

This is a summary of proposed expenses and capital investments in the Interlaken Town road and water system for fiscal year 2021. This report provides additional detail and justification for these expenditures.

General Fund Expenses

Line 51: Additional Consulting Fees **(\$8,000)**

This annual expense includes engineering consultations for design work focused on our road system, our DPW site, and grant writing contractors. Depending on which projects are targeted, this expense varies from year to year, but is considered essential to our development as a town.

Line 55: Annual Road Repair & Maintenance **(\$18,000)**

This annual expense is reserved for road system maintenance, including pothole and asphalt repairs, crack sealing, surface top coating, shoulder repair, and other routine maintenance tasks. The FY2021 budget includes \$18K funding for this category, which includes the unused budgeted portion of the FY2020 budget - \$8K.

Line 56: Additional Contract Services **(\$8,000)**

This expense category is reserved for general maintenance of town property, including road right-of-way maintenance – weed clearing, maintenance of the pump house area, and other maintenance and repair of town property. In prior years, chipper day expenses were drawn from this budget line item. Starting in FY2021 wood debris removal expenses will be budgeted under a new expense category - Brush Removal and Wildfire Mitigation.

Line 58b: Brush Removal and other Wildfire Mitigation **(\$30,000)**

This annual expense is a new expense category. This category would include removal of town wood debris, creating defensible space within town, emergency preparedness training and maintenance, and purchase of equipment dedicated to wildfire prevention and response measures.

General Fund Capital Investments

Line 60: Capital Investment in Roads **(\$30,000)**

Capital Investment projects for FY2021 include improvements to road ROW shoulders, repairs from a previous water leak on Luzern, installation of culverts and other measures to improve drainage on Big Matterhorn Way and St. Moritz.

Line 60b: DPW Site Construction **(\$60,000)**

Interlaken is beginning excavation and development of a site adjacent to the pumphouse as a temporary site to house the town dumpsters, develop a protected area for salt storage, and provide equipment storage for SuperDave and other contractors. This site may also provide a place for future storage of road base and other materials the town keeps on hand.

Water Revenue Fund Expenses

Line 114: Annual Water Bond Payment **(\$78,382)**

This annual expense is our payment on our water system improvement bond, issued in December 2015, for \$642,000. This bond has funded much needed investment in the town water system. The final payment is due in January 2024. At that time, the town will review the state of our water system and decide how to appropriate future water system investment.

Water System Capital Investments

Line 123d: Purchase of Generator and Installation (\$71,000)

Utah has a requirement to provide backup power generation to municipal water systems in case of a failure of our power grid. This allows the town to continue to provide water for consumers as well as emergency services by continuing to operate our pumps during a power outage. The town has applied for a grant with the state to provide partial funding for this project. This is a one-time capital investment required by the state.

Line 123e: Pump Replacements, Telemetry System, Meter Upgrades (\$45,000)

This ongoing capital investment is dedicated towards improvements in our water system. When a major piece of equipment, like a pump, is replaced, these funds are drawn from the Water Reserve Fund for capital improvements. In FY 2021 the town will continue to invest in an ongoing upgrade to our water metering capability, moving towards a digital readout system that doesn't require meter by meter inspection. This new digital system will allow meters to be read remotely from a single location. FY2021 is the first year of a 3-year investment in the final stages of completion of this upgrade – including \$45K in FY2021, \$20K in FY2022, and \$20K in FY2023. At the end of FY2021, 60 meters will be equipped for digital readouts. At the end of FY2022, the number increases to 100 meters, then by FY2023, the entire town will be digital capable.

Prepared by Bart Smith, Interlaken Town Clerk
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