

VERNAL CITY

NOTICE OF PUBLIC MEETING

TO THE PUBLIC AND RESIDENTS OF VERNAL CITY: Notice is hereby given that the **VERNAL CITY COUNCIL** will hold a Special City Council meeting on *April 29, 2026 at 6:00 p.m.* in the Vernal City Community Room at 374 East Main St, Vernal, Utah.

A G E N D A

STANDING BUSINESS

1. Acknowledgement and Approval of Special City Council Meeting

PUBLIC HEARING

2. Public Hearing for the proposed tiered water rates - Keith Despain

ADJOURN

NOTE: Supporting documentation for this meeting can be found by visiting the Vernal City website at www.vernal.gov and in the Utah Public Notice Website www.utah.gov/pmn

In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify Sara Bell, City Recorder, at 374 East Main, Vernal, Utah 84078 or phone (435)789-2255 at least three days before the meeting.

The order of agenda items may change to accommodate the needs of the City Council, staff, and/or public.

NOTICE OF PUBLIC HEARING
WEDNESDAY, APRIL 29, 2026 AT 6:00PM
VERNAL CITY HALL - COUNCIL CHAMBERS
374 E MAIN ST, VERNAL UT

PROPOSED CULINARY WATER RATE INCREASE

PUBLIC NOTICE IS HEREBY GIVEN that the Vernal City Council will hold a public hearing during a Special City Council Meeting on Wednesday, April 29, 2026, at 6:00 p.m. in the Vernal City Council Chambers, 374 East Main Street, Vernal, Utah. The purpose of this hearing is to receive public comment regarding the proposed Stage 1 Water Rates. The proposed rate adjustments are intended to support ongoing system operations, implement a tiered rate structure, and promote water conservation.

All interested persons shall be given an opportunity to be heard. Public comments may be made in person at the time and place of the hearing or submitted in writing via email to recorder@vernal.gov. All written comments must be received prior to the start of the meeting to be considered. All comments received will be provided to the City Council and entered into the public record.

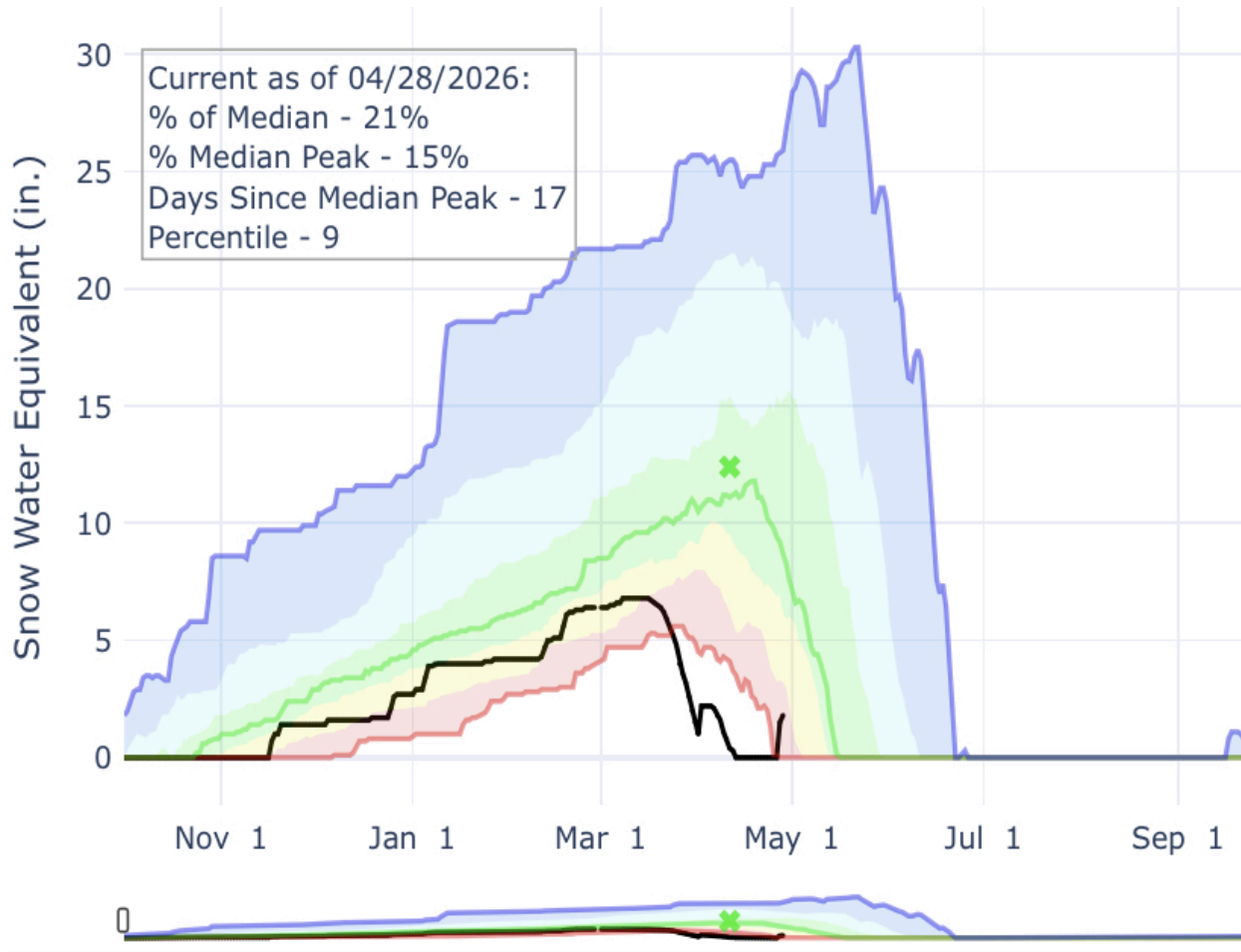
Copies of the proposed Stage 1 Water Rates are available for review on the City's website at www.vernal.gov or at Vernal City Hall, 374 East Main Street, Vernal, Utah, during regular business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m.

In compliance with the Americans with Disabilities Act, individuals requiring special accommodations to participate in this meeting should contact Sara Bell, City Recorder, at 374 East Main Street, Vernal, Utah 84078, or by telephone at (435) 789-2255 at least three (3) days prior to the meeting.

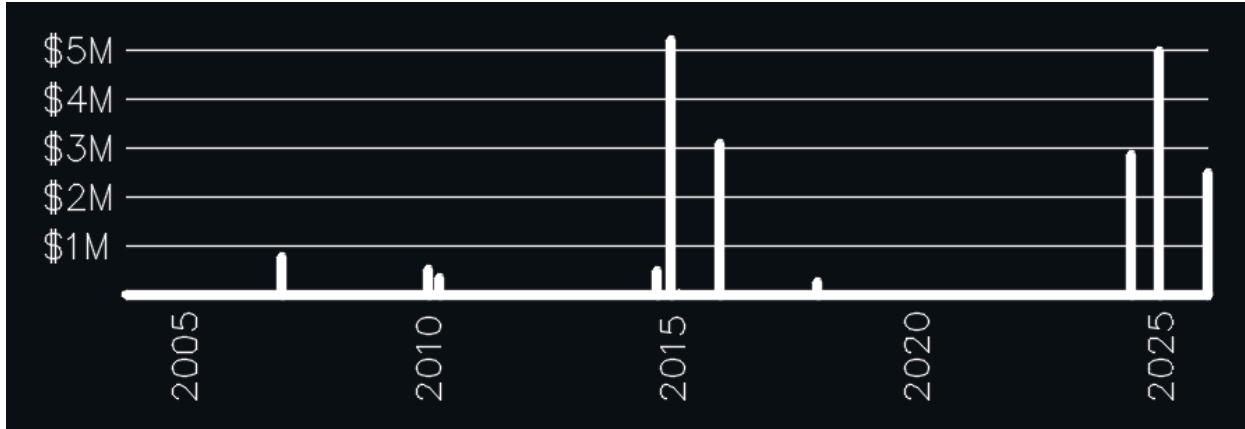
Posted on the Utah Public Notice Website; and
Posted on the Vernal City Website; and
Posted in conspicuous places within Vernal City on April 21, 2026.
Notice must remain in place through April 29, 2026

It's hard to believe it has been two weeks since our last city council meeting! We appreciate the feedback you gave us on the proposed rates. We have had many conversations with additional businesses and residents, answered questions, and relieved some who had heard incorrect information regarding the rates.

A lot of focus has been placed on the lack of snowfall last winter and the water situation. We did set records (in the bad way) for snowpack on April 1, but recent storms have put us back above the previous record low for snow water equivalent as shown on today's Snotel chart.



Regardless of the water supply this year, the new water rates are needed to address needs specific to our water system infrastructure. We started looking at water rates nearly two years ago because our system has been in need of much more attention than it has been getting over the past several decades. Here is a timeline showing when we have done water projects over the past 20 years. We don't have records of project costs prior to that.



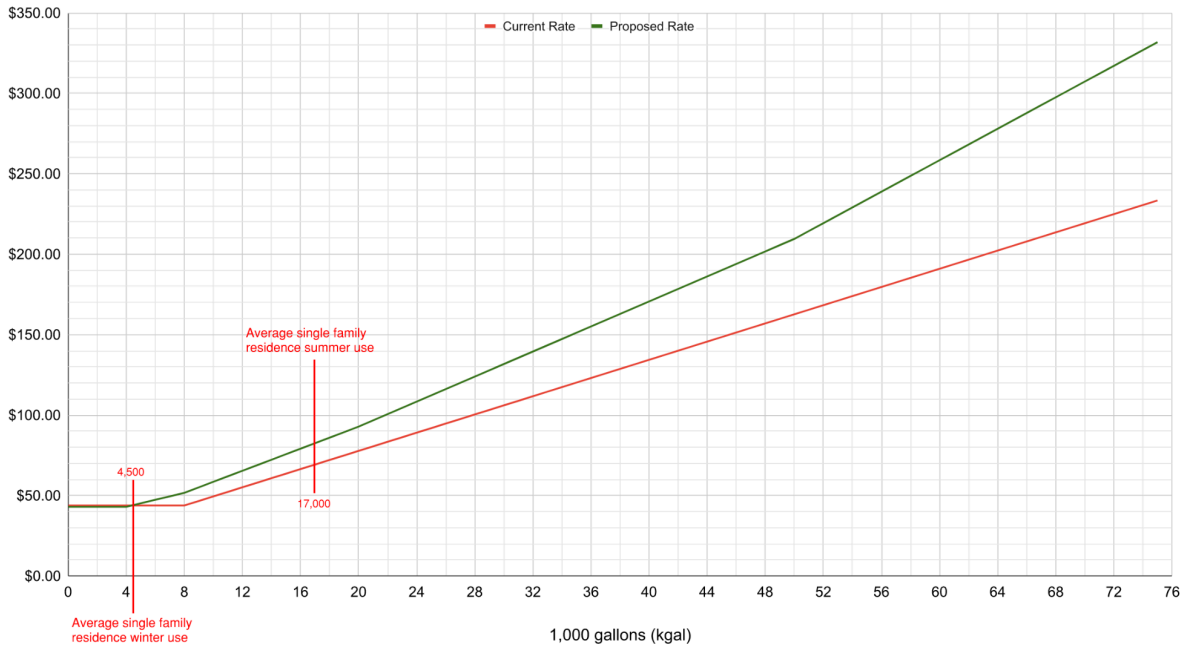
The main driver behind these rate changes is to address the dilapidated state of our water system. With the vast majority of our pipes being at or beyond the end of their expected lifespan, we feel an urgent need to step up the rate at which we are replacing these aged pipelines. Valves and fire hydrants are in a similar situation, as we have been made aware during the last two replacement projects.

As we approached the rate changes, we had the following guiding goals.

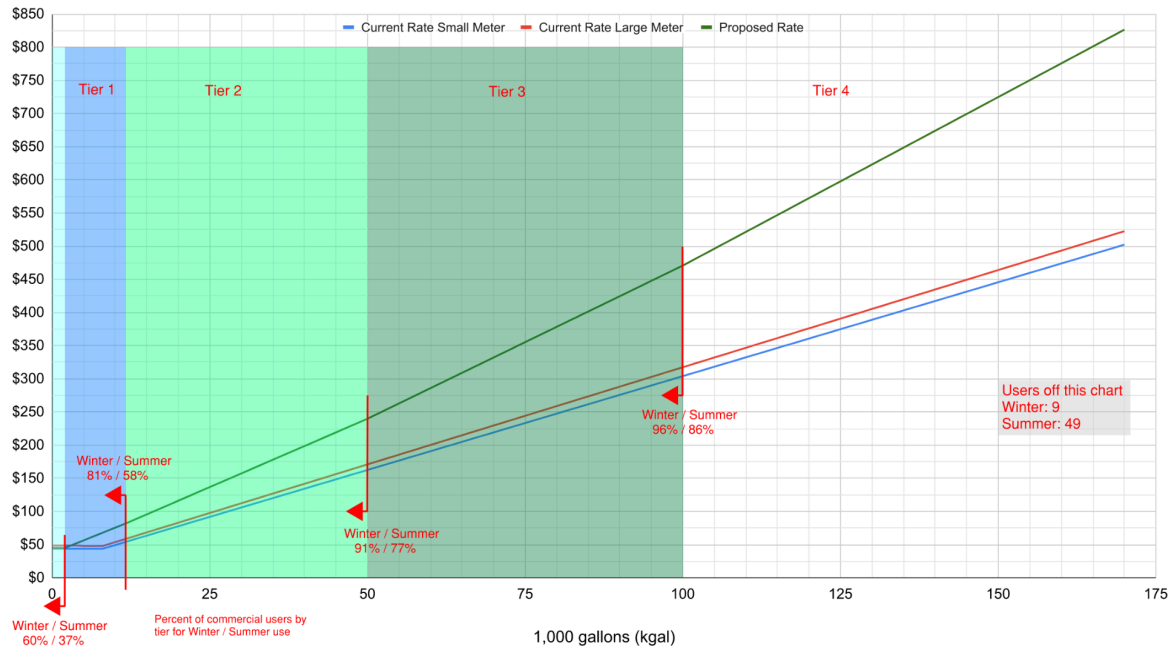
1. Support critical infrastructure improvements, including future line replacement projects
2. Distribute system costs fairly across all user groups
3. Remain mindful of residential households with limited incomes
4. Appropriately address replacement costs of large water meters
5. Encourage long-term water conservation
6. Address State mandates such as tiered pricing and surcharges

The charts below show the current and proposed rates for single family residential users and commercial users. These are included to give you a feel for how the current and proposed rates affect these groups as a whole.

Single-Family Residence Rate Comparison - Current vs. Proposed



Commercial Rate Comparison - Current vs. Proposed



Commercial users fell in the new tiers as shown. This includes our 584 businesses, institutions and industrial users. Winter data comes from January 2026. Summer data comes from July 2025.

Winter Summer

Base:	60.4%	37.1%
Tier 1:	20.8%	20.7%
Tier 2:	10.6%	19.0%
Tier 3:	4.3%	8.9%
Tier 4:	3.9%	14.3%

We recognize that there are a lot of changes happening all at once in this proposal. Sara and Katie have been working on some infographics to help people understand how tiered rates work. Here is one of their creations.

HOW DO TIERED WATER RATES WORK?

💧 IT'S ACTUALLY VERY SIMPLE. LET'S BREAK IT DOWN. 💧

1 WATER IS BILLED IN TIERS

Your water use is split into tiers. Only the water in each tier is charged at that tier's rates.

- BASE RATE**
Covers essential water use.
- TIER 1 RATE**
Next amount of water used
- TIER 2 RATE**
Next amount of water used.
- TIER 3 RATE**
Next amount of water used.
- TIER 4 RATE**
All additional water used.

★ You only pay higher rates for higher use. Lower use helps keep your bill lower.

2 HERE'S AN EXAMPLE

Let's look at a residential home that uses 42,000 gallons in a month.

USAGE (KGAL*)	WHAT YOU USE	RATE APPLIED
0-4	FIRST 4 KGAL	BASE RATE ONLY CHARGED ON FIRST 4 KGALS
5-8	NEXT 4 KGAL	TIER 1 RATE ONLY CHARGED ON NEXT 4 KGALS
9-20	NEXT 12 KGAL	TIER 2 RATE ONLY CHARGED ON NEXT 12 KGALS
21-50	NEXT 22 KGAL	TIER 3 RATE ONLY CHARGED ON NEXT 22 KGALS
51+	NONE USED IN THIS EXAMPLE	TIER 4 RATE TIER 4 NOT USED IN THIS EXAMPLE

*KGAL = ONE THOUSAND GALLONS OF WATER

🏠 Your monthly bill is the total of all of those layers added together based on use.

3 CHANGING TIERS DOESN'T REPRICE EVERYTHING

MYTH "If I reach Tier 3, all my water is billed at the Tier 3 rate."

FACT The water in each tier is billed at that tier's rate.

💧 Tiered rates are designed to encourage conservation while being fair and efficient.

4 WHY TIERED RATES EXIST

ENCOURAGES CONSERVATION

Tiered rates encourage conservation by making high use more expensive.

PROTECTS ESSENTIAL USE

Essential use is rewarded with a lower base rate.

SUPPORTS OUR WATER SYSTEM

Helps us continue to deliver reliable water to our community.

EVERY DROP MATTERS

USE WATER WISELY



The overall effort represents many hours of work by numerous city staff. We are grateful for the support from the city council and Vernal City residents.

Proposed Stage 1 Water Rates

What is Stage 1?

This is our everyday water use level when water is available, and the system is operating normally.

At this stage, residents can continue typical indoor and outdoor water use. The rate structure is designed to encourage efficiency. Those who use less water can save more, while higher use is priced to reflect demand.



Residential - Single Family, Duplexes, Multiplexes, Apartments (each door at 100% occupancy)		
Tier	Usage kgal = one thousand gallons	Rate
Base Rate	0-4 kgal	\$43.00
Tier 1	5-8 kgal	+ \$2.17 per kgal
Tier 2	9-20 kgal	+ T1 + \$3.43 per kgal
Tier 3	21-50 kgal	+ T1 + T2 + \$3.89 per kgal
Tier 4	51+ kgal	+ T1 + T2 + T3 + \$4.89 per kgal

1 kgal = 1,000 Gallons BR = Base Rate T1 = Tier 1 T2 = Tier 2 T3 = Tier 3

Transient - Motels, Hotels, RV Parks (each door at 100% occupancy)		
Tier	Usage kgal = one thousand gallons	Rate
Base Rate	0-3 kgal	\$17.00
Tier 1	4 kgal	+ \$3.33 per kgal
Tier 2	5 kgal	+ T1 + \$3.62 per kgal
Tier 3	6 kgal	+ T1 + T2 + \$4.12 per kgal
Tier 4	7+ kgal	+ T1 + T2 + T3 + \$4.58 per kgal

1 kgal = 1,000 Gallons BR = Base Rate T1 = Tier 1 T2 = Tier 2 T3 = Tier 3

Commercial/Industrial/Institutional - Retail, Manufacturing, Hospitals, Care Centers, Schools, Churches, Recreation Centers, Government Buildings, etc.		
Tier	Usage kgal = one thousand gallons	Rate
Base Rate	0-2 kgal	\$45.00
Tier 1	3-12 kgal	+ \$3.83 per kgal
Tier 2	13-50 kgal	+ T1 + \$4.12 per kgal
Tier 3	51-100 kgal	+ T1 + T2 + \$4.62 per kgal
Tier 4	101+ kgal	+ T1 + T2 + T3 + \$5.08 per kgal

1 kgal = 1,000 Gallons BR = Base Rate T1 = Tier 1 T2 = Tier 2 T3 = Tier 3

Stage 1 Residential Examples:

A resident who uses 7,000 gallons of water per month would pay \$49.51.

$$BR + (T1 \times 3) = \text{Total}$$

$$\$43.00 + (\$2.17 \times 3) = \$49.51$$

A resident who uses 42,000 gallons of water per month would pay \$178.42.

$$BR + (T1 \times 4) + (T2 \times 12) + (T3 \times 22) = \text{Total}$$

$$\$43.00 + (\$2.17 \times 4) + (\$3.43 \times 12) + (\$3.89 \times 22) = \$178.42$$

Stage 1 Transient Example:

A motel with 25 rooms that uses 4,000 gallons of water per room for a total of 100,000 gallons of water per month would pay \$508.25.

$$(BR \times 25) + (T1 \times 25) = \text{Total}$$

$$(\$17.00 \times 25) + (\$3.33 \times 25) = \$508.25$$

Stage 1 Commercial Example:

A retail store that uses 65,000 gallons of water per month would pay \$309.16

$$BR + (T1 \times 10) + (T2 \times 37) + (T3 \times 15) = \text{Total}$$

$$\$45.00 + (\$3.83 \times 10) + (\$4.12 \times 38) + (\$4.62 \times 15) = \$309.16$$

How Tiered Rates Work:

Rates are applied progressively by tier. Only water used within each tier is charged at that tier's rate.

Charges are added together to calculate your total bill.