Matt's been here about 4 years. Personally, he's against the hikes in water rates. Everything is going up in cost, he commutes to Grantsville, and his wife lost his job. He'd like to know if this is an underfunding issue. Looking at the numbers for the average increases, this seems like a large increase of 42%. Smith discussed different scenarios and the impact on our reserves. Greg noted that we only have 184 lots to pay for our water system. In contrast, Midway has thousands of customers, and a larger user base to draw from. He feels we under-funded our water system in the past, and we don't have the option of ignoring this.

Matt – have you considered going after the company that installed the water system 20 years ago? Greg - that was under the IMWC, and not a viable path for the town to pursue.

Leandra Atkin, 324 Jungfrau, also affected by the rate increase. She wanted to know if the increase for FY2026 was also under discussion. She was wondering about our tax rates. Did we lower our rates last year? Greg explained how we collect those taxes through Wasatch County.

6. Council Discussion

Greg – his goal starting back with the IMWC water company has always been to limit expenses to the town. We are faced with an issue that preceded the town, and we have to be cognizant that we need to take action and do a water system survey to figure out the condition of the system. The worst-case scenario is having to dig up our roads to address additional breaks. He is 100% in favor of this rate increase and an amendment to the budget so we can fund this study. Sue feels being proactive is the best approach and having the money available instead of doing an assessment. Erin feels we need to go forward with the study and get more information about the status of our water system. She noted that it may not be as bad as we think and suggests we consider adjusting rates downward if our concerns are rebuked by the study.

7. Adjournment

Council member O'Nan moved to adjourn the meeting. Council member Merryweather seconded the motion. The motion passed unanimously. The meeting was adjourned at 7:13 pm. The regular town council meeting will begin after a short break.