

**ELK RIDGE
CITY COUNCIL MEETING
APRIL 11, 2023**

TIME AND PLACE OF MEETING

This regularly scheduled meeting of the Elk Ridge City Council was scheduled for **Tuesday, April 11, 2023 at 7:00 PM**. The meeting was held at the Elk Ridge City Hall, 80 East Park Drive, Elk Ridge, Utah. Notice of the time, place, and Agenda of this Meeting, was provided to the Payson Chronicle, 145 E. Utah Ave, Payson, Utah, and to the members of the Governing Body on April 10, 2023.

ROLL CALL

Mayor: Robert Haddock

Council Members: Nelson Abbott, Tricia Thomas, Jared Peterson, Cory Thompson, Tanya Willis,

Others: Royce Swensen, *City Recorder*, Laura Oliver, Deputy Recorder, Deputy Monsen,

Public: Larry Lee, Joe Wilkins, Collin Brinkerhoff, Jim Chase

OPENING REMARKS– INVITATION

Opening remarks were offered by Councilmember Thompson

Pledge lead by Councilmember Thomas

APPROVAL/AGENDA TIME FRAME

COUNCILMEMBER ABBOTT MOTIONED TO APPROVE THE AGENDA AND TIME FRAME
COUNCILMEMBER THOMAS SECONDED

VOTE:	AYE (5)	NAY (0)	APPROVED
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PUBLIC FORUM

Larry Lee stated there is more snowpack than in 1983. In 1983 the runoff came down the canyon for a full year. He does not think that setting up controls that are moved then moved back will work and there is also the burn scar and flow from that to consider.

1. RESOLUTION FOR MASS COMMUNICATION AGREEMENT

Mayor Haddock stated there was a price increase to \$876.09.

COUNCILMEMBER ABBOTT MOTIONED TO APPROVE THE RESOLUTION 23-04-11-1R AS
PRESENTED COUNCILMEMBER WILLIS SECONDED.

VOTE	AYE (5)	NAY (0)	APPROVED
Councilmember Willis	AYE		
Councilmember Peterson	AYE		
Councilmember Abbott	AYE		
Councilmember Thomas	AYE		
Councilmember Thompson	AYE		

2. WATER RATE PRESENTATION

Ty Ellis went through all the water use of the city all meter reads for the last 5 years which were separated by what type of customer such as church, public works-parks, residents, assisted living etc. In the last 5 years the city used 1,391,000,000 or 4,278-acre feet. Most residents are in tier 1, tier 4 is most commonly breached in July by majority of meters. Tier 7 is rarely breached. The next section is electricity. Since June of 2021 electricity ran around .11 (cents) to .12 (cents) per kilowatt hours to 21.6 cents per kilowatt hours 2023. On top of the charge for kilowatt hours there is a demand charge and a tax, and about \$50 per meter every month. There are 3 pumps that have different rates in kilowatt hours due to the type of pump that is installed, when averaging the amount of all 3 pumps there is a **56.31%** increase. The monthly power cost adjustments went up 229%. Projecting these figures for the rest of 2023 the effective

rate will go from .11 cents to .18 per kilowatt hours which is about a 60% increase in cost. The city paid \$100,000, it will now pay \$160,000 conservatively. Councilmember Willis stated when she was reviewing the city payment for electricity last month there was a massive jump in the cost. Councilmember Abbott stated the 4% margin is now gone. Ty Ellis continued: Sky Hawk well used the most kilowatts. When a pump is turned on it creates a demand charge. For every dollar spent on electricity in June, 72% of that went to kilowatt hours. 27% of that dollar went to Demand charges, .01 cent went to taxes. In the summer the city gets more for its dollar because the demand charges are smaller. There are options the city has, the tiers can be adjusted. By taking the per meter charge of \$905,800 divided by # of residents a base rate of around \$62 a month. Where does the council set the base and set the tiers that will cover all the increases that will come out of the next year's budget. Councilmember Thompson stated council needs to come up with a new inflationary base to apply to all the water expenses to calculate a new number that will give council a new base rate. Mayor Haddock stated there is also over \$40,000 in upgrades to consider as well. Discussion ensued on where the amount of current inflation has been; 3-5%. The city has 7.5 million dollars' worth of assets. The city financial director, Curtis Roberts, recommends the city have one percentage of that coming in as revenue. Every percent is \$75,000, the city needs about 6% in revenue. There is \$450,000 in net operating revenue. Discussion ensued on the tier rates and structure and how the water used is applied to the tier. Questions raised are: Should a home using a 4-tier amount be billed a 4-tier amount for all of it or only the amount in the 4 tier? How does the city incentivize and not punish? Is the increase going to cover one year or a 5-year increase? How much increase is needed to not be in the negative? Ty Ellis stated the majority of users are in tiers 2 and 3. Responses are to raise the base rate and adjust the tiers. A base rate of \$62 still requires a large adjustment bringing all tiers down. The average bill will go up on average by 25%. Council will study the tiering and base rate increase for the next meeting.

COUNCILMEMBER PETERSON MOTIONED TO ADJOURN COINCILMEMBER THOMPSON
SECONDED

VOTE	AYE (5)	NAY (0)	APPROVED
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Laura Oliver