

MINUTES OF A SPECIAL CITY COUNCIL MEETING SEPTEMBER 30, 2025, AT THE HYRUM CITY COUNCIL CHAMBERS, 60 WEST MAIN, HYRUM, UTAH.

CONVENED: 4:00 P.M.

CONDUCTING: Mayor Stephanie Miller

ROLL CALL: Councilmembers Steve Adams, Jared Clawson, Paul C. James, Michael Nelson by telephone, and Craig L. Rasmussen. Councilmember Rasmussen arrived at 4:14 p.m.

CALL TO ORDER: There being four members present and four members representing a quorum, Mayor called the meeting to order.

OTHERS PRESENT: City Treasurer Todd Perkins, Wastewater Reclamation Manager Angela Pritchett, Recreation Manager Robert Stroud, Millville City Mayor David Hair, Millville City Recorder Corey Twedt, and two citizens. City Recorder Stephanie Fricke recorded the minutes.

WELCOME: Mayor Miller welcomed everyone in attendance and invited audience participation.

AGENDA ADOPTION: A copy of the notice and agenda for this meeting was emailed to The Herald Journal, posted on the Utah Public Notice Website and Hyrum City's Website, provided to each member of the governing body, and posted at the City Offices more than forty-eight hours before meeting time.

ACTION

Councilmember Clawson made a motion to approve the agenda for September 30, 2025, as written. Councilmember Adams seconded the motion and Councilmembers Adams, James, Nelson, and Rasmussen voted aye. The motion passed.

4. BUSINESS:

A. Consideration and approval of an Inter-City Sewage Treatment Service Agreement with Millville City.

5. ADJOURNMENT

CONSIDERATION AND APPROVAL OF AN INTER-CITY SEWAGE TREATMENT SERVICE AGREEMENT WITH MILLVILLE CITY.

Mayor Miller said Hyrum City has been working with Millville City on an Inter-City Sewage Treatment Service Agreement with Millville

City over the past several years. On July 9, 2020, Millville and Hyrum entered into an Inter-City Sewage Treatment Service Agreement. However, the terms and conditions outlined in the agreement were not complied with by either party. As a result, the agreement is no longer valid and needs to be revised to reflect current discussions and circumstances.

Councilmember James said Hyrum City should not be charging the same rate to Millville as Hyrum residents pay. Millville should be paying higher rates. Hyrum residents paid for the Wastewater Reclamation Facility to be built, and it would not be a fair nor smart business to charge Hyrum residents the same rate as Millville's residents.

Councilmember Nelson said he would prefer Millville residents pay at least 5% to 20% more than Hyrum residents.

Councilmember James said in the original agreement Millville was buying 20% of the Water Reclamation Facility which would have made them an owner of the plant and would have had the same financial risks and liability that Hyrum has. The new agreement places all of the financial liability on Hyrum and if Millville is only a customer, then Millville's monthly rate should be higher than Hyrum.

Councilmember Clawson said he has always expressed his opinion that Hyrum should not allow Millville nor any city to buy into Hyrum's plant. He prefers the new agreement that has Millville as a customer rather than a co-owner. This new agreement may not be perfect, but it is better than the original agreement.

Water Reclamation Manager Angela Pritchett said she has provided the City Council with a spreadsheet that includes all actual and expected costs, and unexpected costs. She would prefer the agreement charge Millville a minimum of 5% more than Hyrum residents.

Millville Mayor David Hair said when Millville first contacted Hyrum City about connecting to Hyrum City's Wastewater Treatment System it was because Millville felt like Logan wanted to charge too much money and Millville couldn't afford it. Logan was going to charge Millville 5% higher than Logan residents. Logan City would have paid the entire cost of installing pipes to Millville. If Hyrum charges 5% more than Hyrum residents pay it would have been cheaper for Millville to go to Logan. Hyrum City and Millville's original agreement was based on Millville buying into

Hyrum City's plant at a cost of \$702,000 and \$22.36 per month per residents.

Councilmember Rasmussen arrived at 4:14 p.m.

Millville City Recorder Corey Twedt said since the original agreement was approved costs have increased considerably and Millville's rates are much higher than Hyrum's. Millville has a loan for the infrastructure that was installed. Millville is trying to keep its monthly sewer rates under \$90 per month. Originally Hyrum City looked forward to Millville joining with Hyrum and said it would bring down Hyrum's costs. Hyrum also gets the benefits of the reclaimed water. The more development that happens in Millville will help pay off Millville's debt.

Councilmember Clawson asked if treating a higher volume of wastewater reduces Hyrum City's costs.

Water Reclamation Manager Angela Pritchett said chemical costs to treat the wastewater will remain the same and a quantity discount is not given.

Councilmember Rasmussen said it is estimated that it will take at least five years for 80% of the houses in Millville to connect to the sewer lines. The cost to Hyrum City will decrease slightly due to treating a higher amount of water, but it won't decrease for a few years.

Councilmember Nelson said from Hyrum City's perspective Hyrum built the wastewater reclamation facility, and it's been Hyrum's residents who have paid that cost. Adding 5% to Millville's rates will give the City a profit margin that can help build reserves for future growth and repair, and provides a gap between Hyrum residents rates and Millville resident rates.

Councilmember Rasmussen said a profit margin has already been built into the proposed rates. Hyrum residents will not be paying the same as Millville's residents.

Councilmember Adams said Millville has been working with Hyrum since 2020 in a good faith effort to bring its sewer to Hyrum under the assumption of lower rates than what Logan City would have charged. Having Millville as a customer is better for Hyrum residents than having Millville own a portion of the plant. He does not think it is ethical to change the terms now.

Councilmember Clawson said he is more comfortable with proposed agreement and rates than the old agreement where Millville would have been an owner.

Councilmember James said he agrees that it will make it easier for Hyrum City to own the Wastewater Plant rather than having two owners.

Millville City Mayor David Hair said the original buy in estimate of \$700,000 was feasible, however, since 2020 the buy in cost has increased drastically and it is no longer feasible for Millville to buy into the plant.

Councilmember Clawson said in 2020 when the original agreement was written the Wastewater Plant was extremely undervalued and no professional appraisal was conducted. The plant, property, and permits were worth a lot more money than what was originally proposed.

Millville City Mayor David Hair said Millville is charging impact fees for all new connections that will be paid to Hyrum City.

Councilmember Rasmussen said Hyrum City needs to update its impact fees.

Councilmember Adams said Millville's rates will be increased anytime Hyrum's rates are increased.

ACTION

Councilmember Adams made a motion to approve the Inter-City Sewage Treatment Service Agreement with Millville City with the condition that the current ERU's for Millville City is included in the agreement. Councilmember Rasmussen seconded the motion.

Councilmember James said the proposed agreement has been written with better clarity and Millville City has been working with Hyrum in good faith on this agreement and that Hyrum City would provide lower rates than Logan. He would not feel comfortable changing something now that both cities have agreed to and have been working towards for several years.

Councilmember Nelson made a substitute motion to approve changing the value of the cost of 10,000 gallons from \$35.44 to \$37.12, which is a 5% margin. The substitute motion died due to a lack of a second.

Mayor Miller called for a vote on the original motion. Councilmembers Adams, James, Clawson, and Rasmussen voted aye; and Councilmember Nelson voted nay. The motion passed.

ADJOURNMENT:

ACTION

There being no further business before the City Council, the Council Meeting adjourned at 4:55 p.m.

Stephanie Miller
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Approved: October 16, 2025
As Written