

Minutes of the Interlaken Town FY2018 Budget Hearing
Saturday, 17 June 2017, 4:00 PM – 5:00 PM
Town Pump House, 236 Luzern Rd., Midway, UT

1. Call to Order.

Mayor Simpkins called the meeting to order at 4:06 pm.

2. Roll Call – Members Present:

Lisa Simpkins, Mayor
Sue O’Nan, Council Member
Chuck O’Nan, Council Member
Greg Harrigan, Council Member
Scott Neuner, Council Member
Bart Smith, Town Clerk, present

Also Present, members of the public:

Bob Marshall, Jim McCasland, Rich Miller, Krista Clark

3. Presentations: Bart Smith presented the proposed FY2018 Town Budget.

The version of the budget sent out to the town for review on June 1, 2017 (Rev08) is identical to the budget before the council (Rev09) currently under consideration, with the following changes:

- Lines: 108, 154 – I changed the label for the water reserve account transfer to match the language DWB uses in our agreement.
- Line 55: Increased the annual road repair and maintenance expense by \$2,000 to include weed spraying (from \$1,500 to \$3,500).
- Line 56a: Increased the road signage expense from \$750 to \$1,100 to include road closure signs to be used during TopJob work.

4. Public Comment:

Comments that were emailed to the Town Clerk were read into the record.

Michael & Gail Barille email: Questions and Answers:

Bart,

Bart this is Michael and Gail Barille, residents at 247 Interlaken Drive. It was great to meet you at your new neighbors open house, Sarah and Sylvain. First we want to thank you for the thorough and transparent review of the Town budget. It was in our opinion the right amount of detail and very well annotated for the layperson.

I have a couple questions / clarifications I am hoping you can answer. First is there anyway you could provide a summary of the average assessment charges for the non-water line items in this years budget that each resident can expect? A format similar to what you provided in the FY 2018 Water Rate Re-structuring summary would be perfect.

Bart’s response: The average total assessment for all lot owners is unchanged - \$1200 per year. FY2018 will be different in that each lot owner could potentially pay a different amount even though the average for all lot owners stays the same. The water fees vary depending on whether you are connected to the water system. The road portion of the assessment will be levied by Wasatch County, and depends upon

the taxable value of your property. You can calculate your tax approximately, by multiplying the taxable value of your home by the Interlaken tax rate, tentatively set at .001742.

Second, are we interpreting correctly that in all future years there will be no Town assessments except for water fees and all other assessed needs will be funded through a new property tax assessment?

Bart's response: That's true for now. It's hard to say what the town's needs may be in the future. For example, other infrastructure projects may require additional fees to be collected directly by the town.

Or is it only roads that will be funded in that manner in the future. Is there a longer projection on road infrastructure needs and a proposed budget for those, similar to the 5-year plan for water?

Bart's response: We don't have the historical data to project future road investments, but this is something we need to get started working on.

Lastly, what about sewer improvements? Has there been any discussion about anticipating needed sewer infrastructure improvements? The sewer infrastructure and feasibility of the engineering seems to vary greatly from lot to lot. In our case we share a VERY outdated lateral with at least one neighbor and it lacks both capacity and proper gradient to be functional long term. Having met with both the Midway Sewer District and their consulting engineer it seems that ours is not an isolated situation. It would be great to understand any longer range plans for tackling these issues.

Bart's response: Our sewer system is provided by Midway – they control and maintain all the main lines. The lateral lines (service to the house) are the responsibility of the lot owners. Midway did a study of the main lines last year, and we are still waiting for updated maps and information. Right now it's difficult to determine where these lines are located. We are hoping they will provide us with a better map.

Bill Goodall email: Questions and Answers:

Bart,

Nice job - a couple questions about reserves:

Can the TC please add explanations for each of the reserve funds? What is it? How is the reserve level determined? What has been the historical usage of each reserve?

Bart's response: Transportation Reserve: Money for planned capital improvements and unplanned repairs and maintenance for the roads. We use the annual historical contributions as a guideline and modify when needed. Water System Reserve: Same purpose as the transportation, but for the water system. In the case of the water system, we are required by our agreement with the DWB to contribute a minimum of 5% of the total annual Water System Operating Revenue into the Capital Facilities Replacement Reserve Account.

Can the TC please offer an explanation of why the water reserve fund needs to be increased by \$8K (transfer from general fund) to \$180K? With the water revenue reserve of \$32,000 that's a lot of money, especially when the system will have significant improvement investments in 2018 and beyond.

Bart's response: As mentioned above, this is a requirement of our agreement with DWB.

And, is there money in this budget for professional codifying services?

Bart's response: There is money in the Building Fund for Additional Contractual Services (line 188b). This could be used for codifying services.

Additional comments from the public that was present.

Rich Miller made positive comments above the council and was pleased that the meeting minutes were being released in a timely manner. He recommended we inform the town when the minutes are ready. He also brought up his concern about weed and brush control. Bart responded by pointing out that an additional \$2,000 was added to the budget in Line 55 under road repair and maintenance for weed control.

There was further discussion about weed control. Simpkins agreed to find a contractor to clear the brush from the road shoulders before TopJob begins roadwork. The town will spray for weeds using our own equipment.

5. Council Comments.

Harrigan was concerned that our budgeted legal expense (line 44 – Town Attorney) was not enough, given our continuing need for legal advice as a new town, and other concerns such as BHR. The council discussed this, and decided to increase our legal expenses (line 44) from \$20,000 to \$40,000.

6. Adjournment.

Council Member Sue O’Nan moved to adjourn the public hearing. Council Member Harrigan seconded the motion. The motion passed unanimously. The meeting was adjourned at 4:36 PM. The Water Rate Hearing will begin after a brief recess.