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City Council Agenda Information

To: Mayor Miller and City Council
From: Angela Pritchett, Water Reclamation Manager
Date: 07/08/2026
Subject: Commercial Sewer Rates

Summary: In May 2026, the City Council approved Resolution 26-15, which allows the City to direct a Commercial entity to install an effluent meter to accurately account for all wastewater discharged to the Hyrum City Water Reclamation Facility (WRF). Since that time, it has become clear that these requests can extend for months, and installing fully operational, approved, and calibrated meters can be challenging. This delay results in significant under-recovery of treatment costs and places an unfair burden on Hyrum City taxpayers.

To address this issue, I recommend adding language to Resolution 26-15 requiring that, if a fully functional, approved, and calibrated effluent meter is not installed at the City's request, the commercial user must provide an engineered estimate of their wastewater discharge within three months of the request. Because engineered estimates are less precise than metered flow, I further recommend applying a 20% surcharge to ensure that taxpayers do not subsidize the cost of treating wastewater generated by the commercial user.

The financial impact of delayed meter installation is substantial. As an example, West Point Dairy provided an estimate of 217,826 gallons per day discharged in May. Over 31 days, this totals 6,752,606 gallons. Based on that volume, the City should have billed \$24,381.60. However, because a City approved meter has not yet been installed, billing continues to rely on culinary water usage, resulting in charges of \$16,269.67. This is a monthly shortfall of \$8,111.93, a cost currently absorbed by Hyrum City ratepayers.

This amendment to Resolution 26-15 establishes a clear timeline, ensures accountability, and protects the financial integrity of the WRF.

Recommendation:

Recommendation to update Resolution 26-15 to state:

Commercial sewer rates shall be calculated based on the total gallons of culinary water used per month or where an approved and calibrated effluent meter is voluntarily or requested by the City to be installed, based on the total gallons of wastewater discharged to the Hyrum Water Reclamation Facility. In the event that the effluent meter is non-functional, inaccessible or determined to be inaccurate billing shall be based on the average of the previous three months effluent discharge recorded prior to inaccessibility or noted errors in the metered flow until the meter is again accessible, repaired and verified. In the event

that a meter is not installed at the request of the City, an engineered based estimate that the Mayor approves shall be required within three months of the request. A surcharge of 20% shall be applied to the calculated sewer rate until a fully functional approved and calibrated effluent meter is installed and verified.

City Council Meeting Details:

- Meeting Date: 7/16/26
- Council Role: Roll Call Vote

Attachments:

1. Resolution 26-23

RESOLUTION 26-23

A RESOLUTION SETTING SEWER SERVICE RATES.

WHEREAS, on January 6, 1994, the Hyrum City Council passed and posted an ordinance adopting the "Hyrum City Municipal Code", a recodification of municipal ordinances encompassing the "Revised Ordinances of Hyrum City" and ordinances adopted through July 15, 1993; and

WHEREAS, Title 13 of the Hyrum City Municipal Code sets forth regulations governing municipal utility services; and

WHEREAS, Chapter 13.12, Section 13.12.030, of the Hyrum City Municipal Code, authorizes periodic adjustments to municipal sewer system rates by resolution of the governing body; and

WHEREAS, the Hyrum City Council authorized the issuance and sale of \$3,000,000 taxable sewer revenue bonds to remodel the wastewater treatment plant; and

WHEREAS, Hyrum City is obligated to repay the State of Utah Division of Water Quality Board an annual assessment for a period of 40 years; and

WHEREAS, Hyrum City commercial sewer rates are currently based upon metered gallons of culinary water used per month, utilizing a tiered rate structure; and

WHEREAS, certain commercial users' operations create a discrepancy in the current sewer billing methodology because such facilities may receive unmetered materials or liquids, process products, and then pre-treat and discharge wastewater to the Hyrum Water Reclamation Facility that is not fully captured through culinary water metering; and

WHEREAS, wastewater discharged from certain commercial operations may not be accurately reflected in current sewer billing calculations when the discharged effluent volume exceeds or differs from the metered culinary water usage; and

WHEREAS, without accurately measuring and billing for all wastewater discharged to the Hyrum Water Reclamation Facility, Hyrum City taxpayers may effectively subsidize treatment costs associated with wastewater generated by private commercial operations; and

WHEREAS, certain commercial users may install dedicated effluent meters on discharge lines in order to accurately measure wastewater discharged to the Hyrum Water Reclamation Facility; and

WHEREAS, certain commercial users are required to have a City approved effluent meter and have not installed one, an engineered estimate of wastewater discharge shall be required if a City approved effluent meter is not operational in three months time from the request; and

WHEREAS, an engineered estimate is less precise than metered flow, a 20% surcharge is necessary and shall be applied to ensure that Hyrum City taxpayers do not subsidize the cost of treating wastewater generated by the commercial user; and

WHEREAS, Hyrum City desires to amend Resolution 26-15 to authorize commercial sewer fees to be calculated based upon metered culinary water usage and/or metered effluent discharged to the Hyrum Water Reclamation Facility in order to ensure equitable and accurate billing for wastewater treatment services; and

WHEREAS, upon recommendation by the Mayor and City Staff and after careful consideration and review of the financial requirements of the municipal sewer system, have found it to be both necessary and proper to increase its charges for service to commercial sewer users.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Hyrum City, Cache County, State of Utah, that the user rates for sewer service rate structure for commercial customers be revised to allow measurement of effluent as a means of charging for wastewater treatment services as follows:

SEWER SERVICE RATES. User classes, flow limits (based upon water consumption or effluent measurement), and monthly service charges shall be as follows:

Commercial sewer rates shall be calculated based on the total gallons of culinary water used per month or where an approved and calibrated effluent meter is voluntarily or requested by the City to be installed, based on the total gallons of wastewater discharged to the Hyrum Water Reclamation Facility. In the event that the effluent meter is non-functional, inaccessible or determined to be inaccurate billing shall be based on the average of the previous three months effluent discharge recorded prior to inaccessibility or noted errors in the metered flow until the meter is again accessible, repaired and verified. If a meter is not installed at the request of the City within three months time, an engineered based estimate that the Mayor approves shall be required. A surcharge of 20% shall be applied to the calculated sewer rate until a fully functional approved and calibrated effluent meter is installed and verified.

BE IT FURTHER RESOLVED, that this resolution shall become effective upon approval.

ADOPTED AND PASSED by the City Council this 16th day of July, 2026.

HYRUM CITY

BY: _____
Steve Miller
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Roll Call Vote -	Aye	Nay	Absent
Councilmember Rebecca Foulger	☐	☐	☐
Councilmember Michael Nelson	☐	☐	☐
Councilmember Nalyn Nelson	☐	☐	☐
Councilmember Craig Rasmussen	☐	☐	☐
Councilmember James L. Wright	☐	☐	☐