

**PUBLIC HEARING  
MAY 14, 2019**

**CONSIDER ADOPTION OF WHOLESALE WATER RATE STUDY**

Keith Larsen, from Bowen Collins, presented a power point presentation and then addressed the Governing Board of the Jordanelle Special Service District and indicated that the wholesale customers have been paying the same price for water for several years. This rate has been \$750/acre-ft. The basis of this rate is unknown. It appears to be a rough estimate of system costs that was developed before the District had any real detailed information on actual operation costs. A comprehensive rate study was completed for retail customers as part of the District's water system master plan in 2015. The purpose of this new study was to calculate corresponding fair and equitable water rates for the Jordanelle Special Service District wholesale customers.

For 2019 the wholesale water cost went from \$750.00 per acre ft. to \$1,665 and for the year 2020 it is \$1,755 and for the year 2021 the rate is \$1,845. While these rates represent a significant increase from the current rate of \$750/acre ft., they represent a very similar increase to the rate increases experienced by retail customers since 2015. Additionally, whole sale rates are still only about 65 percent of what retail customers pay for water in the system. This seems reasonable since wholesale customers are not participating in billing and meter costs or capital expenditures. Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that the staff's recommendation is for the Governing Board to adopt the wholesale water rate study including the wholesale water rate increase.

**Public Comment:**

Board Chair Mark Nelson then opened the meeting up for public comment.

Linda Middleton, Heber City resident, addressed the Governing Board of the Jordanelle Special Service District and had a concern about the maintenance of these water works and how they are being maintained if at some point in the future these water systems and properties are annexed. Linda indicated that she was glad to see tonight the envisioning process that is taking place and hearing what is taking place to maintain our water works. Board Member Kendall Crittenden indicated that the systems are maintained by the Special Service Districts that created the water systems and are doing a great job at the present time and would assume that great job would continue in the future.

**Board Member Steve Farrell made a motion to close the public hearing comment. Board Member Spencer Park seconded the motion and the motion carries with the following vote:**

**AYE: Board Chair Mark Nelson  
AYE: Board Member Marilyn Crittenden  
AYE: Board Member Kendall Crittenden  
AYE: Board Member Steve Farrell**

**AYE: Board Member Spencer Park**

**NAY: None.**

**Board Member Steve Farrell made a motion we pass Resolution No. 2019-06 dealing with the wholesale water rates study and put it into effect as outlined and that goes into effect July 1, 2019. Board Member Marilyn Crittenden seconded the motion and the motion carries with the following vote:**

**AYE: Board Chair Mark Nelson**

**AYE: Board Member Marilyn Crittenden**

**AYE: Board Member Kendall Crittenden**

**AYE: Board Member Steve Farrell**

**AYE: Board Member Spencer Park**

**NAY: None.**