

## SOUTH WEBER CITY COUNCIL AGENDA

**PUBLIC NOTICE** is hereby given that the **City Council of SOUTH WEBER CITY, Utah**, will meet in a regular public meeting on **Tuesday, 28 November 2017** at the **City Council Chambers, 1600 E. South Weber Dr.**, commencing at **6:00 p.m.**

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### **WORK MEETING:**

**5:00 p.m.** Discussion of agenda items, correspondence, and/or future agenda items.

### **COUNCIL MEETING:**

**6:00 p.m.** PLEDGE OF ALLEGIANCE – Mayor Long  
PRAYER - Council Member Hyer  
APPROVAL OF AGENDA  
DECLARATION OF CONFLICT OF INTEREST

#### **1. CONSENT AGENDA:**

- ◆ Approval of November 14, 2017 Work Meeting and Meeting Minutes
- ◆ Approval of October 2017 Budget to Actual

**6:15 p.m.**

#### **2. ACTIVE AGENDA:**

- a. Water Capital Improvements Plan & Water Utility Rate Study
- b. Sewer Capital Improvement Plan & Sewer Utility Rates Study
- c.

**7:05 p.m.**

- #### **3. PUBLIC COMMENT:** Please keep public comments to 3 minutes or less per person (no action to be taken)

**7:10 p.m.**

#### **4. REPORTS:**

- a. Mayor – on designated committee responsibilities
- b. City Council – on designated committee responsibilities
- c. City Manager – on current events and future agenda items
- d. Planning Commission Liaison – meeting and current development update

**7:35 p.m.**

- #### **5. CLOSED EXECUTIVE SESSION – UTAH CODE 52-4-204 & 52-4-205: THE COUNCIL MAY CONSIDER A MOTION TO ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSION OF CHARACTER, PROFESSIONAL COMPETENCE, PHYSICAL, OR MENTAL HEALTH OF INDIVIDUAL(S)**

**8:00 p.m.**

#### **6. ADJOURN**

THE UNDERSIGNED DULY APPOINTED CITY RECORDER FOR THE MUNICIPALITY OF SOUTH WEBER CITY HEREBY CERTIFIES THAT A COPY OF THE FOREGOING NOTICE WAS MAILED, EMAILED, OR POSTED TO:

CITY OFFICE BUILDING

EACH MEMBER OF THE GOVERNING BODY

UTAH PUBLIC NOTICE WEBSITE

[www.pmn.utah.gov](http://www.pmn.utah.gov)

CITY WEBSITE [www.southwebercity.com](http://www.southwebercity.com)

THOSE LISTED ON THE AGENDA

  
\_\_\_\_\_  
CITY RECORDER: Mark McRae

DATE: November 21, 2017

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, INDIVIDUALS NEEDING SPECIAL ACCOMMODATIONS DURING THIS MEETING SHOULD NOTIFY THE CITY RECORDER, 1600 EAST SOUTH WEBER DRIVE, SOUTH WEBER, UTAH 84405 (801-479-3177) AT LEAST TWO DAYS PRIOR TO THE MEETING.

\*Agenda times are approximate and may be moved in order, sequence and time to meet the needs of the Council\*

# SOUTH WEBER CITY COUNCIL WORK MEETING

**DATE OF MEETING:** 14 November 2017

**TIME COMMENCED:** 5:02 p.m.

**PRESENT: MAYOR:**

Tammy Long

**COUNCILMEMBERS:**

Scott Casas  
Kent Hyer (arrived at 5:15 p.m.)  
Jo Sjoblom  
Merv Taylor  
Wayne Winsor

**CITY RECORDER**

Mark McRae

**CITY MANAGER:**

Tom Smith

**CITY ENGINEER:**

Brandon Jones

**Transcriber:** Minutes transcribed by Michelle Clark

**ATTENDEES:** Penny Stark, Natalie Dayton, and Brent Poll.

## **CONSENT AGENDA:**

- **Approval of October 24, 2017 Minutes**
- **Approval of September 2017 Budget to Actual**
- **Municipal General Election Canvass**
- **Approval of Street Light Installation at 1275 East Lester Dr. and street light agreement with Rocky Mountain Power**

Mayor Long asked if there were any questions on the minutes. Council Member Casas discussed the last paragraph on the first page of 24 October 2017 minutes concerning thickness of the sidewalk being 6". Brandon stated the thickness is 6" and the width for sidewalk is 6'. Mark McRae explained that the audio of this particular meeting was lost during transfer on the computer.

Mayor Long asked if there were any questions on the budget to actual. Councilmember Casas asked about previous budget to actuals. Mark McRae said he will get the council a copy of the audit. He will also post the audit on the website. Council Member Casas asked about whether or not the willow trees for Central Park have been paid yet. Mark will check into that.

Mayor Long said the agenda needs to be amended to include the Municipal General Election Canvas in the active agenda section as Resolution 17-42. Mark explained the council will be acting as the Municipal Board of Canvassers and will approve the canvass and election results for the November 2017 General Election.

**Council Member Hyer arrived at 5:15 p.m.**

Tom Smith reported on the street light to be located at 1275 East Lester Drive. He said it will cost the city approximately \$1,823 to have Rocky Mountain Power install it. Council Member Casas said he contacted Rocky Mountain Power about installing this as soon as possible. It was stated the light will be LED.

**ACTIVE AGENDA:**

**Public Hearing: Purchase of real property located at approx. 1080 Lester Dr., parcel #13-021-0054 for \$215,000:** Tom Smith, City Manager, said the property is approximately 1080 Lester Drive. He said the property has a clean title and is free of liens. The city has paid the earnest money of \$2,000. He said the purpose of the purchase of this is so that the city can maintain the corridor. He said because of recent emergencies this summer, the city noticed the difficulty of getting out of this area and therefore, would like to see the road go through for safety reasons. Council Member Hyer said if we make this purchase he said we may be sitting on this for five years or more because the Kaps don't seem to be interested right now in development. He said the typical citizen probably will not be crazy about this. Tom said Council Member Hyer brings up some good questions. Tom said a plan needs to be put in place. He said the intention from the beginning is that the city is not the developer. Council Member Casas suggested subdividing as a city. Council Member Winsor said the lots can't be built on until the road goes through. He said there are other procurements required to make this project whole. Council Member Casas said the quicker the city moves on this project, then the risk will be minimized. He hopes to minimize the cost as much as possible. Mayor Long is concerned about where the funds will come from to widen roads. Council Member Hyer said the developer will have to put the road through. Tom said the DeLong's are willing to sell. He said a developer build roads so they can sell homes. Council Member Sjoblom said a couple of meetings ago, the council gave the go ahead for Old Fort Road to procure easements etc. She asked how this purchase will affect Old Fort Road. Tom said it may slow the process. Brandon said a developer would be required to put in the infrastructure for the road. Tom said if the city doesn't purchase the property, it is very unlikely whoever purchases the property would be able to develop because of the 30 lot requirement in the city code. This area needs another ingress/egress in order to allow for more development. Council Member Hyer said by the city purchasing the property, it gives the city options. Council Member Casas doesn't think the city should sit idle after purchase. He said it will only benefit the city by recouping the cost as soon as possible. Brent Poll feels this will not be the last time the city will need property for a road. He asked how does the city do this and not do a half of dozen others in the city. Council member Casas said there is no other area in the city with an elementary school. He said the primary concern is safety for the school. Tom said the school will only continue to grow with the development going on in the city.

**ORDINANCE 17-19 Amending Subsection 11.06 Impact Fees: Parks and Trails (taking effect end of Dec.): (No discussion on this item)**

**Public Hearing: RESOLUTION 17-41 South Weber City Water Conservation Plan**

Brandon Jones, City Engineer, said South Weber City has a Water Conservation Plan (in accordance with U.C.A. 73-10-32) that establishes conservation planning efforts identifying water supply inventory for both present and future water requirements and establishes implementation procedures. He explained the goal is for a 1% reduction. He would recommend assigning a city employee to be the water conservation coordinator and put together a committee to help encourage people to conserve water. He said the city needs to continue to support the secondary water districts. He said the city is doing quite well in the use of water, but there is always room for improvement.

**Motion to approve an update to the City's Building Access System: (No discussion on this item)**

**Adjourned at 6:00 p.m.**

**APPROVED:** \_\_\_\_\_ Date  
Mayor: Tammy Long

\_\_\_\_\_  
Transcriber: Michelle Clark

Attest: \_\_\_\_\_  
City Recorder: Mark McRae

DRAFT

# SOUTH WEBER CITY CITY COUNCIL MEETING

**DATE OF MEETING:** 14 November 2017

**TIME COMMENCED:** 6:04 p.m.

**PRESENT: MAYOR:**

Tammy Long

**COUNCILMEMBERS:**

Scott Casas  
Kent Hyer  
Merv Taylor  
Jo Sjoblom  
Wayne Winsor

**CITY RECORDER:**

Mark McRae

**CITY MANAGER:**

Tom Smith

**CITY ENGINEER:**

Brandon Jones

**Transcriber:** Minutes transcribed by Michelle Clark

**ATTENDEES:** Penny Stark, Natalie Dayton, Brent Poll, Stan Cook, James Cook, and Lynn Poll, Marlene Poore, Angie Petty, and Layne Kap.

Mayor Long called the meeting to order and welcomed those in attendance.

**PLEDGE OF ALLEGIANCE:** Council Member Winsor

**PRAYER:** Council Member Casas

**AGENDA:** Council Member Winsor moved to approve the agenda as amended to move the Municipal General Election to the active agenda. Council Member Hyer seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.

**CONFLICT OF INTEREST:** None

**CONSENT AGENDA:**

- Approval of October 24, 2017 Minutes
- Approval of September 2017 Budget to Actual
- ~~Municipal General Election Canvass~~
- Approval of Street Light Installation at 1275 East Lester Dr. and street light agreement with Rocky Mountain Power

Council Member Sjoblom moved to approve the consent agenda as written. Council Member Taylor seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.

**ACTIVE AGENDA:**

**Resolution 17-42 Municipal General Election Canvass:** The Council acted at the Municipal Board of Canvassers as they reviewed the election canvass. The results are as follows:

<b><u>4-Year Mayor Office (2018-2022)</u></b>	<b><u>Votes</u></b>
<b>Jo Sjoblom</b>	<b>835</b>
<b>Jeffery G. Monroe</b>	<b>682</b>

<b><u>4-Year Council Office (2018-2022)</u></b>	<b><u>Votes</u></b>
<b>Angie Petty</b>	<b>647</b>
<b>Melissa R. Hafen</b>	<b>576</b>
<b>Rob Osborne</b>	<b>570</b>
<b>Wayne E. Winsor</b>	<b>578</b>

<b>TOTAL NUMBER OF VOTERS:</b>	<b>1530</b>	<b>46.0%</b>
<b>TOTAL REGISTERED VOTERS:</b>	<b>3324</b>	

Council Member Winsor moved to accept the result as the Municipal General Election. Councilmember Sjoblom seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.

Council Member Sjoblom moved to approve Resolution 17-42 the Municipal General Election Canvass. Council Member Casas seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.

Council Member Hyer discussed Council Member Sjoblom moving to the office of Mayor in January 2018, which will leave a vacancy on the council. He would suggest looking into the possibility of the person who took second filling that seat. Mayor Long said that is against State code. She said the city is required to take applications for that vacant seat.

Council Member Sjoblom moved to open the public hearing for the purchase of real property located at approximately 1080 Lester Dr., parcel #13-021-0054 for \$215,000. Council Member Taylor seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.

**\*\*\*\*\* PUBLIC HEARING \*\*\*\*\***

**Public Hearing: Purchase of real property located at approx. 1080 Lester Dr., parcel #13-021-0054 for \$215,000:** Tom said approximately \$208,000 will come from impact fees and

\$7,000 will come from the Capital Projects Fund. He said the purpose of the property purchase is to preserve the area for the road. Tom reported there is a clean title on this property.

Mayor Long asked for public comment.

**Brent Poll, 7605 S. 1375 E.,** said he is surprised that the council realized there is only one access to the elementary school. He said the city knew this when they approved the Kap Subdivision and the Family Activity Center. He feels the city shouldn't buy ground for development. He said this change is not proactive. He feels this is unwise. He said if you have extra money then pay the Dickamores for their property you promised them.

**Penny Stark, 6040 N. North Fork Road,** said she applauded the city for being proactive. She said the city is going to continue to grow. She said the market is only going to go up. She has individuals interested in development. She is concerned for the safety for the elementary school and the need for a second access.

**Council Member Taylor moved to close the public hearing for the purchase of real property located at approximately 1080 Lester Dr., parcel #13-021-0054 for \$215,000. Council Member Sjoblom seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.**

**\*\*\*\*\* PUBLIC HEARING CLOSED \*\*\*\*\***

Council Member Winsor said he is concerned about the city taking a developer role in procuring something that is already identified in the master plan. Council Member Hyer agreed with Council Member Winsor. He said there are other hurdles that need to come together to get the road through this area. He would rather help work with someone who wants to develop the property. Council Member Casas is confused because he thought Council Member Hyer was in favor of the corridor conservation. Council Member Hyer doesn't see how purchasing the property is going to preserve the corridor. He said no matter how we do it we have to preserve the corridor. Council Member Sjoblom is concerned that this purchase is only a piece of corridor. She said there are too many variables to spend that money not knowing when this can happen or take place.

**Council Member Casas moved to approve the purchase of real property located at approx. 1080 Lester Dr., parcel #13-021-0054 for \$215,000. Council Member Taylor seconded the motion. Mark called for the vote. Council Members Casas and Taylor voted yes. Council Member Hyer, Sjoblom, and Winsor voted no. The motion died 3 to 2.**

**ORDINANCE 17-19 Amending Subsection 11.06 Impact Fees: Parks and Trails (taking effect end of Dec.):** Brandon Jones, City Engineer, said on September 19, 2017, after considering the input of the public and stakeholders and relying on the professional advice and certification of the Parks and Trails Impact Fee Facilities Plan and Impact Fee Analysis Consultants, South Weber City adopted the findings, conclusions, and recommendations of the Impact Fee Facilities Plans and Impact Fee Analysis prepared by Zions Bank Public Finance Inc.

Subsections 11.06.010, and 11.06.040 of the South Weber City Code are hereby amended to read:

**11.06.010 Adoption.**

The South Weber City Council hereby approves and adopts the Impact Fee Analyses attached and the analyses reflected therein. The Impact Fee Facilities Plans and the Impact Fee Analyses, including the Weber Basin Water Conservancy Districts Treated Water Impact Fee, and Parks and Trails are incorporated herein by reference and adopted as though fully set forth herein.

**11.06.040 Impact Fees Levied.**

*Parks and Trails Impact Fees.*

The total maximum fee that can be charged is \$582.39 per capita. However, the actual fee charged will be based on a residential unit.

<i>Table 5: Summary of Parks &amp; Trails Gross Impact Fee Per Residential Unit</i>		
<b>Category</b>	<b>Household Size</b>	<b>Calculation per Capita</b>
Single-Family Residential	3.6	\$2,096.62
Multi-Family Residential	3.54	\$2,061.66
Non-Residential		No Fee

**Council Member Sjoblom moved to adopt ORDINANCE 17-19 Amending Subsection 11.06 Impact Fees: Parks and Trails (taking effect end of Dec.). Council Member Hyer seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.**

**Council Member Winsor moved to open the public hearing Resolution 17-41 South Weber City Water Conservation Plan. Council Member Sjoblom seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.**

**\*\*\*\*\* PUBLIC HEARING \*\*\*\*\***

**Public Hearing: RESOLUTION 17-41 South Weber City Water Conservation Plan**

Brandon Jones, City Engineer, said South Weber City has a Water Conservation Plan (in accordance with U.C.A. 73-10-32) that establishes conservation planning efforts identifying water supply inventory for both present and future water requirements and establishes implementation procedures. He said this plan is for conservation of culinary water. He said the city does support the secondary water districts. He would suggest the city assign a city employee as a Water Conservation Coordinator. Tom recommended Bryan Wageman for this position. Brandon said by adopting this it doesn't require the coordinator position. Council Member Casas thanked and commended Brandon for this plan and his willingness to take on the Governor's goals. He said the council has failed to change the city's pricing structure. He would hope the new council will look at this in the coming year.

Mayor Long asked if there was any public comment.

**Marlene Poore, 7931 S. 2325 E.,** said when she served on the council she was a proponent of looking at residents paying for how much water they use verses a set fee. She said it is not fair



for those who use the least amount of water and still have to pay the same as those who use more water. She said Riverdale, Clearfield, Roy, and Uintah etc. charge for use. She feels the city hasn't done anything to meet the Governor's goal of paying for what is actually used.

**Council Member Hyer moved to close the public hearing Resolution 17-41 South Weber City Water Conservation Plan. Council Member Sjoblom seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.**

**\*\*\*\*\* PUBLIC HEARING CLOSED \*\*\*\*\***

**Council Member Winsor moved to approve RESOLUTION 17-41 South Weber City Water Conservation Plan. Council Member Sjoblom seconded the motion. Mark called for the vote. Council Members Hyer, Taylor, Winsor, and Sjoblom voted yes. Council Member Casas voted no. The motion carried 4 to 1.**

**Motion to approve an update to the City's Building Access System**

The current electronic keycard system was install several years ago. The software vendor has since gone out of business and the city is unable to get support and updates to the program. The software is incompatible with current versions of Microsoft and is installed and runnable on only one older model computer in the city. Although it is still functioning, the city is unable to add new users to the system, nor make changes to current staff permitted access. If a control panel should become inoperable, the city would not be able to get it repaired or replaced, and would be locked out from using that door.

The city received quotes from three vendors to replace the hardware and software with up-to-date equipment and software. The city staff recommends accepting the quote from Alpha Corp. Their quote includes using the existing locking mechanisms and card readers. The three quotes for hardware and software, less yearly maintenance, are: Alpha Corp \$ 6,107.75 Stanley Security \$ 7,323.40 AvTec \$ 18,435.22.

The cost will be allocated to the Building and Maintenance accounts of City Hall (¼), Street Dept. (¼) and Fire Dept. (½).

The city staff recommends accepting the quote from Alpha Corp to replace the hardware and software at a cost of \$6,107.75. The yearly software maintenance will be \$138.60.

**Council Member Hyer moved to accept the bid from Alpha Corp to replace the hardware and software at a cost of \$6,107.75 with a yearly maintenance cost of \$138.60. Council Member Taylor seconded the motion. Mark called for the vote. Council Members Casas, Hyer, Taylor, Winsor, and Sjoblom voted yes. The motion carried.**

**PUBLIC COMMENTS:**

**Penny Stark, 6040 N. North Fork Road, Liberty, UT,** said the Daytons brought the city another buyer for their property and the city told them no. She said this is only \$7,000 to preserve that corridor. She said you have money that you are going to use or lose. She asked if there is anyway the council can reconsider this offer and vote again.

**Natalie Dayton, 6436 W. Hwy 36 Weston, ID,** said she has been a resident of the city for 55 years. She has seen lots of mistakes and she has seen great things each of them have done, but she is in shock. She read the minutes of 10 October 2017. She discussed the council, on that day, going into a closed meeting, and then coming out and Council Member Sjoblom making a motion to go ahead with the purchase of this property. She said all she wants is to move forward. She has seen the safety issues with the elementary school. She is asking the council to look back at the 10 October 2017 meeting minutes as well as reconsider the motion made on the purchase of the property at 1080 Lester Drive.

**Penny Stark, 6040 N. North Fork Road, Liberty, UT,** said South Weber City means a lot to her. She said the integrity of the council is really important. She said she is willing to make up the difference of the \$5,000. This will help the council to keep their integrity in what they said they were going to do. She is willing to make up the financial difference. Tom said the three council members would need to rescind the motion. Mayor Long said if one of those three council members would like to put it on the next agenda they will need to rescind the motion.

#### **REPORTS:**

**Mayor Long:** She attended the Mosquito Abatement Meeting and reported there have been five deaths in Utah from West Nile Virus.

**Council Member Hyer:** He discussed the Dayton property. He agrees that there is no way that the city should be getting into paying for people's property. He said concerning 6650 South, he said there were blockade signs at one time and now residents on that road are now frustrated with the traffic. He thanked the Country Fair Days Committee and reported no money was used this year from the general fund. He then addressed La Roca and said there is discrepancy with what La Roca presented to the city verses what La Roca has put together in a booklet. He said Mr. Schenk has concerns with drainage pipes coming off of the soccer fields. He would suggest the city take a proactive look at that. He said next meeting the Youth Mayor and Youth City Council will be sworn in.

**Council Member Casas:** He asked the council if they would reconsider the purchase of the Dayton property. Council Member Sjoblom said she attended the closed meeting. She said she wanted the reassurance that they would not be approving the purchase of the property because there was only three council members in the meeting. She has since received new information since that meeting. She apologized but with further deliberation over this decision, she doesn't feel comfortable getting into the real estate business. She does see the need for another access and she wants to see it fixed, but she doesn't feel this is the correct way to do it.

**Council Member Winsor:** He requested the council look at reviewing the procurement policy. He has found a section that is out of harmony with the State code. He would suggest looking at this in the Finance Committee and then making suggestions.

**City Manager:** He reported that the concerns with the drainage from the soccer complex have been taken care of. He said the city will be reviewing chapter by chapter of the conditional use permit requirements. He said concerning Country Fair Days, when someone donates money, it is considered illegal. He is working with the committee to create a 501C. He said legally the city can't close 6650 South without construction or justifiable reason. He will follow up with the City Attorney. He said 1250 East will have the mail box installed tomorrow. He asked about the status of the digital sign. Council Member Sjoblom said the next step is to install the frame and the rock work, in which it is too cold to do it until spring. He said December 7, 2017 is the Christmas Party at 6:00 p.m. He said the city is taking applications for the council position. The City Council & Planning Commission Retreat will be January 12, 2017 from 1:00 p.m. to 6:00 p.m. at the Davis County Library (same place as last year) with dinner afterwards.

**City Engineer:** He said until the plat is recorded on Old Maple Farms Subdivision, it is still privately owned. He said the city can't direct the traffic thru private property. He asked the council if the extension of Lester Drive is still a priority. The council agreed.

**ADJOURNED:** Council Member Hyer moved to adjourn the City Council meeting at 7:25 p.m. Council Member Sjoblom seconded the motion. All were in favor.

**APPROVED:** \_\_\_\_\_ Date

**Mayor: Tammy Long**

\_\_\_\_\_  
**Transcriber: Michelle Clark**

**Attest:**

\_\_\_\_\_  
**City Recorder: Mark McRae**

# WATER CAPITAL IMPROVEMENTS PLAN (CIP)

FY 2018 - 2025 --- Minimal Scenario ---



Date: November 20, 2017

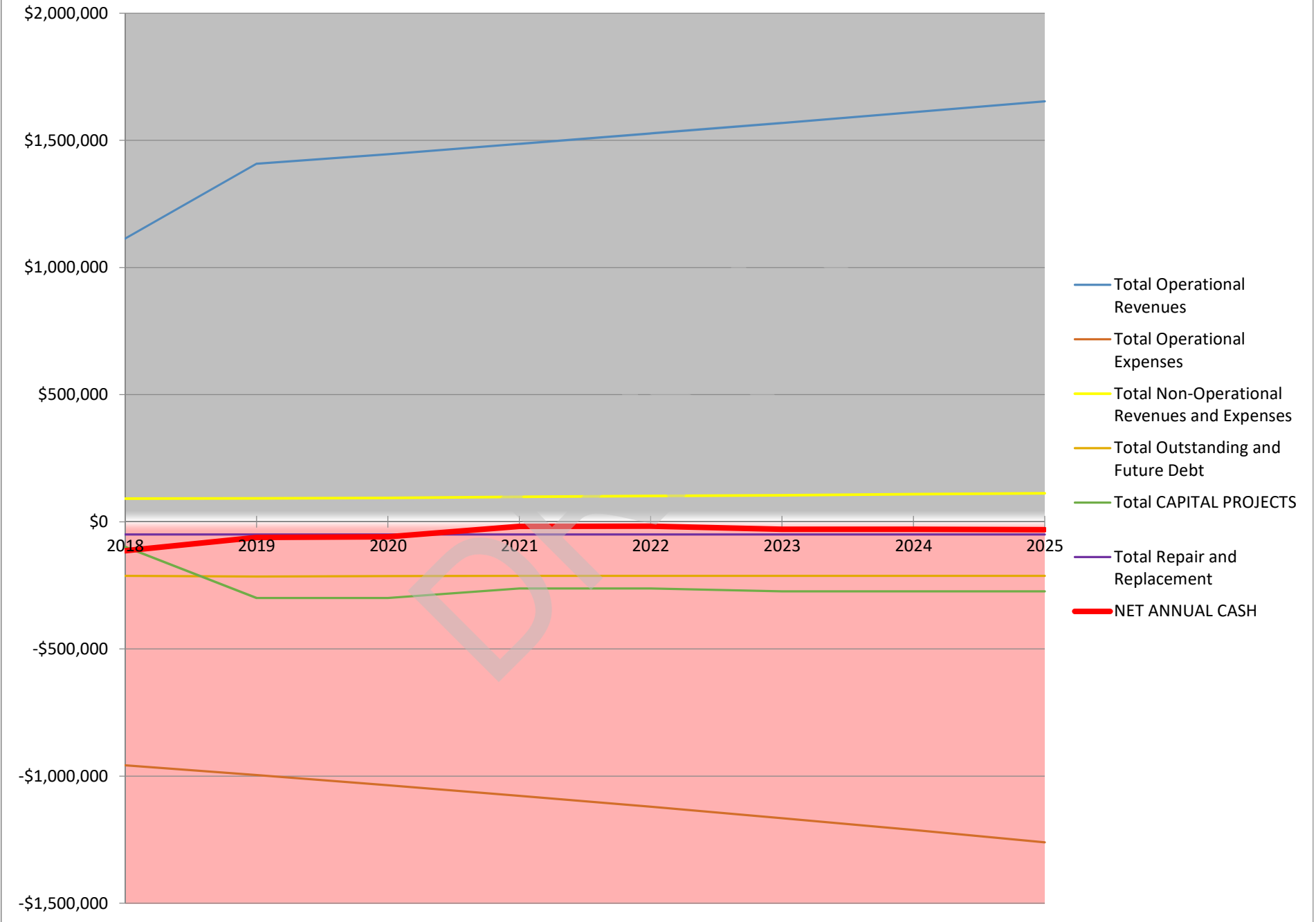
Project No.	Project Description	Project Cost *	Construction Year (FY)
1	Enter into contract with WBWCD for Impact Fee Pass-Through method of purchasing water	\$ 1,100	2017
2	Install new generator at Church Street pump station	\$ 98,125	2018
3a	Westside Reservoir Rehabilitation	\$ 299,413	2019
3b	Phase 2	\$ 299,413	2020
4a	Construct new supply line from West Bench reservoir(s) to South Weber Dr. at 475 E. for secondary feed to zone 1, including PRV; connect 925 East to S. Weber Drive	\$ 262,313	2021
4b	Phase 2	\$ 262,313	2022
5a	Construct Connection #4 to WBWCD's transmission line with pump station to pump to Zone 4	\$ 273,333	2023
5b	Phase 2	\$ 273,333	2024
5c	Phase 3	\$ 273,333	2025
<b>--- End of Culinary Water Rate Study Analysis ---</b>			
6a	Upsize to 8" pipe: 1375 East, south of Lester; 7600 South, west of 1375 East; 1800 East, south of 7775 South; 1750 East, south of 7775 South; Jensen Circle; 1250 East, between South Weber Dr. and Lester Dr.; replace lead joint pipe on Canyon Dr. between 1375 E and 1300 E	\$ 374,750	2026
6b	Phase 2	\$ 374,750	2027
7	Relocate transmission line to East Bench Reservoir #3	\$ 220,000	2028
8a	Connect Lincoln Lane and 2750 East; upsize to 8" 8075 South, 2575 East, and 2350 East (south of Deer Run Dr.); upsize US 89 crossing at 8075 South to 12"; abandon existing 4" PSV and replace with new 8" PRV and line on Peachwood Dr.	\$ 285,156	2029
8b	Phase 2	\$ 285,156	2030
9	Automate Weber Basin well feed to Reservoirs #1 and #2 to match supply to system demand	\$ 76,250	2031
10a	Upsize Cottonwood Dr. to 8" line	\$ 215,875	2031
10b	Phase 2	\$ 215,875	2032
11a	Replace West Bench Reservoir	\$ 367,071	2033
11b	Phase 2	\$ 367,071	2034
11c	Phase 3	\$ 367,071	2035

11d	Phase 4	\$	367,071	2036
11e	Phase 5	\$	367,071	2037
11f	Phase 6	\$	367,071	2038
11g	Phase 7	\$	367,071	2039
12a	Upsize to 8": 7875 South; 7925 South; Peachwood Dr. between 7925 South and Peachwood Way; 8100 South between Peachwood Drive and 2300 East; 2300 East; 2175 East; 7875 South between 2100 and 2175 East; 2100 East between 7800 South and City Park	\$	355,083	2040
12b	Phase 2	\$	355,083	2041
12c	Phase 3	\$	355,083	2042
13	Rehabilitate Well #1; add new generator; modify controls	\$	298,750	2043
14**	Upsize developer-installed loop from 7150 S to about 7400 South	\$	357,500	
15a	Upsize South Weber Drive (6650 South to end) to 10" line	\$	241,313	2044
15b	Phase 2	\$	241,313	2045
16**	Upsize remaining 4" and 6" lines to 8" (30,000 lf), as funds allow	\$	5,266,250	2046+
<b>TOTAL</b>		<b>\$</b>	<b>8,506,613</b>	<b>27</b>
<b>AVERAGE ANNUAL</b>		<b>\$</b>	<b>315,060</b>	

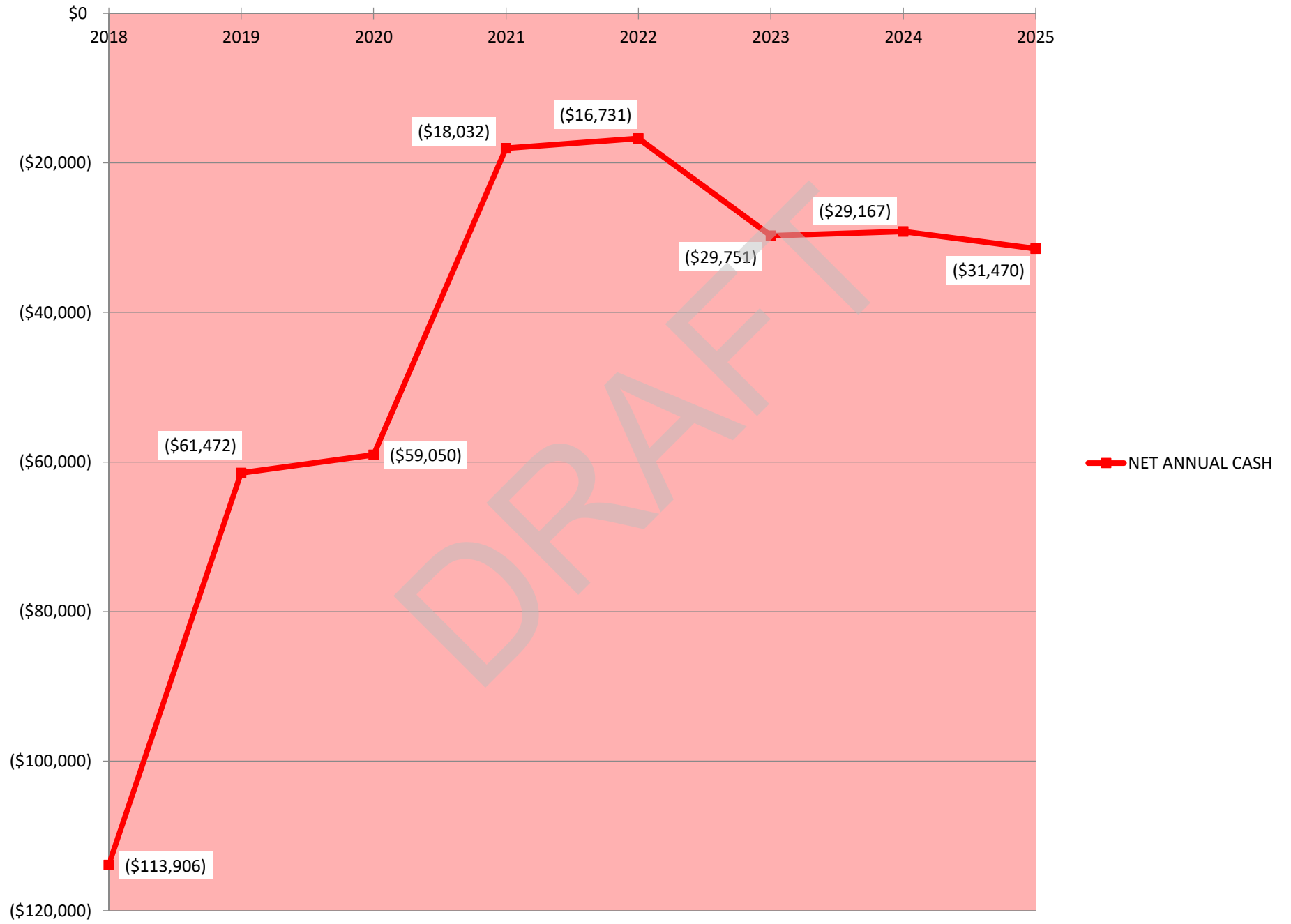
\* Project Costs from ZPFI Nov. 2017 Utility Rate Study (which DO NOT include a Construction Cost Inflation Rate)

\*\* Projects included for reference, but NOT included in Total, Average Annual, or number of Fiscal Years to construct

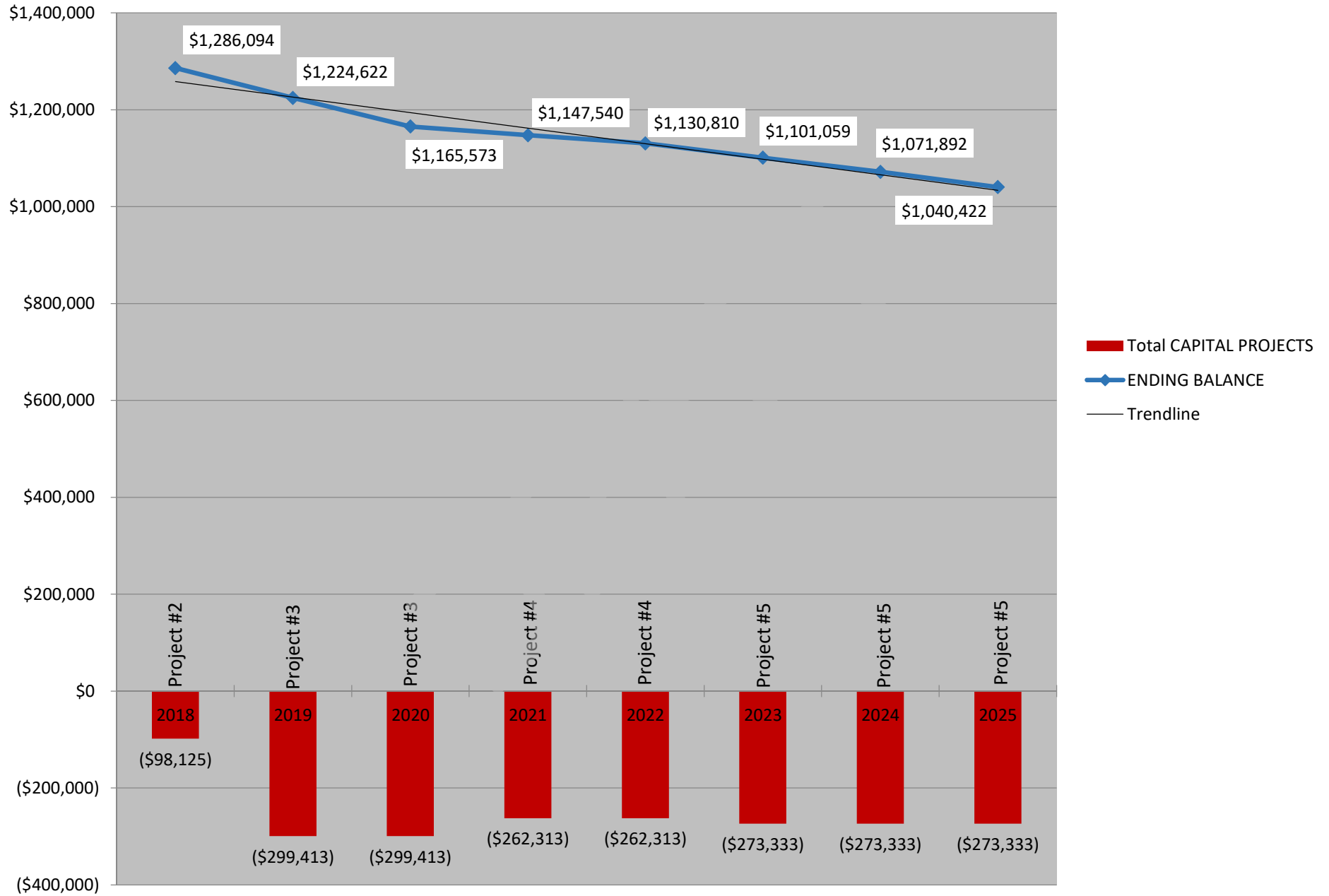
## FY18 - FY25 Water System Cash Flow - Minimal Scenario



# FY18 - FY25 Water System Cash Flow - Minimal Scenario



## FY18 - FY25 Water System End Balance - Minimal Scenario





# WATER CAPITAL IMPROVEMENTS PLAN (CIP)

FY 2018 - 2025 --- Proactive Scenario ---



Date: November 20, 2017

Project No.	Project Description	Project Cost *	Construction Year (FY)
1	Enter into contract with WBWCD for Impact Fee Pass-Through method of purchasing water	\$ 1,100	2017
2	Install new generator at Church Street pump station	\$ 98,125	2018
3	Westside Reservoir Rehabilitation	\$ 598,825	2019
4	Construct new supply line from West Bench reservoir(s) to South Weber Dr. at 475 E. for secondary feed to zone 1, including PRV; connect 925 East to S. Weber Drive	\$ 524,625	2020
5a	Construct Connection #4 to WBWCD's transmission line with pump station to pump to Zone 4	\$ 410,000	2021
5b	Phase 2	\$ 410,000	2022
6a	Upsize to 8" pipe: 1375 East, south of Lester; 7600 South, west of 1375 East; 1800 East, south of 7775 South; 1750 East, south of 7775 South; Jensen Circle; 1250 East, between South Weber Dr. and Lester Dr.; replace lead joint pipe on Canyon Dr. between 1375 E and 1300 E	\$ 374,750	2023
6b	Phase 2	\$ 374,750	2024
7	Relocate transmission line to East Bench Reservoir #3	\$ 220,000	2024
8	Connect Lincoln Lane and 2750 East; upsize to 8" 8075 South, 2575 East, and 2350 East (south of Deer Run Dr.); upsize US 89 crossing at 8075 South to 12"; abandon existing 4" PSV and replace with new 8" PRV and line on Peachwood Dr.	\$ 570,313	2025
<b>--- End of Culinary Water Rate Study Analysis ---</b>			
9	Automate Weber Basin well feed to Reservoirs #1 and #2 to match supply to system demand	\$ 76,250	2026
10a	Upsize Cottonwood Dr. to 8" line	\$ 215,875	2026
10b	Phase 2	\$ 215,875	2027
11a	Replace West Bench Reservoir	\$ 513,900	2027
11b	Phase 2	\$ 513,900	2028
11c	Phase 3	\$ 513,900	2029
11d	Phase 4	\$ 513,900	2030
11e	Phase 5	\$ 513,900	2031

12a	Upsize to 8": 7875 South; 7925 South; Peachwood Dr. between 7925 South and Peachwood Way; 8100 South between Peachwood Drive and 2300 East; 2300 East; 2175 East; 7875 South between 2100 and 2175 East; 2100 East between 7800 South and City Park	\$	532,625	2032
12b	Phase 2	\$	532,625	2033
13	Rehabilitate Well #1; add new generator; modify controls	\$	298,750	2034
14**	Upsize developer-installed loop from 7150 S to about 7400 South	\$	357,500	
15	Upsize South Weber Drive (6650 South to end) to 10" line	\$	482,625	2035
16**	Upsize remaining 4" and 6" lines to 8" (30,000 lf), as funds allow	\$	5,266,250	2036+
<b>TOTAL</b>		<b>\$</b>	<b>8,506,613</b>	<b>17</b>

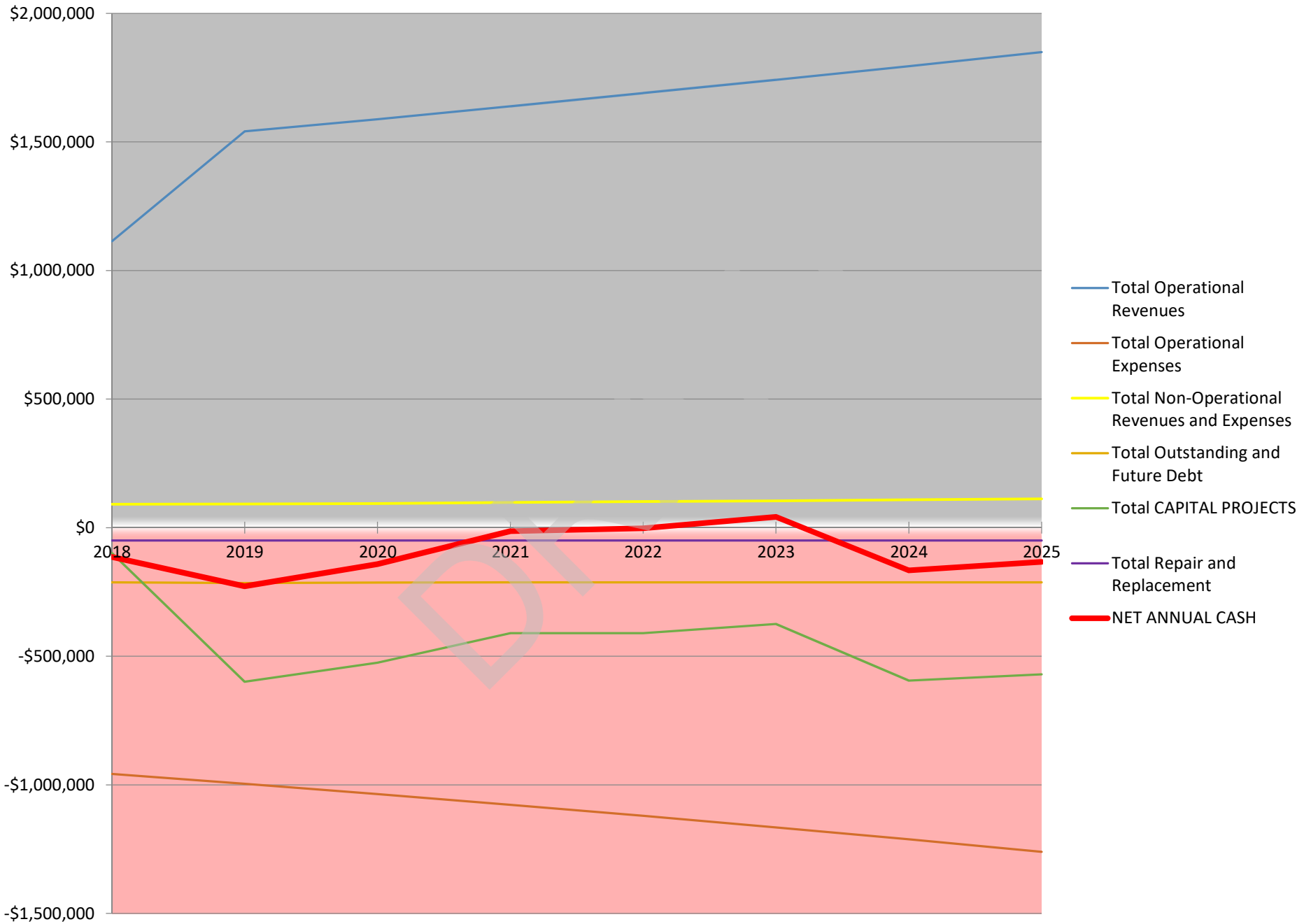
**AVERAGE ANNUAL      \$      500,389**

\* Project Costs from ZPFI Nov. 2017 Utility Rate Study (which DO NOT include a Construction Cost Inflation Rate)

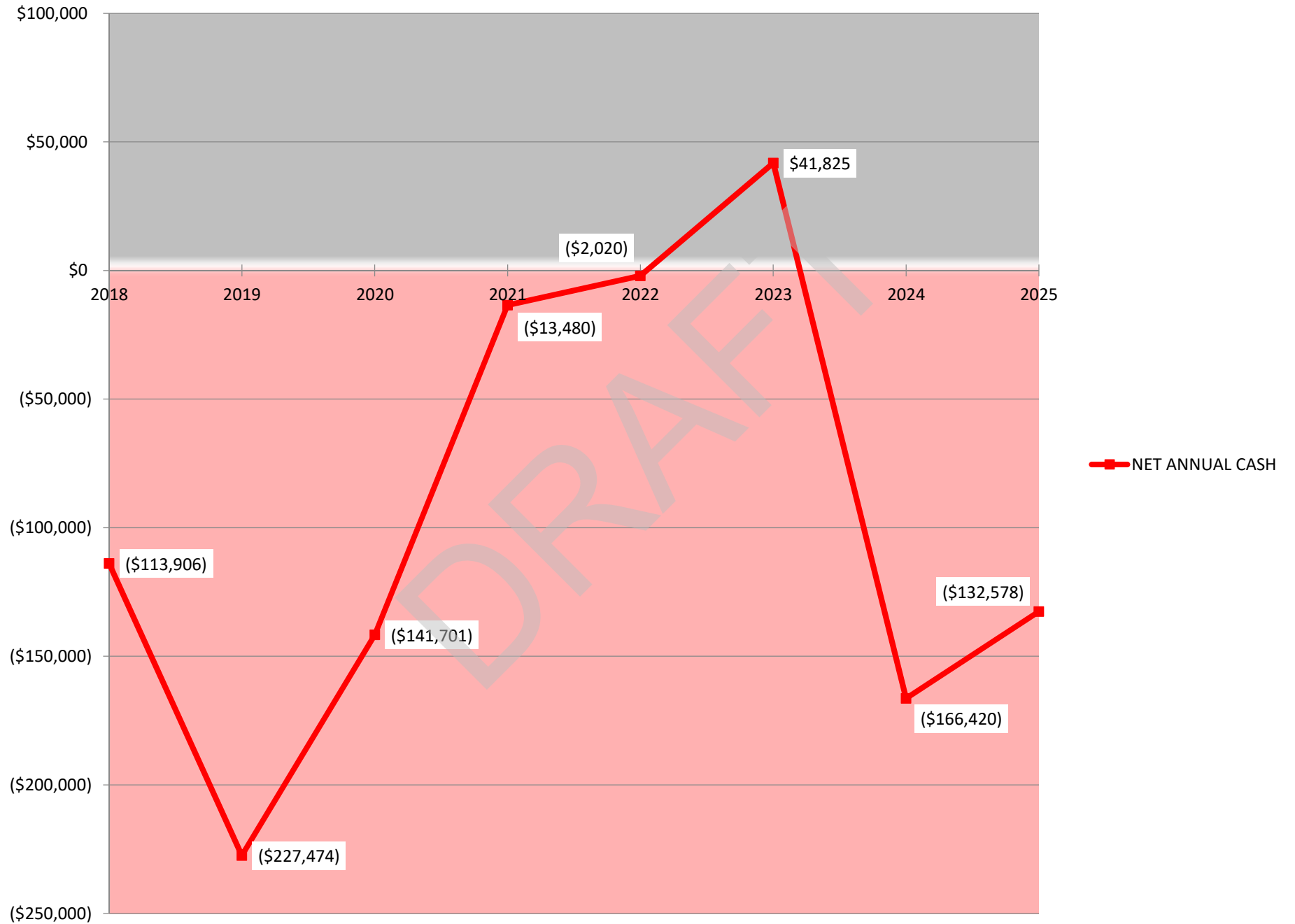
\*\* Projects included for reference, but NOT included in Total, Average Annual, or number of Fiscal Years to construct

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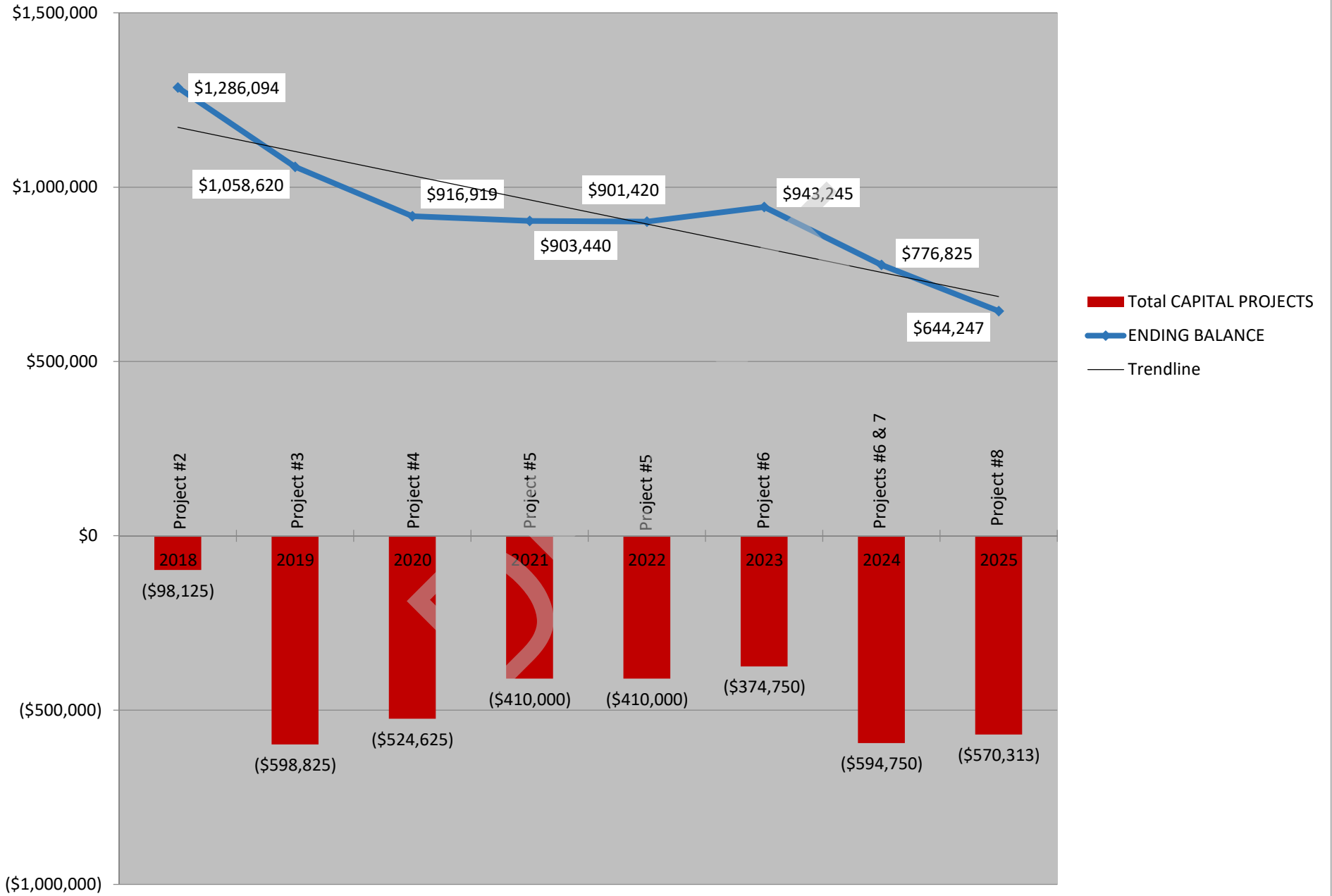
## FY18 - FY25 Water System Cash Flow - Proactive Scenario



# FY18 - FY25 Water System Cash Flow - Proactive Scenario



## FY18 - FY25 Water System End Balance - Proactive Scenario





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## Culinary Water Rates

### Growth Projections

Growth in culinary water equivalent residential units (ERUs) is taken directly from the City's recently-completed Culinary Water Impact Fee Facilities Plan and shows an average annual growth rate of 2.78 percent per year from 2017 through 2025.

TABLE 1: PROJECTED CULINARY WATER ERU GROWTH

Year	TOTAL ERUs	Residential ERUs	Commercial ERUs
2017	2,388	2,301	87
2018	2,457	2,367	90
2019	2,528	2,436	92
2020	2,599	2,504	95
2021	2,672	2,575	97
2022	2,746	2,647	99
2023	2,820	2,719	101
2024	2,896	2,791	105
2025	2,973	2,865	108

Water usage, for which culinary water users are charged in addition to a base monthly fee, is anticipated to grow in proportion to the increased ERUs.

TABLE 2: CULINARY WATER USAGE, 2017

Usage (in 000's) – Annual	
<b>RESIDENTIAL</b>	
<b>Under 2,000</b>	
Residential Using Secondary Water for Outdoor Needs	44,353
Residential w/Secondary Water Available	700
Residential w/o Secondary Water Available	239
Multi-Family Residential*	48
<b>2,001 - 4,000</b>	
Residential Using Secondary Water for Outdoor Needs	34,212
Residential w/Secondary Water Available	566
Residential w/o Secondary Water Available	186
Multi-Family Residential*	48
<b>4,001 - 6,000</b>	
Residential Using Secondary Water for Outdoor Needs	19,585
Residential w/Secondary Water Available	356
Residential w/o Secondary Water Available	138
Multi-Family Residential*	43
<b>6,001-8,000</b>	
Residential Using Secondary Water for Outdoor Needs	9,228
Residential w/Secondary Water Available	244
Residential w/o Secondary Water Available	84
Multi-Family Residential*	35
<b>8,001-10,000</b>	

<b>Usage (in 000's) – Annual</b>	
Residential Using Secondary Water for Outdoor Needs	4,512
Residential w/Secondary Water Available	187
Residential w/o Secondary Water Available	77
<b>10,001+</b>	
Residential Using Secondary Water for Outdoor Needs	19,307
<b>10,001 - 15,000</b>	
Residential w/Secondary Water Available	317
Residential w/o Secondary Water Available	153
<b>15,001-31,000</b>	
Residential w/Secondary Water Available	647
Residential w/o Secondary Water Available	314
<b>31,000 +</b>	
Residential w/Secondary Water Available	632
Residential w/o Secondary Water Available	340
<b>COMMERCIAL</b>	
Under 2,000	237
2,001 - 4,000	184
4,001 - 6,000	166
6,001 - 8,000	152
8,001-10,000	138
10,001-30,000	1,061
30,001-60,000	680
60,000+	5,843

### Operating Expenses

Expense projections are shown in detail in Appendix A. In general, all operating expenses have been grown at an average annual rate of four percent (4%) per year to account for growth in ERUs and for inflation.

### Outstanding Debt

Outstanding debt that must be covered by the Culinary Water Fund include payments on the outstanding 2010 Water Revenue Bond, with payments varying slightly from year-to-year, but averaging around \$215,000 per year.

### Capital Projects

Two scenarios have been explored in this study with respect to capital projects: 1) minimal; and 2) proactive. While the capital projects are the same under both scenarios, the timing for completion of those projects is increased under the proactive scenario. The capital projects are shown in detail in the Appendix.

### Repair and Replacement

Based on conversations with the City, an amount of \$50,000 annually has been budgeted for repair and replacement of culinary water facilities.



## Cash Balances

The beginning cash balance in the Culinary Water Utility Fund is \$1,400,000.<sup>1</sup> This represents 537 days cash on hand, based on the ratio of the cash balance to operating expenses. Good management practices suggest that the City should plan to keep 275 days cash on hand going forward. An absolute minimum level of cash on hand, in order not to negatively impact bond ratings, is 150 days.

## Rate Structuring

Current rates are structured as follows:

TABLE 3: CURRENT RATE STRUCTURE

Category	Amount
<b>BASE FEE</b>	\$38.43
<b>OVERAGE FEES</b>	
<b>2,000 and Under</b>	
Residential Using Secondary Water for Outdoor Needs	\$0.00
Residential w/Secondary Water Available	\$0.00
Residential w/o Secondary Water Available	\$0.00
Multi-Family Residential*	\$0.00
Commercial	\$0.00
<b>2,001 - 4,000</b>	
Residential Using Secondary Water for Outdoor Needs	\$0.00
Residential w/Secondary Water Available	\$0.00
Residential w/o Secondary Water Available	\$0.00
Multi-Family Residential*	\$0.00
Commercial	\$0.00
<b>4,001 - 6,000</b>	
Residential Using Secondary Water for Outdoor Needs	\$0.00
Residential w/Secondary Water Available	\$0.00
Residential w/o Secondary Water Available	\$0.00
Multi-Family Residential*	\$0.00
Commercial	\$0.00
<b>6,001-8,000</b>	
Residential Using Secondary Water for Outdoor Needs	\$1.48
Residential w/Secondary Water Available	\$1.48
Residential w/o Secondary Water Available	\$1.48
Multi-Family Residential*	\$1.48
Commercial	\$1.48
<b>8,001-10,000</b>	
Residential Using Secondary Water for Outdoor Needs	\$1.83
Residential w/Secondary Water Available	\$1.83

<sup>1</sup> Source: South Weber City



Category	Amount
Residential w/o Secondary Water Available	\$1.83
Commercial	\$1.83
<b>10,001+</b>	
Residential w/Secondary Water Available	\$2.65
<b>10,001-15,000</b>	
Residential w/Secondary Water Available	\$5.20
Residential w/o Secondary Water Available	\$1.99
<b>15,001-31,000</b>	
Residential w/Secondary Water Available	\$5.75
Residential w/o Secondary Water Available	\$2.14
<b>31,000+</b>	
Residential w/Secondary Water Available	\$6.31
Residential w/o Secondary Water Available	\$2.60
<b>10,001-30,000</b>	
Commercial	\$1.95
<b>30,001-60,000</b>	
Commercial	\$2.04
<b>60,001+</b>	
Commercial	\$2.60

Utility rates are generally structured with a base rate and usage fees. Different utilities have varying ratios of base fees and usage fees. Base fees provide great stability to a utility fund, whereas usage fees can be employed to encourage conservation by increasing usage fees for higher levels of water use.

### Proposed Rates

Proposed rates are shown for both the minimal and proactive. The difference between the “minimal” and “proactive” scenarios is based on when the needed capital projects are completed.

- Minimal Scenario
  - Base fee is reduced to \$34.00 per month, with usage fees added for tiers below 6,000 gallons. Existing usage fees for tiers above 6,000 gallons are held constant, with no annual rate increases.
- Proactive Scenario
  - Base Fee of \$38.43 per month is held constant, with usage fees added for tiers below 6,000 gallons. Annual rate increases are added to all tiers.

TABLE 4: SCENARIO COMPARISON

	Base Fee	Additional Tiers for Usage Under 6,000 Gallons	Usage for Tiers > 6,000 Gallons
Minimal	\$34.00	Under 2,000 - \$1.35 2,001 – 4,000 gallons - \$1.40 4,001 – 6,000 gallons -	No annual fee Increases

	Base Fee	Additional Tiers for Usage Under 6,000 Gallons	Usage for Tiers > 6,000 Gallons
Proactive	\$38.43	\$1.45 Under 2,000 - \$1.35 2,001 – 4,000 gallons - \$1.40 4,001 – 6,000 gallons - \$1.45	Annual fee Increases of 2%

The above guidelines result in the following rates in the years shown.

TABLE 5: SCENARIO COMPARISON FOR CURRENT FEES, 2019 AND 2025

	Current Rates	Minimal 2019	Proactive 2019	Minimal 2025	Proactive 2025
<b>Annual Base Fee</b>	<b>\$38.43</b>	<b>\$34.00</b>	<b>\$38.43</b>	<b>\$34.00</b>	<b>\$38.43</b>
<b>Residential</b>					
< 2000 gallons	\$0.00	\$1.35	\$1.35	\$1.35	\$1.52
2001 - 4000 gallons	\$0.00	\$1.40	\$1.40	\$1.40	\$1.58
4001-6000 gallons	\$0.00	\$1.45	\$1.45	\$1.45	\$1.63
6001 - 8000 gallons	\$1.48	\$1.48	\$1.51	\$1.48	\$1.70
8001 – 10000	\$1.83	\$1.83	\$1.87	\$1.83	\$2.10
<b>Commercial</b>					
< 2000 gallons	\$0.00	\$1.35	\$1.35	\$1.35	\$1.52
2001 - 4000 gallons	\$0.00	\$1.40	\$1.40	\$1.40	\$1.58
4001-6000 gallons	\$0.00	\$1.45	\$1.45	\$1.45	\$1.63
6001 - 8000 gallons	\$1.48	\$1.48	\$1.51	\$1.48	\$1.70
8001 – 10000	\$1.83	\$1.83	\$1.87	\$1.83	\$2.10
10000 – 30000	\$1.95	\$1.95	\$1.99	\$1.95	\$2.24
30000 – 60000	\$2.04	\$2.04	\$2.08	\$2.04	\$2.34
60000+	\$2.60	\$2.60	\$2.65	\$2.60	\$2.99

Using the above rates would impact ratepayers as shown in the table below:

TABLE 6: SCENARIO COMPARISON FOR CURRENT FEES, 2019 AND 2025

	TOTAL Annual Water Payments 2018	TOTAL Annual Water Payments 2019	TOTAL Annual Water Payments 2025
<b>Residential 10,000 gallons use</b>			
Minimal	\$467.78	\$423.02	\$423.02
Proactive	\$467.78	\$476.32	\$478.22
<b>Commercial - 80,000 gals</b>			
Minimal	\$619.98	\$575.22	\$575.22

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	<b>TOTAL Annual Water Payments 2018</b>	<b>TOTAL Annual Water Payments 2019</b>	<b>TOTAL Annual Water Payments 2025</b>
Proactive	\$619.98	\$631.52	\$653.02

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### **Debt Coverage Ratios**

Debt coverage ratios need to stay within a minimum ratio of 1.25 times revenues to operating expenses.

### **Days Cash on Hand**

The rates have been designed to never get lower than 150 days cash on hand; otherwise, the City's ability to issue bonds could be impaired. A good target for days cash on hand is 275 days.

# SEWER CAPITAL IMPROVEMENTS PLAN (CIP)

**FY 2018 - 2025**

Date: November 20, 2017

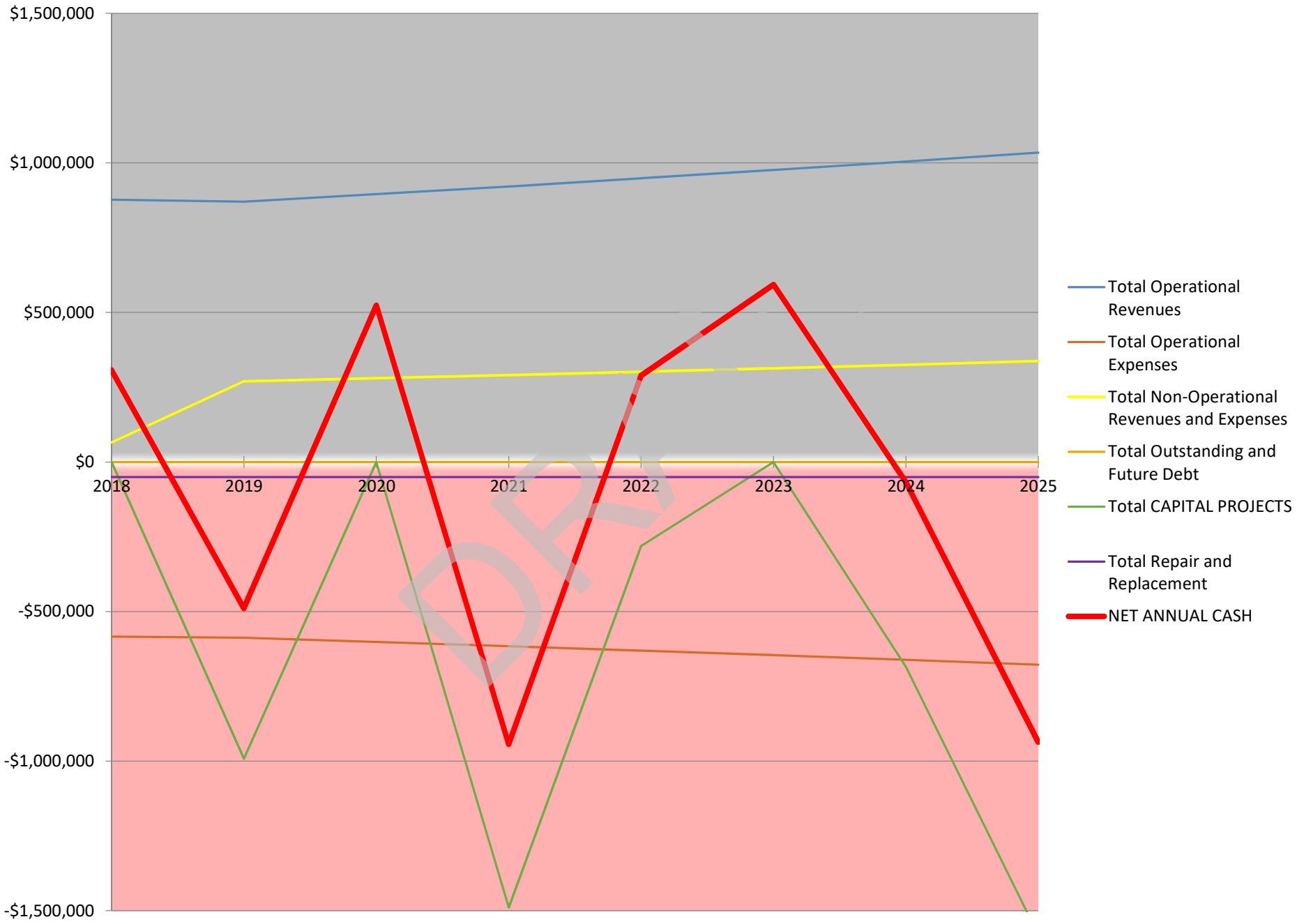


Project No.	Project Description	Project Cost *	Construction Year (FY)
1	Replace trunk line along Old Fort Road and Canyon Dr, to 1475 E	\$ 991,814	2019
2	Replace trunk line along Canyon Dr, 1700 E, and South Weber Dr, from 1475 E to 1900 E	\$ 1,323,375	2021
3	Replace trunk line along 1900 E from South Weber Dr to 7550 S	\$ 242,000	2022
4	Replace trunk line along South Weber Dr from 1900 E to 2100 E	\$ 557,050	2024
5	Sewer line from South Bench, re-route Lester Drive to CWSID trunk line via 7240 S	\$ 1,247,750	2025
<b>TOTAL</b>		<b>\$ 4,361,989</b>	<b>7</b>
<b>AVERAGE ANNUAL</b>		<b>\$ 623,141</b>	

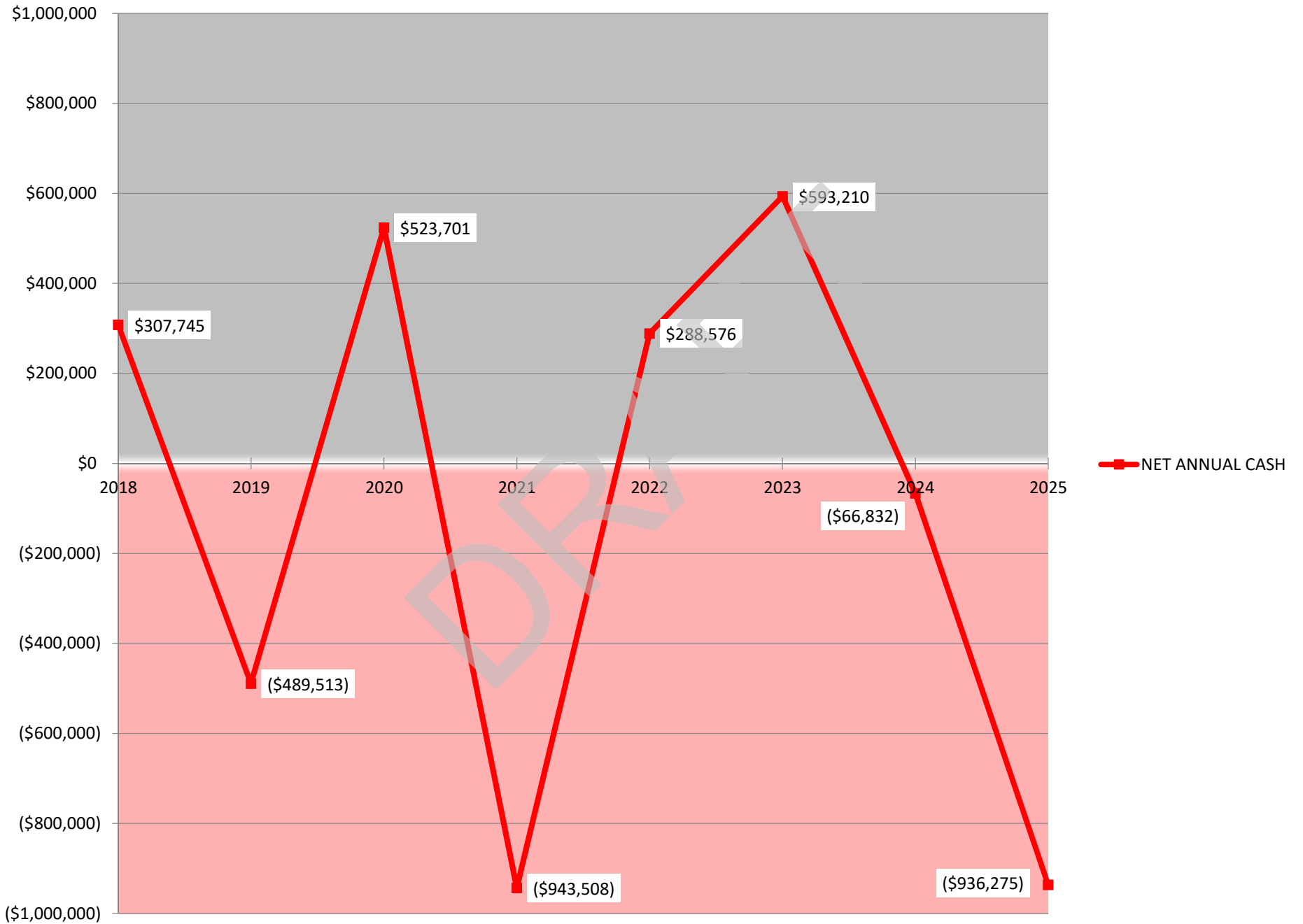
\* Project Costs from ZPFI Nov. 2017 Utility Rate Study (which include a 3% Construction Cost Inflation Rate)

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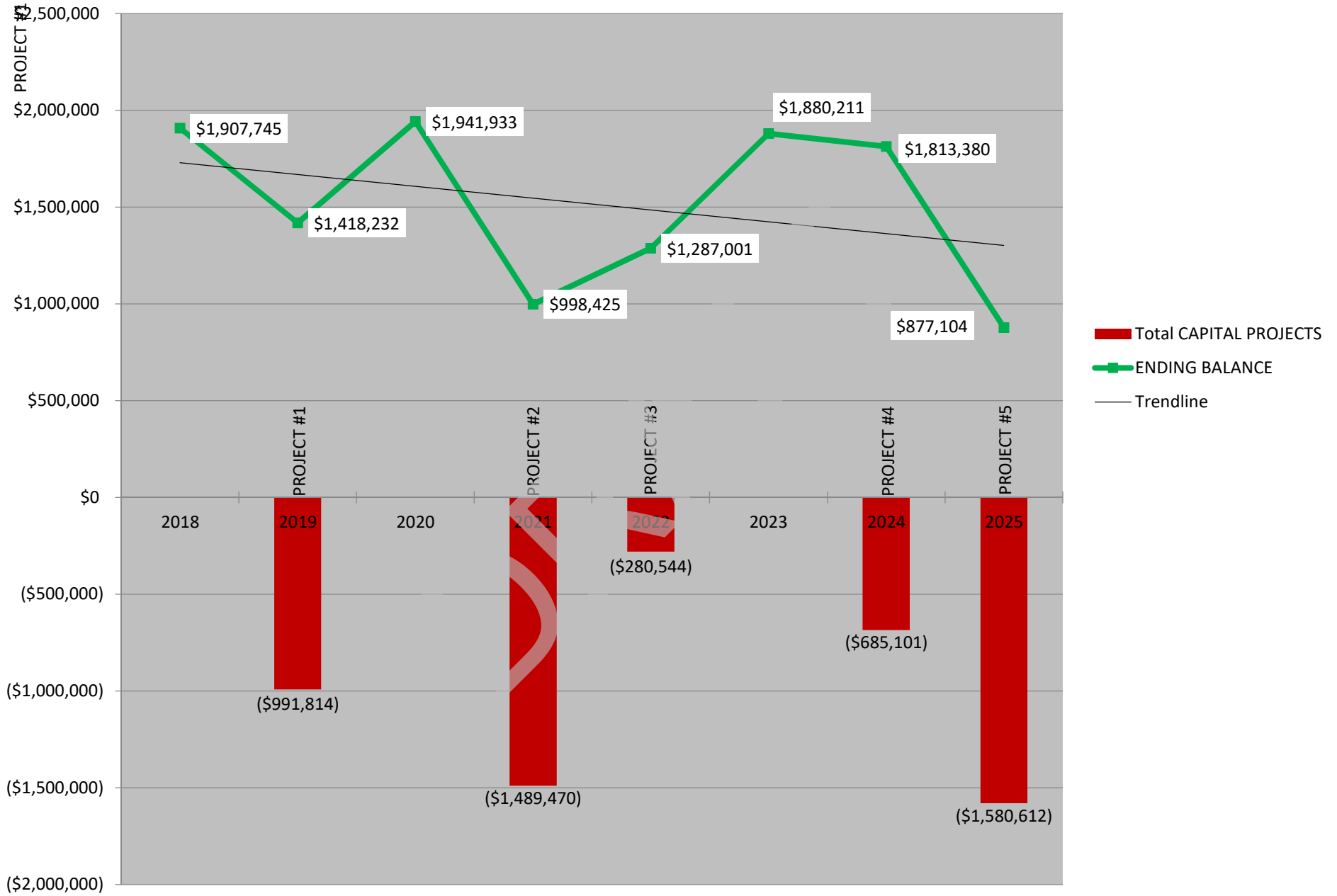
## FY18 - FY25 Sanitary Sewer System Cash Flow



# FY18 - FY25 Sanitary Sewer System Cash Flow



## FY18 - FY25 Sanitary Sewer System End Balance







## South Weber City

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# Sanitary Sewer Rate Analysis - DRAFT

November 2017

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## Sewer Rates

### Growth Projections

Growth in sewer connections is based on the City's existing sewer equivalent residential units (ERUs), which are then grown at the same rate as shown in the City's Sewer Impact Fee Facilities Plan, prepared by Jones Engineering. Growth projections are as follows:

TABLE 1: PROJECTED SEWER ERC GROWTH

Year	ERUs
2017	2,087
2018	2,170
2019	2,257
2020	2,348
2021	2,441
2022	2,539
2023	2,641
2024	2,746
2025	2,856

There are 2,087 sewer ERUs in the City in 2017. Of the total ERUs, 1,998 are single-family residential, 64 are multi-family residential and the remaining 25 ERUs are non-residential in nature. Growth projections by development type are shown in Appendix A.

TABLE 2: PROJECTED SEWER ERU GROWTH BY DEVELOPMENT TYPE

Development Type	ERUs
Residential ERUs (non-multi-family)	1,998
Commercial	13
Church	4
School	3
Job Corps	1
Non-City Residential	4
Multi-Family Residential	64
<b>TOTAL</b>	<b>2,087</b>

### Operating Expenses

Operating expenses are based on current operating expenses, which are then grown at an average annual rate of four percent per year.

TABLE 3: PROJECTED OPERATING EXPENSES

	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25
Full-Time Employee Salaries	(\$31,000)	(\$32,240)	(\$33,530)	(\$34,871)	(\$36,266)	(\$37,716)	(\$39,225)	(\$40,794)
Part-time Employee Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefit - Retirement	(\$8,000)	(\$8,320)	(\$8,653)	(\$8,999)	(\$9,359)	(\$9,733)	(\$10,123)	(\$10,527)
Employee Benefit - Employer FICA	(\$3,000)	(\$3,120)	(\$3,245)	(\$3,375)	(\$3,510)	(\$3,650)	(\$3,796)	(\$3,948)
Employee Benefit - Work. Comp.	\$1,000	\$1,040	\$1,082	\$1,125	\$1,170	\$1,217	\$1,265	\$1,316
Employee Benefit - UI	(\$500)	(\$520)	(\$541)	(\$562)	(\$585)	(\$608)	(\$633)	(\$658)
Employee Benefit - Health Ins.	(\$3,000)	(\$3,120)	(\$3,245)	(\$3,375)	(\$3,510)	(\$3,650)	(\$3,796)	(\$3,948)
Uniforms	(\$400)	(\$416)	(\$433)	(\$450)	(\$468)	(\$487)	(\$506)	(\$526)
Travel and Training	(\$2,000)	(\$2,080)	(\$2,163)	(\$2,250)	(\$2,340)	(\$2,433)	(\$2,531)	(\$2,632)
Office Supplies & Expense	(\$1,200)	(\$1,248)	(\$1,298)	(\$1,350)	(\$1,404)	(\$1,460)	(\$1,518)	(\$1,579)
Equipment Supplies & Maint.	(\$4,000)	(\$4,160)	(\$4,326)	(\$4,499)	(\$4,679)	(\$4,867)	(\$5,061)	(\$5,264)
Vehicle Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sewer - Power & Pumping	(\$500)	(\$520)	(\$541)	(\$562)	(\$585)	(\$608)	(\$633)	(\$658)
Professional/Technical-Engin	(\$5,200)	(\$5,408)	(\$5,624)	(\$5,849)	(\$6,083)	(\$6,327)	(\$6,580)	(\$6,843)
Professional & Tech. - Auditor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software Maintenance	(\$2,200)	(\$2,288)	(\$2,380)	(\$2,475)	(\$2,574)	(\$2,677)	(\$2,784)	(\$2,895)
Utility Billing Services	(\$6,500)	(\$6,760)	(\$7,030)	(\$7,312)	(\$7,604)	(\$7,908)	(\$8,225)	(\$8,554)
Sewer O & M Charge	(\$22,000)	(\$22,880)	(\$23,795)	(\$24,747)	(\$25,737)	(\$26,766)	(\$27,837)	(\$28,950)
Sewer Treatment Fees	(\$470,000)	(\$498,200)	(\$528,092)	(\$559,778)	(\$593,364)	(\$628,966)	(\$666,704)	(\$706,706)
Connection Fee - CWSID	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Banking Charges	(\$3,000)	(\$3,120)	(\$3,245)	(\$3,375)	(\$3,510)	(\$3,650)	(\$3,796)	(\$3,948)
Projects	(\$20,000)							
Transfer to Administrative Services	(\$32,500)	(\$46,282)	(\$48,656)	(\$51,157)	(\$53,791)	(\$56,566)	(\$59,489)	(\$62,568)
<b>Total Operational Expenses</b>	<b>(\$614,000)</b>	<b>(\$639,642)</b>	<b>(\$675,715)</b>	<b>(\$713,860)</b>	<b>(\$754,197)</b>	<b>(\$796,856)</b>	<b>(\$841,969)</b>	<b>(\$889,682)</b>

## Outstanding Debt

There is no outstanding debt in the sewer fund.

## Capital Projects

Capital projects were provided by the City's Engineers as follows:<sup>1</sup>

TABLE 4: CAPITAL PROJECTS SCHEDULE

Project No.	Project Description	Future Development	Estimated Construction Year
1	Replace trunk line along Old Fort Road and Canyon Dr., to 1475 E	\$934,880	2019
2	Replace trunk line along Canyon Dr., 1700 E, & S. Weber Dr., from 1475 E to 1900 E	\$1,323,375	2019-2020
3	Replace trunk line along 1900 E from South Weber Dr to 7550 S	\$242,000	2021
4	Replace trunk line along South Weber Drive from 1900 E to 2100 E	\$557,050	2021-2022
5	Sewer line from South Bench, re-route Lester Dr. to CWSID trunk line via 7240 S	\$1,247,750	2023-2024
<b>TOTAL</b>		\$4,305,055	

## Repair and Replacement

Based on conversations with the City, an amount of \$50,000 annually has been budgeted for repair and replacement of sewer facilities.

## Cash Balances

The beginning cash balance in the Sewer Utility Fund is \$1,672,177<sup>2</sup> as of the end of FY2017. This represents 531 days cash on hand, based on the ratio of the cash balance to operating expenses. Good management practices suggest that the City should plan to keep 275 days cash on hand going forward. An absolute minimum level of cash on hand, in order not to negatively impact bond ratings, is 150 days.

## Current Rate Structuring

The current rates are structured as follows:

TABLE 5: CURRENT SEWER RATE STRUCTURE

Development Type	Amount per Month
Residential	\$14.33
Commercial (Minimum)	\$28.66
Church	\$29.56

<sup>1</sup> Jones & Associates, *Sanitary Sewer Capital Facilities Plan and Impact Fee Facilities Plan*, p. 17.

<sup>2</sup> Source: South Weber City, November 2017.

<b>Development Type</b>	<b>Amount per Month</b>
School	\$113.90
Job Corps	\$770.49
Non-City Residential	\$20.50
Multi-Family Residential	\$10.89

The smaller base fee per multi-family residential unit is based on the relatively smaller household sizes, and therefore less demand on sewer facilities. Average household sizes in South Weber are 3.6 persons per household for single-family and 3.07 persons for multi-family.<sup>3</sup> Therefore, multi-family has, on average, 85 percent as many household members as does single-family. The current fee ratio for multi-family is 76 percent, reflecting the smaller household size. Therefore, at some point in the future, the City may want to consider rate structuring that would bring multi-family residential fees somewhat closer to the 85 percent, rather than 76 percent, ratio.

### **Proposed Rate Structuring**

No changes in sewer fees are contemplated as part of this study. As Appendix A shows, the City's current rates are sufficient to cover the demand from operating expenses and capital expenses projected through 2025.

### **Debt Coverage Ratios**

No new bonds appear to be needed for sewer infrastructure within the next ten years and no bonds are currently outstanding.

### **Days Cash on Hand**

Days cash on hand never gets lower than 381 days which is within the guidelines set forth in this report.

<sup>3</sup> United States 2010 Census



## **Appendix A – Sanitary Sewer Rate Analysis**

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		FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25
SEWER RATE ANALYSIS			1	2	3	4	5	6	7	8
	Banking Charges	(\$2,000)	(\$3,000)	(\$3,120)	(\$3,245)	(\$3,375)	(\$3,510)	(\$3,650)	(\$3,796)	(\$3,948)
	Projects	(\$580,000)	(\$20,000)							
	Transfer to Administrative Services	\$0	(\$32,500)	(\$46,282)	(\$48,656)	(\$51,157)	(\$53,791)	(\$56,566)	(\$59,489)	(\$62,568)
	<b>Total Operational Expenses</b>	<b>(\$1,148,500)</b>	<b>(\$614,000)</b>	<b>(\$639,642)</b>	<b>(\$675,715)</b>	<b>(\$713,860)</b>	<b>(\$754,197)</b>	<b>(\$796,856)</b>	<b>(\$841,969)</b>	<b>(\$889,682)</b>
	<b>Non-Operating Revenues</b>									
	Interest	\$6,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	Impact Fees	\$132,000	\$50,000	\$254,715	\$264,903	\$275,499	\$286,519	\$297,980	\$309,899	\$322,295
	Depreciation	\$90,000	\$99,000	\$102,960	\$107,078	\$111,362	\$115,816	\$120,449	\$125,267	\$130,277
	<b>Non-Operating Expenses</b>									
	Depreciation	(\$90,000)	(\$99,000)	(\$102,960)	(\$107,078)	(\$111,362)	(\$115,816)	(\$120,449)	(\$125,267)	(\$130,277)
	<b>Total Non-Operational Revenues and Expenses</b>	<b>\$138,000</b>	<b>\$65,000</b>	<b>\$269,715</b>	<b>\$279,903</b>	<b>\$290,499</b>	<b>\$301,519</b>	<b>\$312,980</b>	<b>\$324,899</b>	<b>\$337,295</b>
	<b>Net Revenues Available for Debt Service</b>	<b>(\$142,100)</b>	<b>\$318,000</b>	<b>\$555,711</b>	<b>\$577,314</b>	<b>\$599,780</b>	<b>\$623,143</b>	<b>\$647,440</b>	<b>\$672,706</b>	<b>\$698,981</b>
<i>Outstanding Debt</i>	Sewer Revenue Bond									
<i>Future Debt</i>	Bond 1									
	Bond 2									
	Bond 3									
	<b>Total Outstanding and Future Debt</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<i>Coverage Ratio with Impact Fees (Min = 1.25; Target = 1.5)</i>	-	-	-	-	-	-	-	-	-
	<i>Coverage Ratio without Impact Fees (Min = 1.0)</i>	-	-	-	-	-	-	-	-	-
	<b>Net Revenues After Debt Service</b>	<b>(\$142,100)</b>	<b>\$318,000</b>	<b>\$555,711</b>	<b>\$577,314</b>	<b>\$599,780</b>	<b>\$623,143</b>	<b>\$647,440</b>	<b>\$672,706</b>	<b>\$698,981</b>
<b>Bond Proceeds</b>										
		FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25
<b>Capital Needs</b>										
	1 Replace trunk line along Old Fort Road and Canyon Dr., to 1475 E			(\$934,880)						
	2 Replace trunk line along Canyon Dr., 1700 E, & S. Weber Dr., from 1475 E to 1900 E			(\$661,688)	(\$661,688)					
	3 Replace trunk line along 1900 E from South Weber Dr to 7550 S					(\$242,000)				
	4 Replace trunk line along South Weber Drive from 1900 E to 2100 E					(\$278,525)	(\$278,525)			
	5 Sewer line from South Bench, re-route Lester Dr. to CWSID trunk line via 7240 S							(\$623,875)	(\$623,875)	
<b>TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>(\$1,596,568)</b>	<b>(\$661,688)</b>	<b>(\$520,525)</b>	<b>(\$278,525)</b>	<b>(\$623,875)</b>	<b>(\$623,875)</b>	<b>\$0</b>
<b>Repair and Replacement</b>		<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>	<b>(\$50,000)</b>
<b>Beginning Cash Balance</b>		<b>\$0</b>	<b>\$1,672,177</b>	<b>\$1,940,177</b>	<b>\$849,320</b>	<b>\$714,947</b>	<b>\$744,202</b>	<b>\$1,038,820</b>	<b>\$1,012,385</b>	<b>\$1,011,216</b>
<b>Ending Cash Balance</b>		<b>\$1,672,177</b>	<b>\$1,940,177</b>	<b>\$849,320</b>	<b>\$714,947</b>	<b>\$744,202</b>	<b>\$1,038,820</b>	<b>\$1,012,385</b>	<b>\$1,011,216</b>	<b>\$1,660,196</b>