

The Case for Bridgerland Water Company Rate Increase Before the Public Service Commission of Utah

Docket No. 21-001-01

In the matter of the Application of Bridgerland Water Company for approval of a rate increase.

Testimony of Tana Heninger, Vice President of Bridgerland Water Company, July 10, 2021:

History

The water company was built and is managed and maintained by Ted and Dixie Wilson, the original owner/developer of Bridgerland Village in Garden City, Utah. My two brothers and I have recently stepped in to help our parents because of their age and declining health. To my knowledge the system has been run and maintained properly and has never had to be shut down because of a bad sample. Since its beginning Ted and Dixie have taken little to no compensation for the running of the company and have subsidized the company over \$130,000 of their own money.

Current Supply Situation

Culinary water comes from one source – Payne Spring. It has been a reliable and clean aquifer. We are in the process of connecting onto Garden City water system which we are under contract to do. This will give the BLWC a second and reliable source if needed. Payne Spring gives adequate supply even during the heavy use season. Users are discouraged from watering outside; the system is meant for culinary water only. There are a few homeowners who are overusing and a rate increase will deter them from wasting water outside.

Current Issues Facing BLWC

Now that Ted and Dixie no longer can or are willing to run the water company for free it is necessary to hire a manager. It is also necessary to make some improvements outside of just fixing leaks and breakages which is all they have been able to do for the last 10 plus years. But the current budget does not have enough cash flow to do so. It is the intention of the company to hire a full-time manager along with a parttime bookkeeper as well as make some system improvements. Specific improvements would be (but not limited to): automating with a telemetry system, replacing old meters with radio transmitted meters, fixing/replacing the pump at the well, and hooking on to Garden City's water system.

Rate History

Our most recent rate increase was in 2008. Rising costs to maintain and fix the system make it prohibitive to keep the system at the excellent level it needs to be. The current rate does not allow any improvements other than fix-it projects. Each home pays \$24/month which includes

6000 gallons. After that it costs \$1.75/1000 gallons. Each lot owner pays \$10/ month as a standby fee.

Number of Customers

We currently have 180 connected customers and 254 standby customers. Full build out is 434 connections. At the current water usage rate and full build out, we will not have an adequate supply of water unless water conservation is practiced in the summer

Rate Increase

We need a rate increase to help cover the higher cost of maintenance and to allow us to hire a manager and bookkeeper. We also want a rate that would encourage water conservation as well as to cover the additional expenses of necessary improvement projects.