

CITY OF DELTA, UTAH
 PUBLIC HEARING #1
 JUNE 15, 2006

PRESENT

Gayle Bunker	Mayor
Kiley Chase	Council Member
Bruce Curtis	Council Member
Glen Swalberg	Council Member
Betty Jo Western	Council Member

ABSENT

Robert Banks	Council Member
Richard Waddingham	City Attorney

ALSO PRESENT

Alan Riding	Public Works Director
Gregory Jay Schafer	City Recorder
John Chartier	Sunrise Engineering
Mike Steele	Sunrise Engineering
Farilyn Edwards	City Resident
Emma Lou Harris	City Resident
Nelda Ivie	City Resident
Ila Webb	City Resident
Dean Draper	Millard County Chronicle/Progress
Jerry Blanch	City Resident
David Anderson	City Resident
Esther Duncan	City Resident
Vance & Jason Lovell	City Residents
Betty Carter	City Resident

Mayor Bunker called the meeting to order at 6:00 p.m. He stated that notice of the meeting time, place and agenda had been provided to the Millard County Chronicle/Progress and to each member of the City Council at least two days prior to the meeting. City Recorder Gregory Schäfer acted as secretary.

Mayor Bunker stated that this meeting was scheduled in order to discuss and receive public input regarding what rate schedule should be adopted in order to have adequate funds to repay a Permanent Community Impact Fund Board loan granted for the purpose of providing a water source which meets current standards for arsenic in drinking water. Mayor Bunker advised those in attendance that proposals for a new water rate schedule will be discussed only; there will be no decision made at this meeting.

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Mayor Bunker stated that all drinking water systems have been mandated by Congress to provide drinking water which will comply with the new standards. Delta City has tested several different methods of removing arsenic from our current water supply with some success but it has been determined that, in the long run, drilling a well north of Delta would provide water meeting the lower arsenic standards. Many feel that the new arsenic standards are excessive but efforts to get the standards reversed have been unsuccessful. All drinking water systems were required to comply with the new standards by February 1, 2006, however, we have applied for and received a three year extension of the time in which we must be in compliance. At this time, we are in a situation where we must comply within three years and, additionally, are required to report to the state Drinking Water Board every six months to let them know what progress we are making towards compliance. Our next report to the board is scheduled for July 1st.

Mayor Bunker explained three possible scenarios for an increased rate structure: the first would increase the base rate for water with a minimal increase for overage costs; the second would keep the base rate at a low level and increase costs for overage; the third would involve a zero gallon base rate with overage charges for every gallon of water used. Mayor Bunker introduced John Chartier and Mike Steele, of Sunrise Engineering, who have been conducting engineering on the water project and indicated that they would be discussing the three proposals for a new water rate schedule. Mayor Bunker welcomed comments and questions from those in attendance.

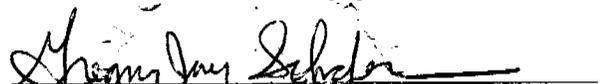
Mayor Bunker noted that, under the current water rate structure, the average water bill in Delta City is \$27.50 per month. The State of Utah has indicated that the Delta City water rate should average approximately \$44.00 per month in order to provide for repayment of the debt. Mr. Chartier noted that this amount would provide funds for the annual loan payment, bond reserve, and debt service which is required as a part of the loan agreement.

One city resident in attendance asked whether those individuals who are retired and living on a fixed income could be given a "break" on their water charges. Mayor Bunker stated it would need to be determined whether that would be legally acceptable before answering the question. There were many questions regarding different rate structures and possibilities for providing drinking water which will meet current arsenic standards, all of which were answered by Mayor Bunker, Mr. Chartier and Public Works Director Riding. Mayor Bunker thanked all those in attendance for their comments.

Mayor Bunker declared the meeting adjourned at 6:45 p.m.



GAYLE BUNKER, Mayor



GREGORY JAY SCHAFFER, CMC, City Recorder

MINUTES APPROVED: RCCM 07-06-06