

MINUTES FOR MARCH 18, 2026: CITY COUNCIL WORKSHOP/SPECIAL MEETING

CALL TO ORDER: Mayor Hillier called the meeting to order at 4:30 PM.

ROLL CALL: Mayor Jared Hillier, Council President Nick Hainline, Council Member Bob Bonning, Council Member Erika Cornett, and Council Member LuAnne Coates were present.

NEW BUSINESS:

- A. Frontier Community Resources, JUB, and City of Hagerman utility rate and rate study-Discussion: Mark Holtzen with JUB and Jeff McCurdy and Michele MacFarlane with Frontier Community Resources were present to discuss the upcoming utility rate increases regarding the ongoing water project. It was discussed that the projected rates in 2022 are no longer feasible due to uncontrollable interest rate increases for the bond and other unforeseeable economical climate changes. Scaling back the water project, timeline with funding, consequences for altering plans, and other options were discussed. The final rate will be researched further between staff and Frontier Community Resources and JUB.

Trash rate increases were discussed, as multiple residents have announced their intent to cancel their second cart with rates increasing. The Council had previously intended to place the bulk of the increase on the second cart, but the City Clerk recommended matching PSI's rate increase straight across to keep the budget balanced and affect residents less. Multiple carts have already been canceled following the scheduling of the public hearing. The proposed rates are:

Option A

PSI Rate Match

First Cart:	\$13.00
Additional Cart:	\$5.75

Option B

Meeting Minimum Budget Revenue

First Cart (471):	\$12.00
Additional Cart (185):	\$7.00

Option C

First Cart (471):	\$12.86
Additional Cart (185):	\$7.00

Option D

First Cart (471):	\$10.88
Additional Cart (185):	\$9.78

Bob Bonning asked for clarification on limits for trash rates. It was discussed that the revenue from the trash services is allocated to the general fund. The general fund supports the brunt of costs for trash services and it is allocated this way in order to cover costs and also allow the city the freedom to support the other funds as legally allowed. Bob Bonning voiced concerns that the city is profiting off its citizens, and it was decided to discuss this matter further with the city attorney.

ADJOURNED: 5:38 PM.