



# UTILITY RATES

## Thursday 2pm



# UTILITY RATE APPROACH

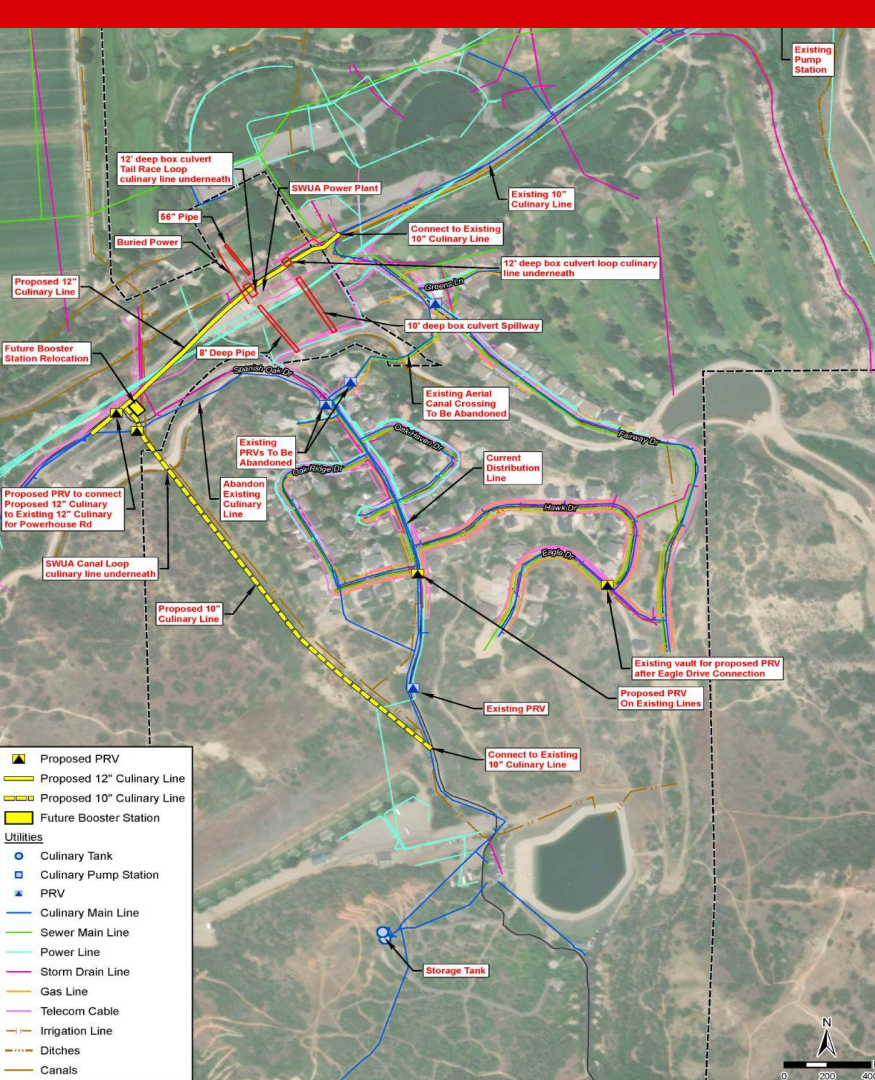
- Focus on the Aggregate Rate Change
  - What is the Overall Impact on Residents Utility Bill?
  - Keep Monthly Increases at or below the \$6-7 Range
  - Avoid Large Single Year Increases

**Is this the Right Approach?**

# WATER RATES







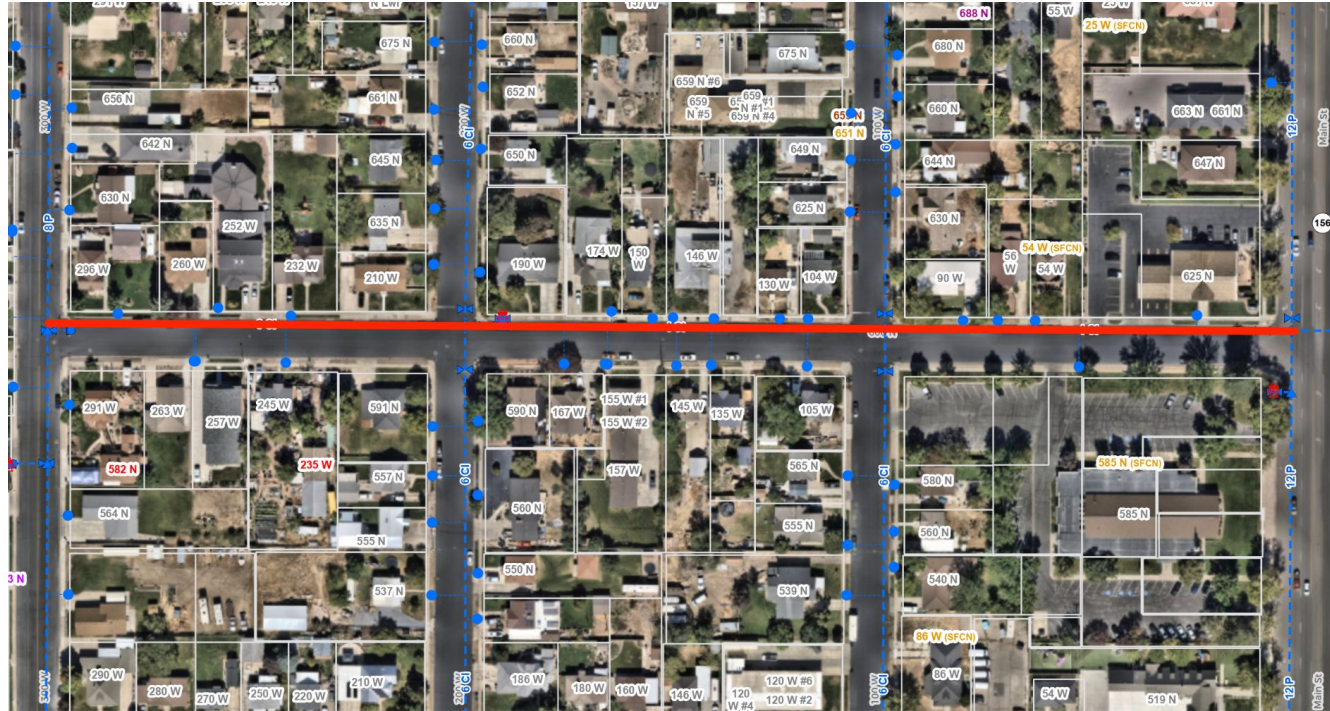
# OAKS TRANSMISSION LINE

- Currently Under Design
- FY27 Construction
- Relocates Transmission Line
- \$3M Total Cost

# 600 N MAIN-300W

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- Finish Before Main Street Project
- Replace Existing 4" and 8" Lines
- \$546K Total Cost

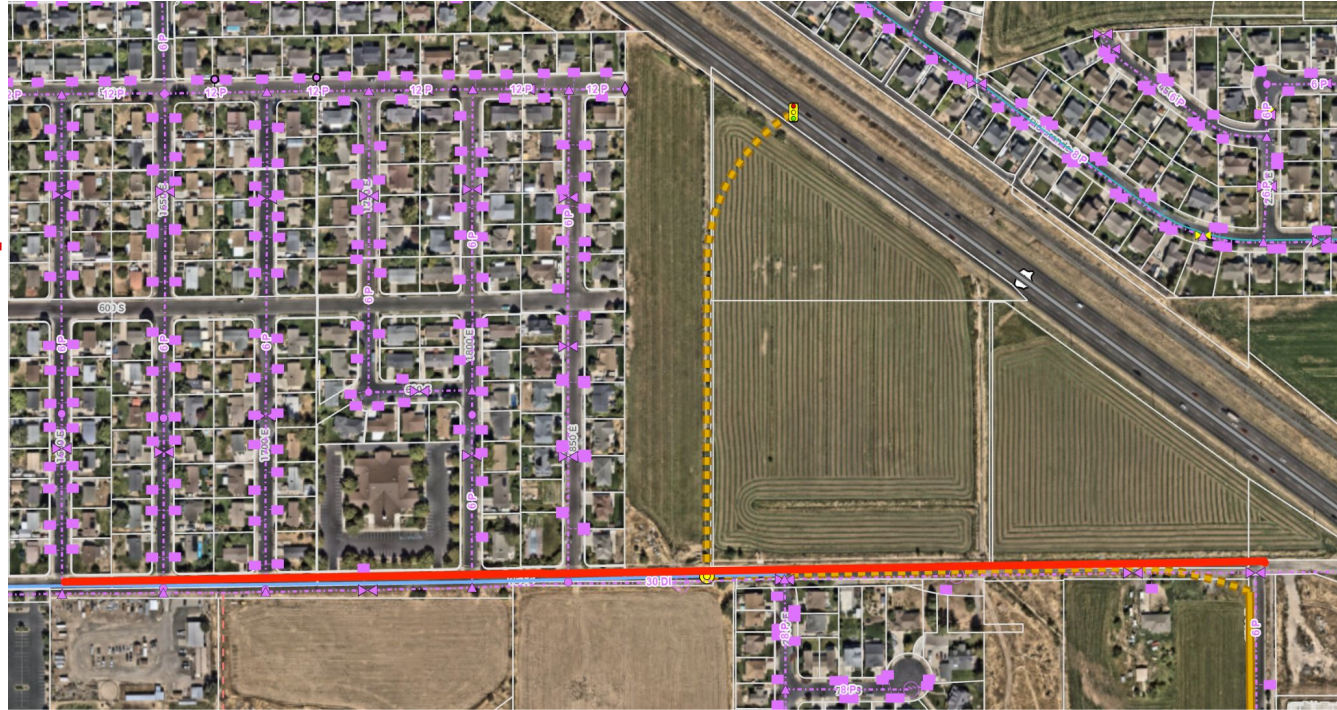




# 750 S 1600 E - 2300E

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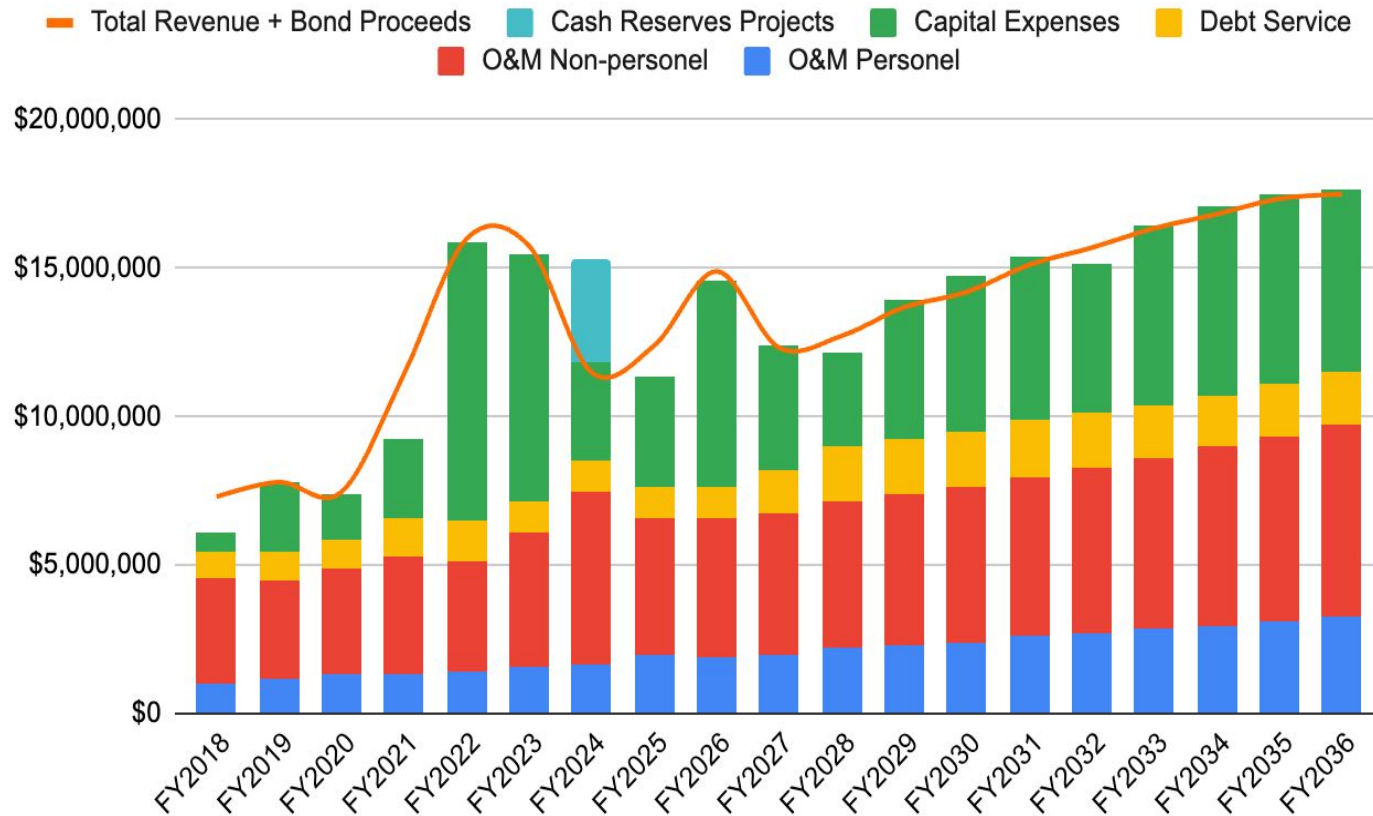
- Complete Before 2000 E Roadway
- Replace Existing 30" PI Line
- \$1M Total Cost



# FUTURE WATER PLANNING

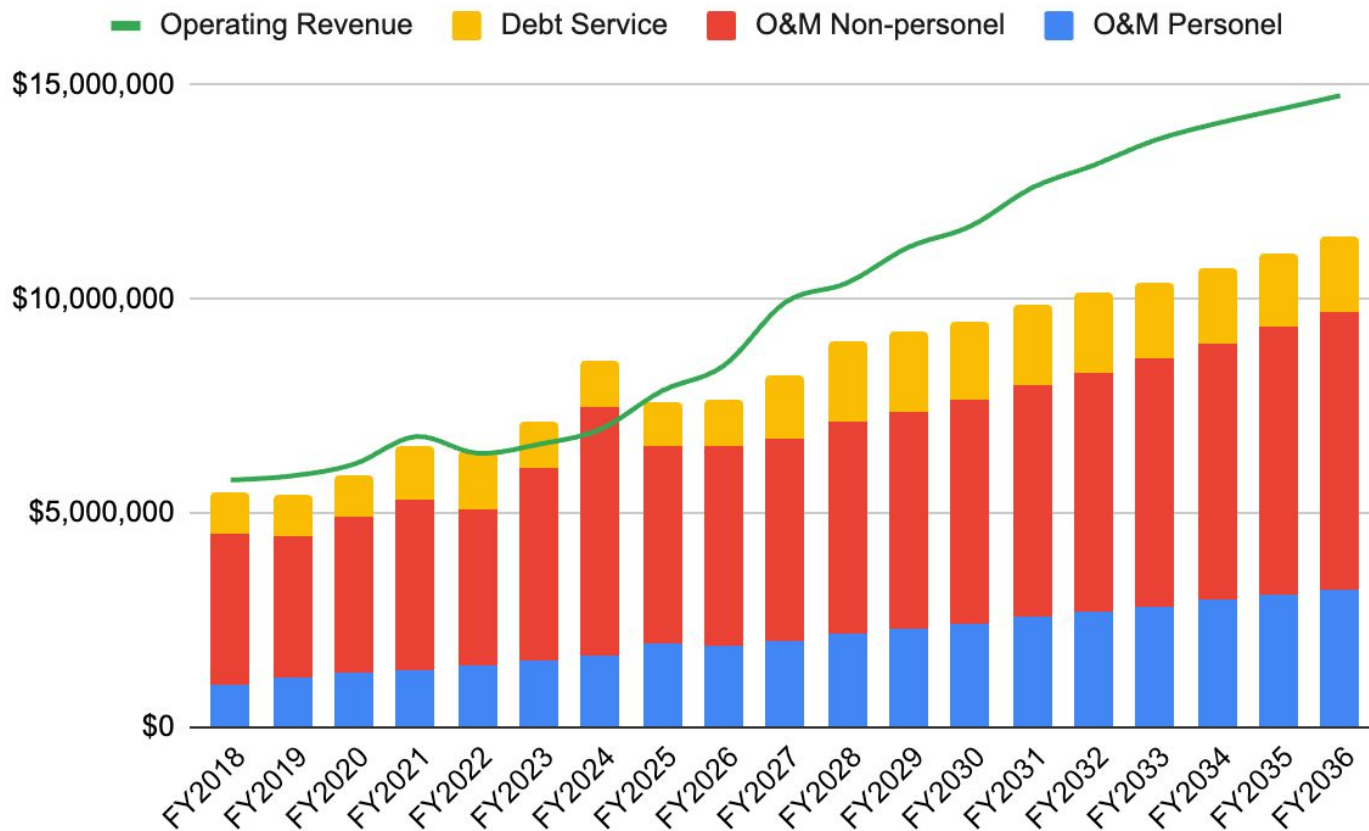
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- Average Capital Expenditures for next 5 years - \$4.7M / Year
- Average Rate Increases of Approx. \$2.50/Month on Odd Years
- Growth Projected Using Historical Data



## TOTAL WATER REVENUE VS. EXPENSES

- Fluctuations in Rev. due to Grants
- Cash or Bonds Used for Capital Expenses Exceeding Revenue
- FY24 Spike in O&M was from Flooding

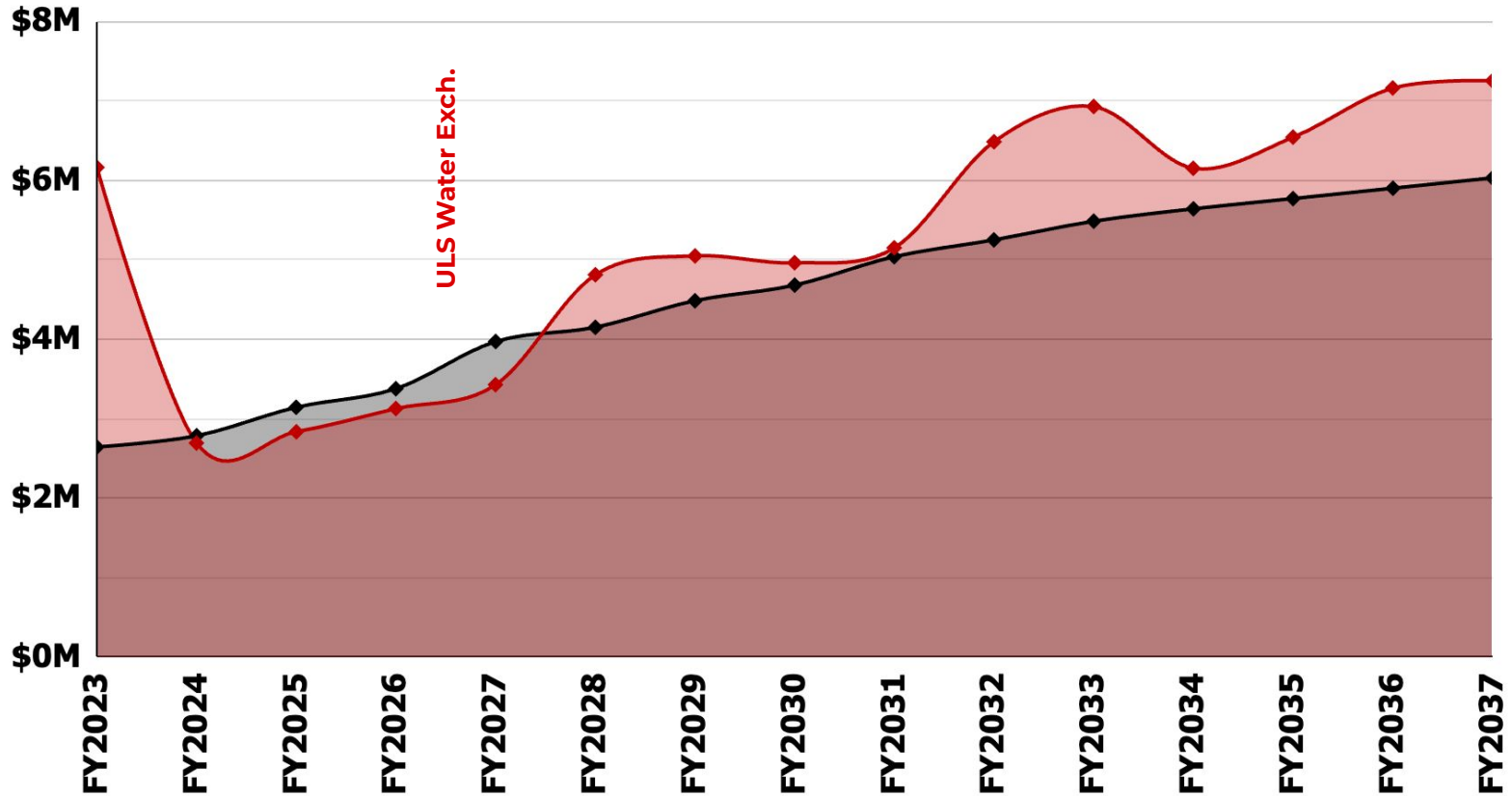


## WATER OPERATING REVENUE VS. EXPENSES

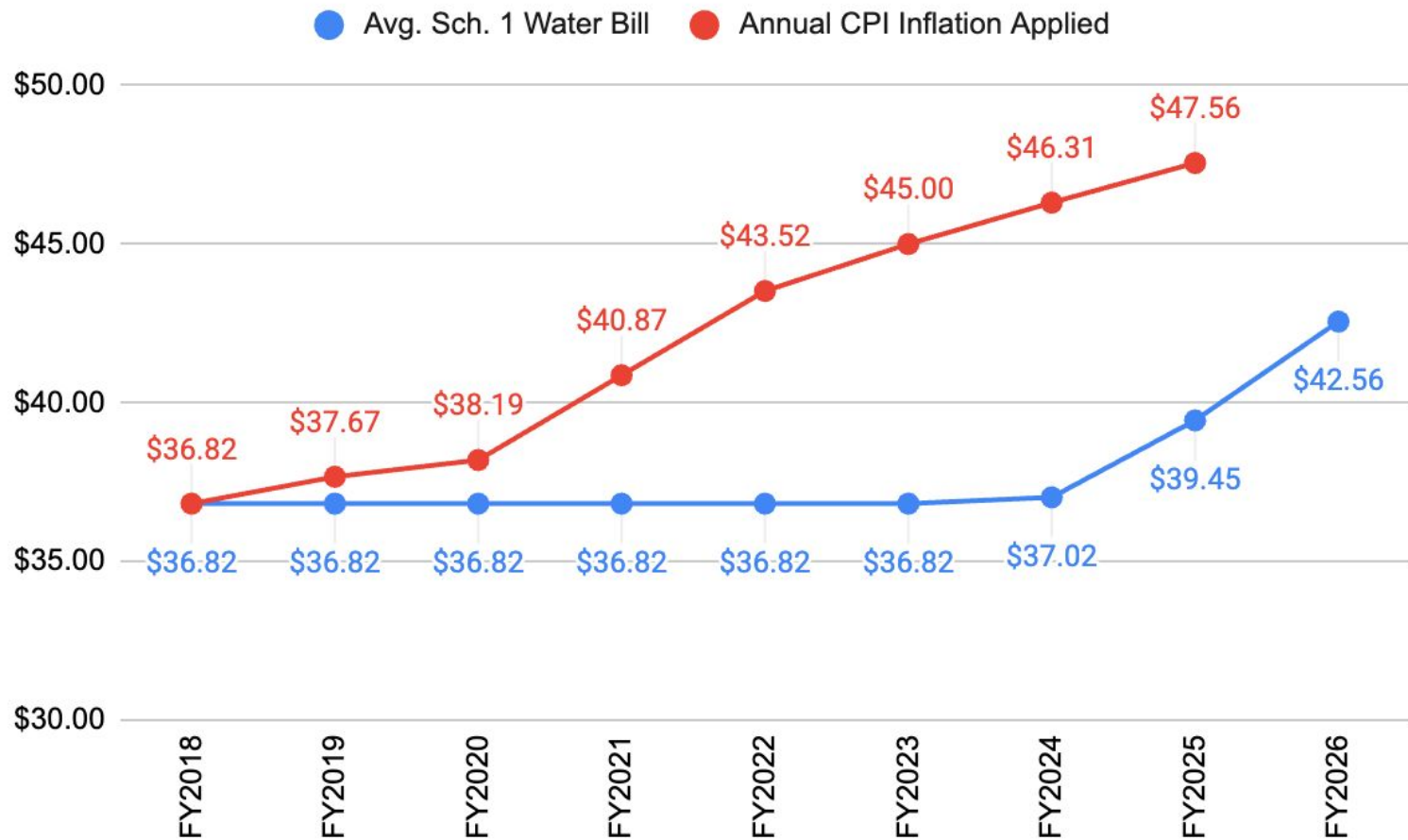
- Used Cash Reserves in FY23-FY24 (Flooding)
- Fund is Very Stable Moving Forward
- Excess Revenue Used for Capital
- FY23 & 24 Flooding Emergency

# Cash Reserves - Water

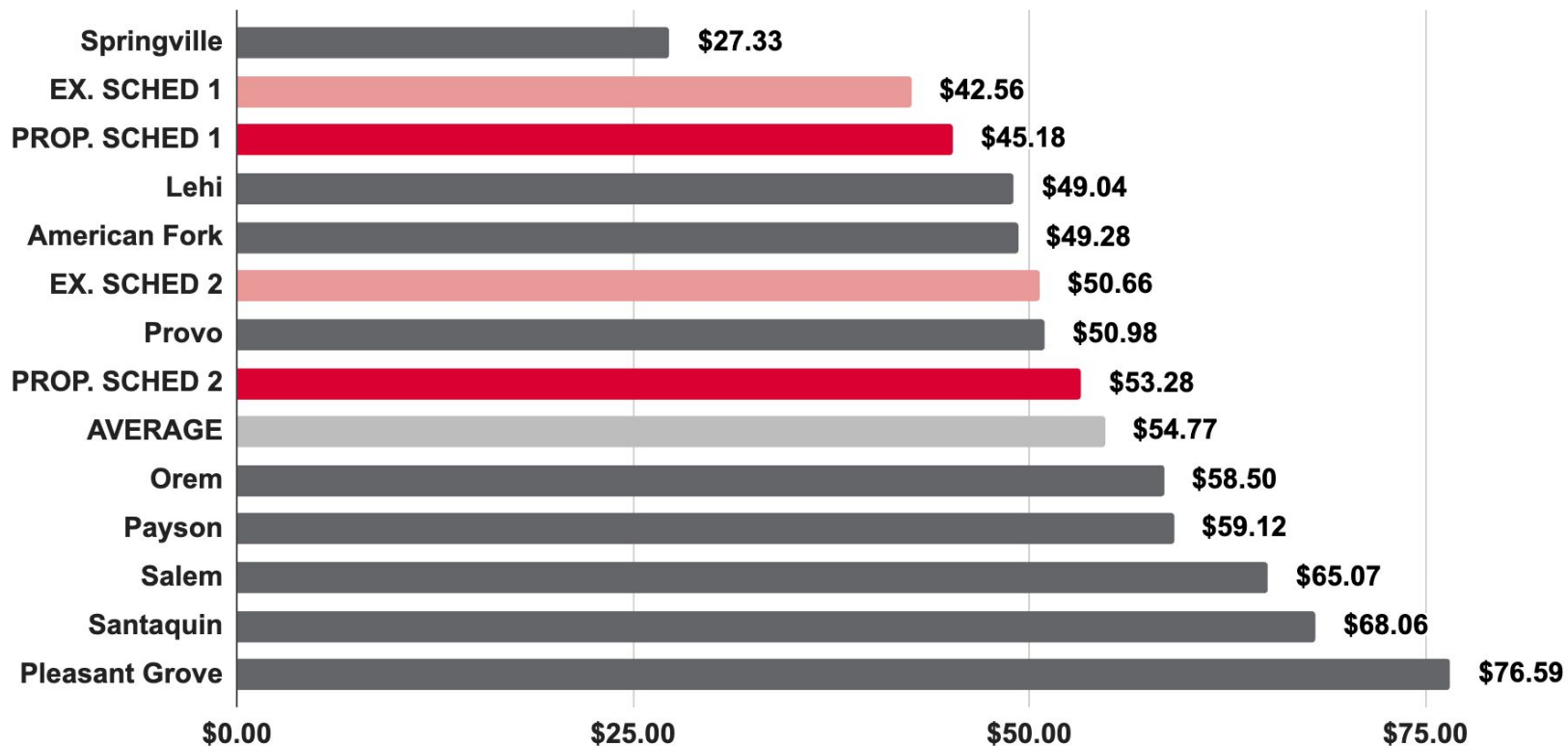
◆ 40% Operating Revenue ◆ Cash Reserves





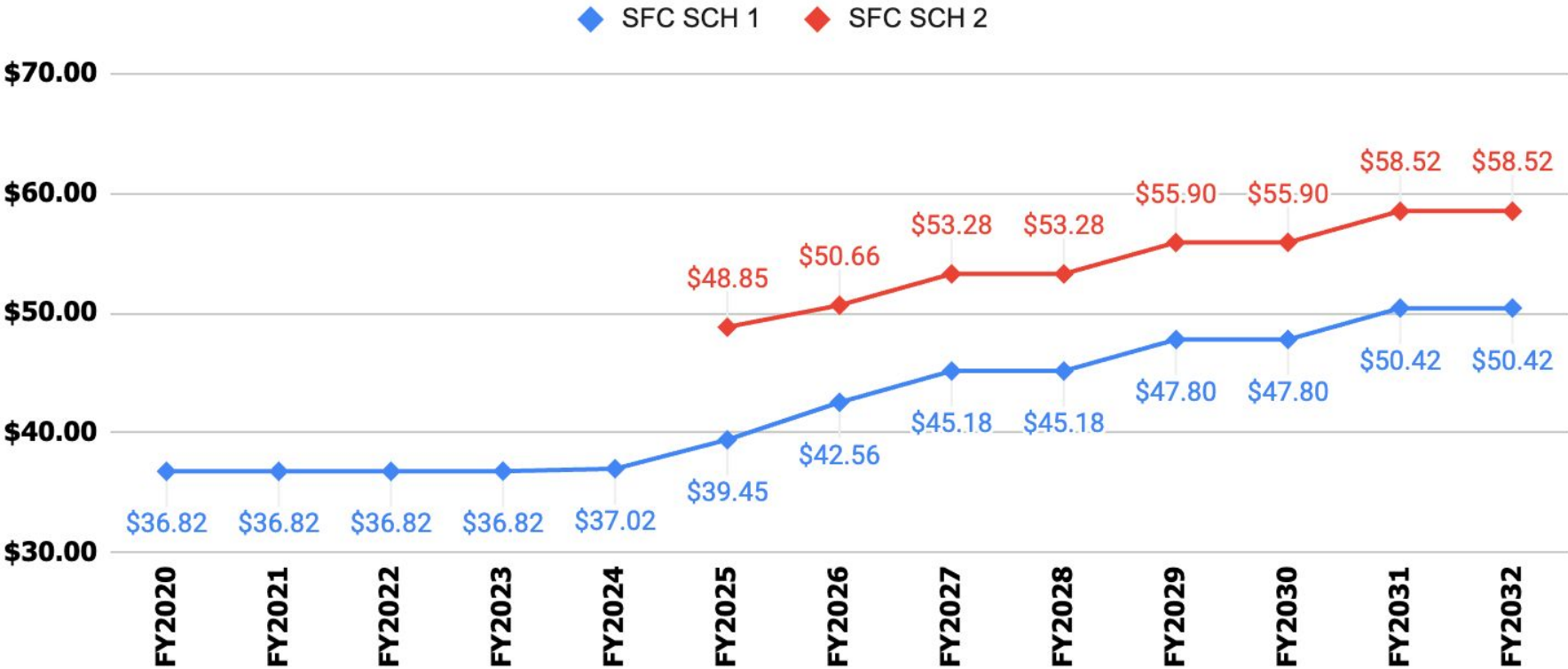


## WATER: Proposed Average Monthly Residential Water Bill



Updated: January 2026

# Average Residential Water Bill

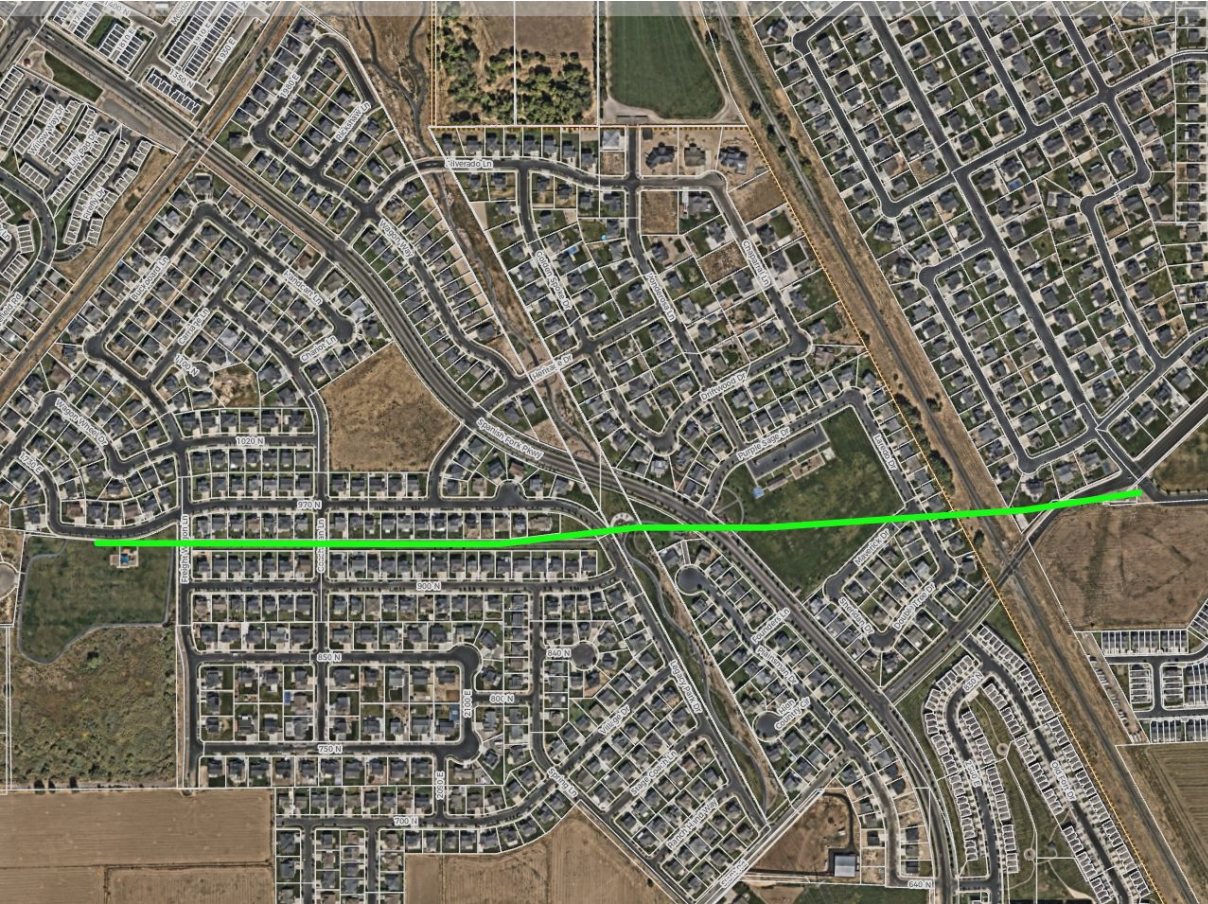


# WASTEWATER RATES







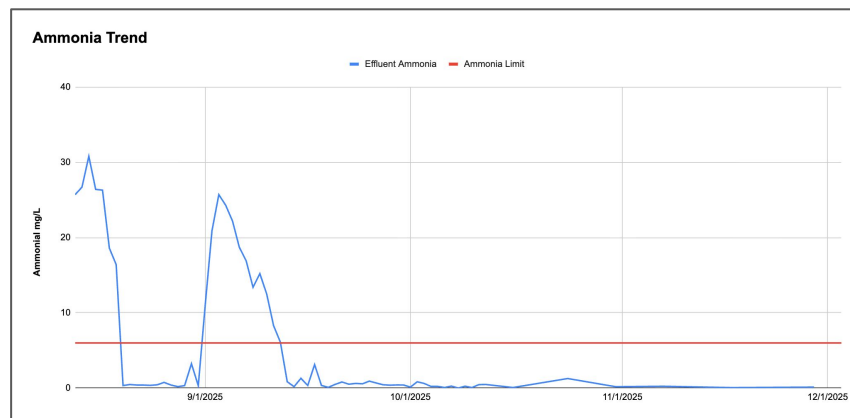
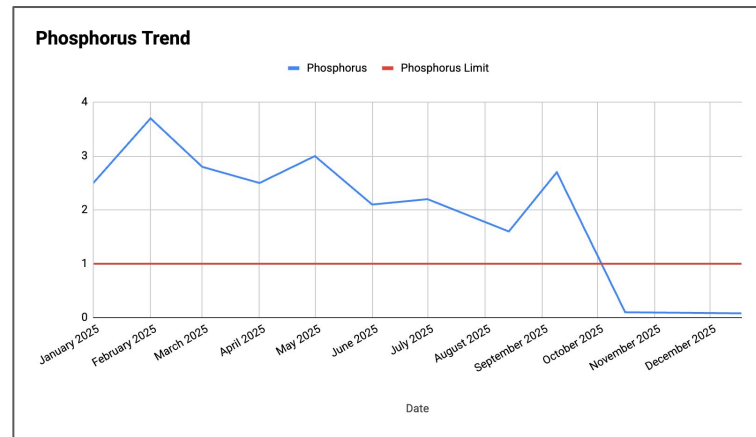
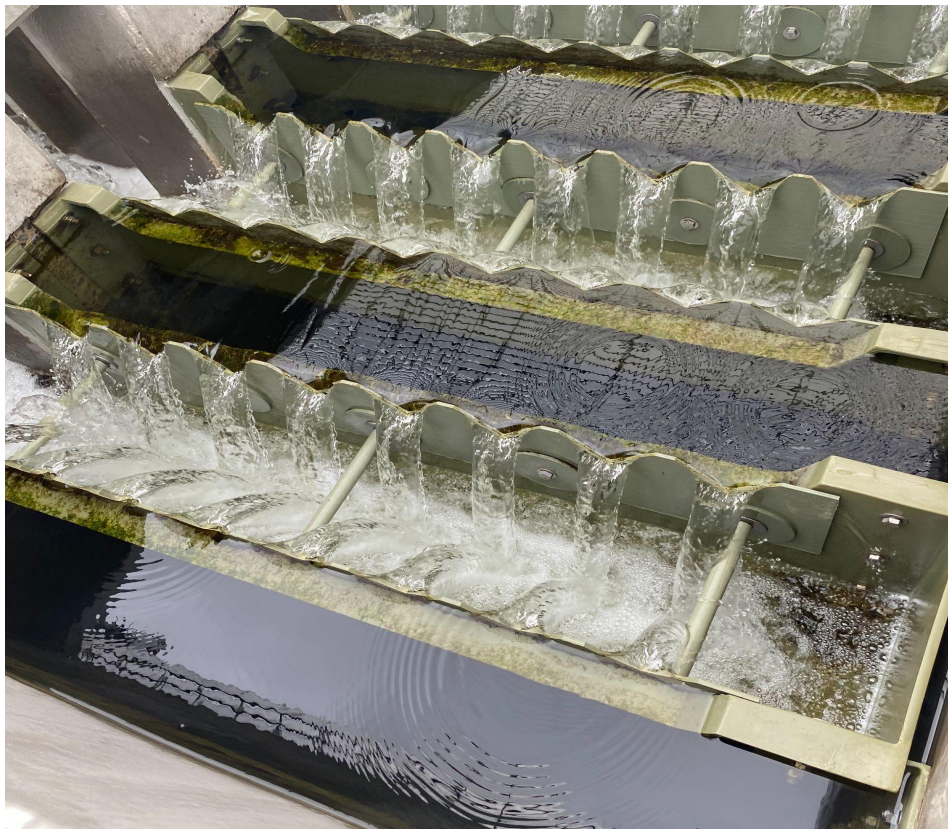


# UPPER MAPLETON TRUNKLINE

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- Line 4,225 ft of 30" Sewer
- Corroded Concrete
- \$1.75M Total Cost
  - Mapleton (61%) \$1.07M
  - SF (39%) \$680k

# WRF PERFORMANCE



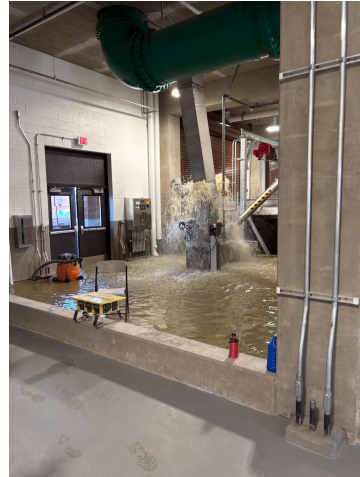




# WRF CHALLENGES

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- Fine Screens Overwhelmed at Random
- Adjusting Timing of Equipment
- Plan to Add Mixers in the Wet Well

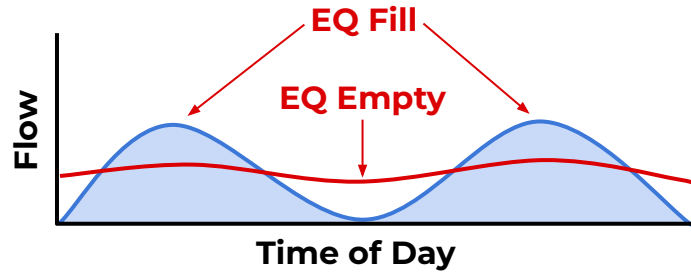




# WRF CHALLENGES

- Harmonic Filters Installed to Prevent Power Distortion
- Caused Problems With Transformer
- Had to Shut Down Plant for 45 Minutes
- Still Working On Solutions





# PROPOSED EQUALIZATION TANK

- Smooths out Flow and Load
- Enhances Treatment Process
- Extends Capacity of the WRF
- Buys Time in Emergencies
- \$5M

# PROPOSED MAINT. SHOP

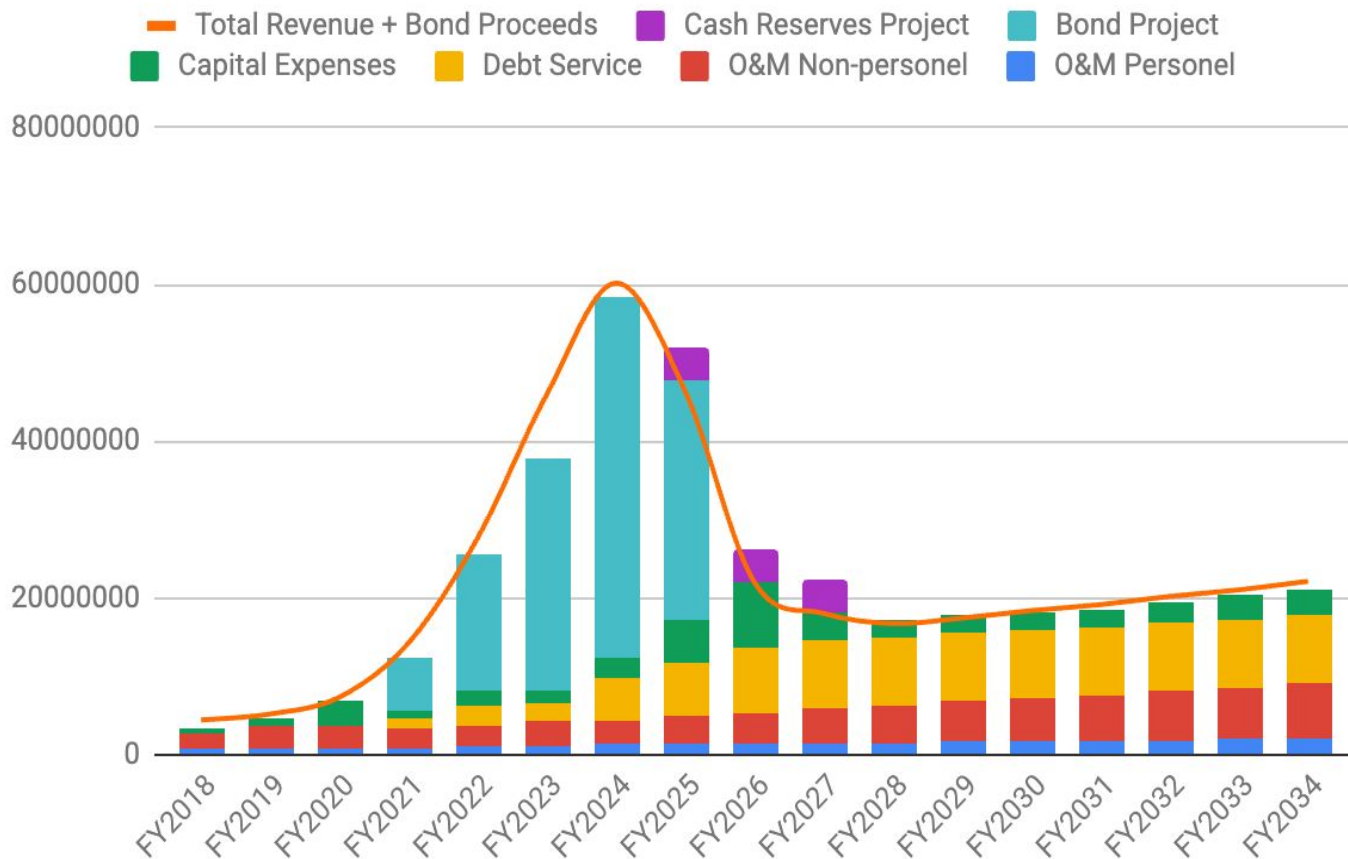
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- Cut From the WRF Project Due to Cost
- Need Space for Spare Parts and Work Area
- Pre-engineered Metal Structure
- \$500,000

# **FUTURE WASTEWATER PLANNING**

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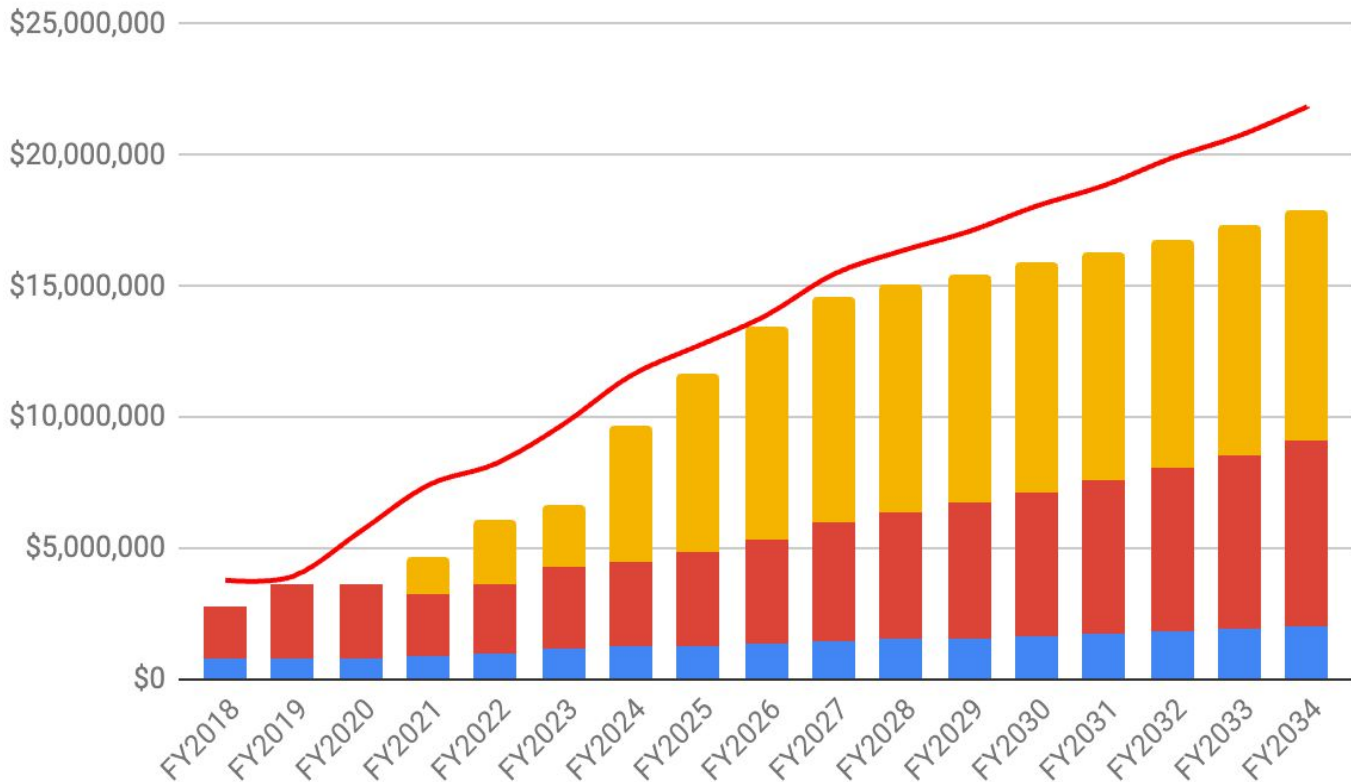
- WRF Project \$5M Under Budget
  - \$2M Saved Contingency
  - \$3M Saved Engineering Construction Consultation
- Average Capital Expenditures for next 5 years - \$2.2M/ Year
- Average Rate Increases of Approx. \$2.50/Month on Even Years



## TOTAL WASTEWATER REVENUE VS. EXPENSES

- Very Large Debt Service for WRF
- Large Capital Projects Slowing Down

Operating Revenue + Mapleton RSF   Debt Service   O&M Non-personnel   O&M Personnel

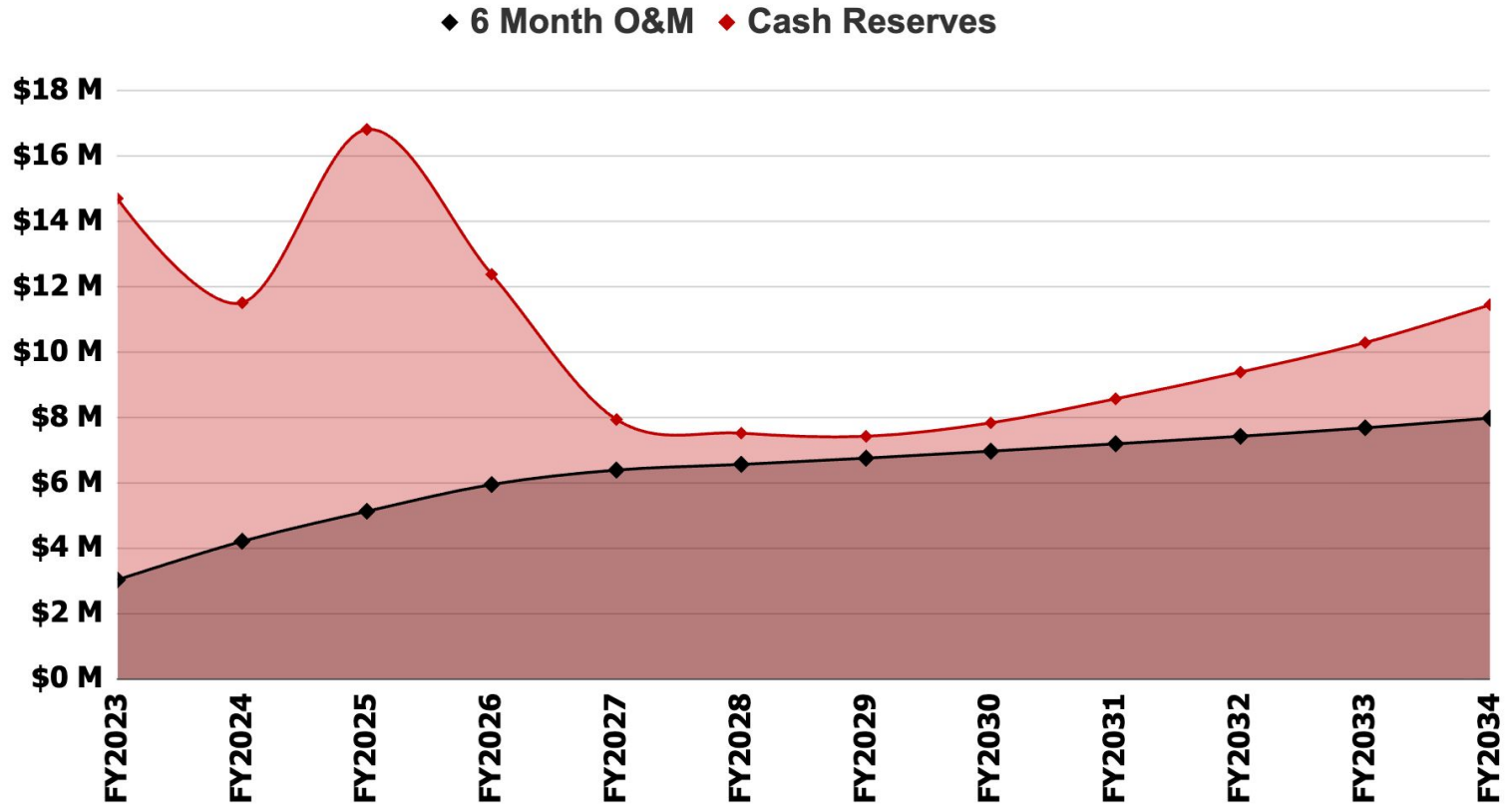


## WASTEWATER OPERATING REVENUE VS. EXPENSES

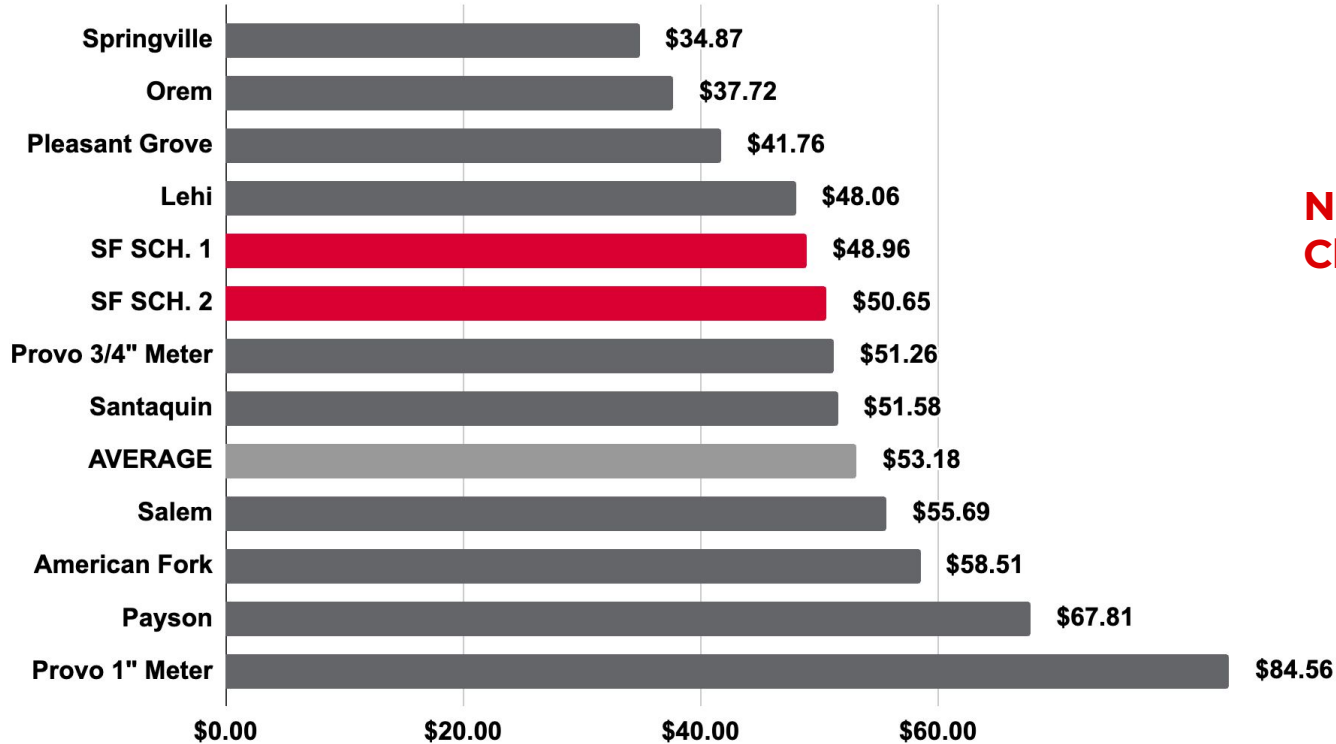
- Mapleton Rate Stabilization Fund Included (\$2M)
- Fund is Sustainable Moving Forward



# Cash Reserves - Wastewater



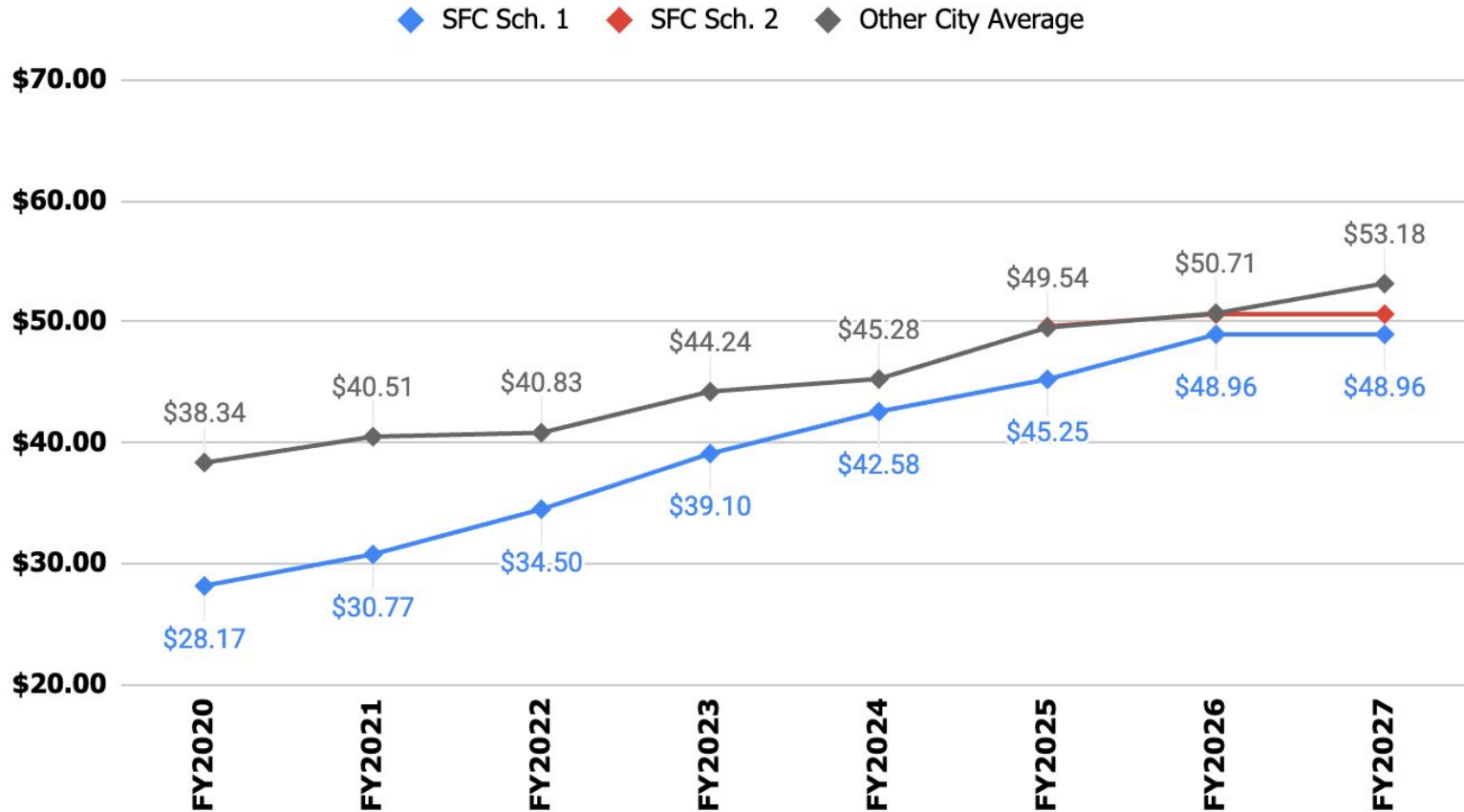
# Average Monthly Residential Sewer Bill



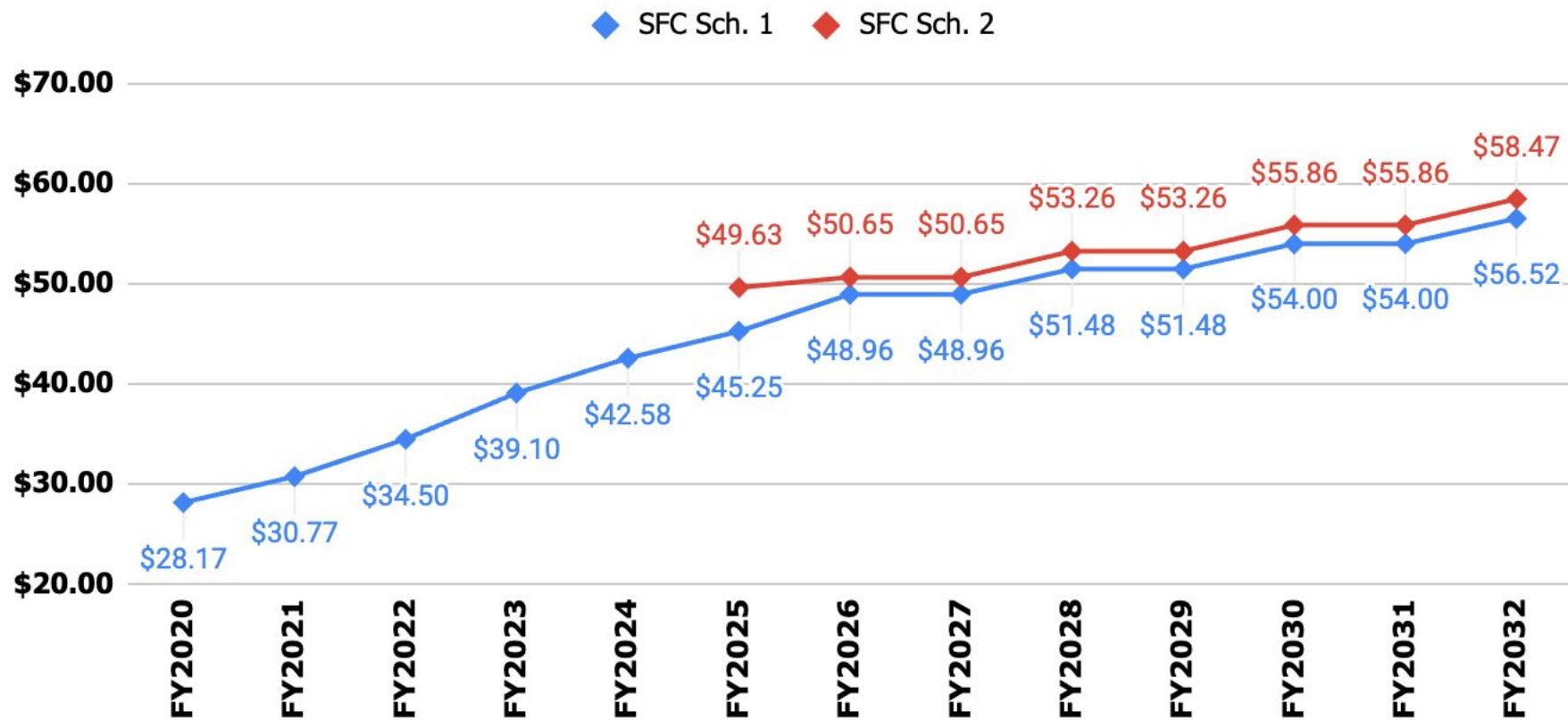
**No Proposed Rate  
Change for FY27**

Updated: September 2025

# Average Sewer Bill Comparison



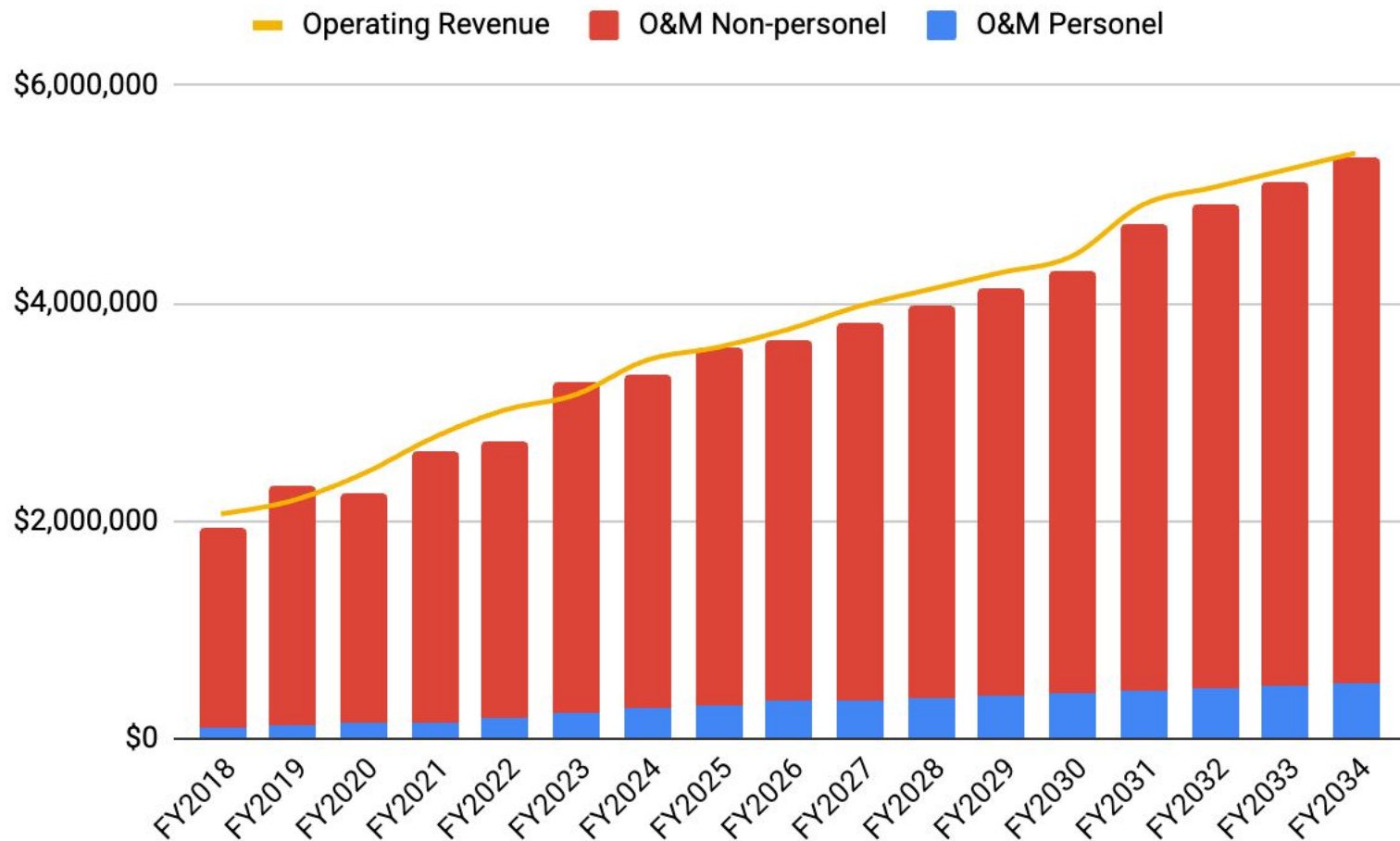
# Average Sewer Bill Past and Future



# GARBAGE RATES

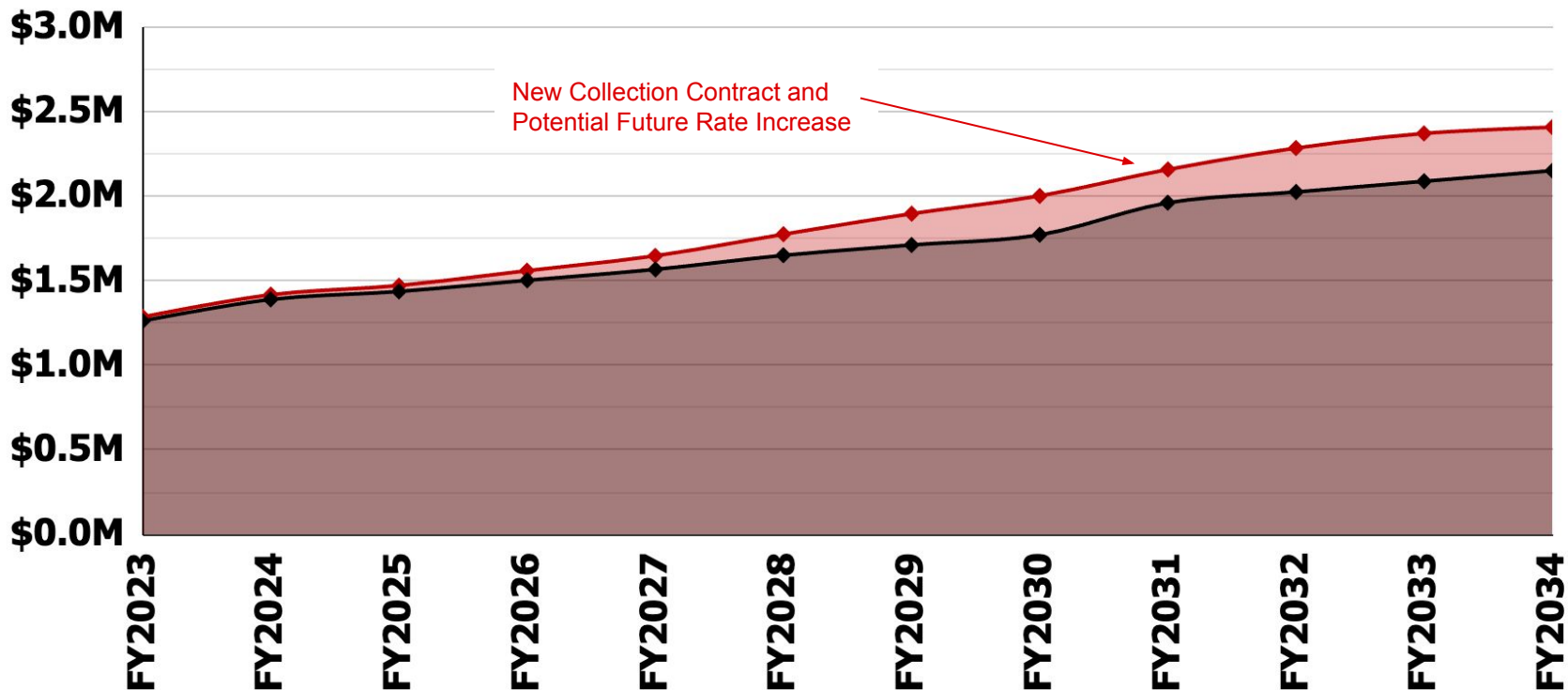


**SPANISH FORK**  
FLEET & GARBAGE SERVICES



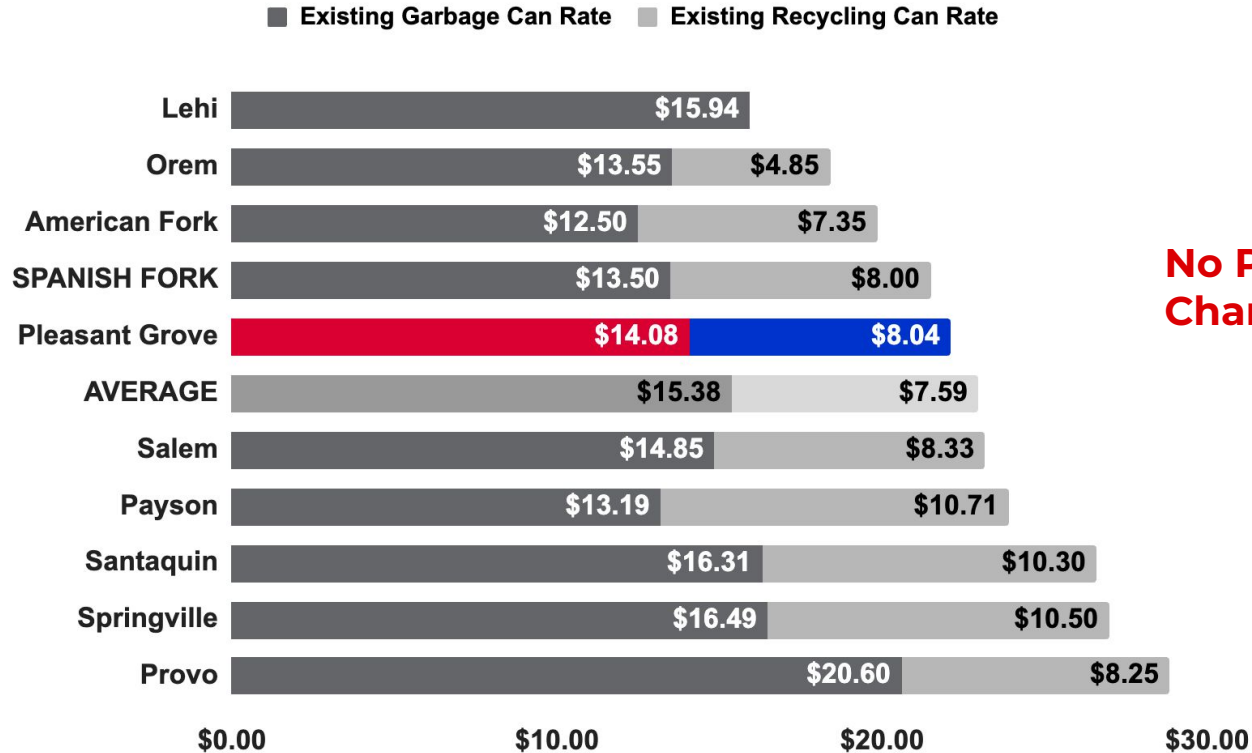
# Cash Reserves - Garbage Services

◆ Cash Reserves ◆ 40% Operating Revenue





# Average Garbage and Recycling Monthly Bill



**No Proposed Rate  
Change for FY27**

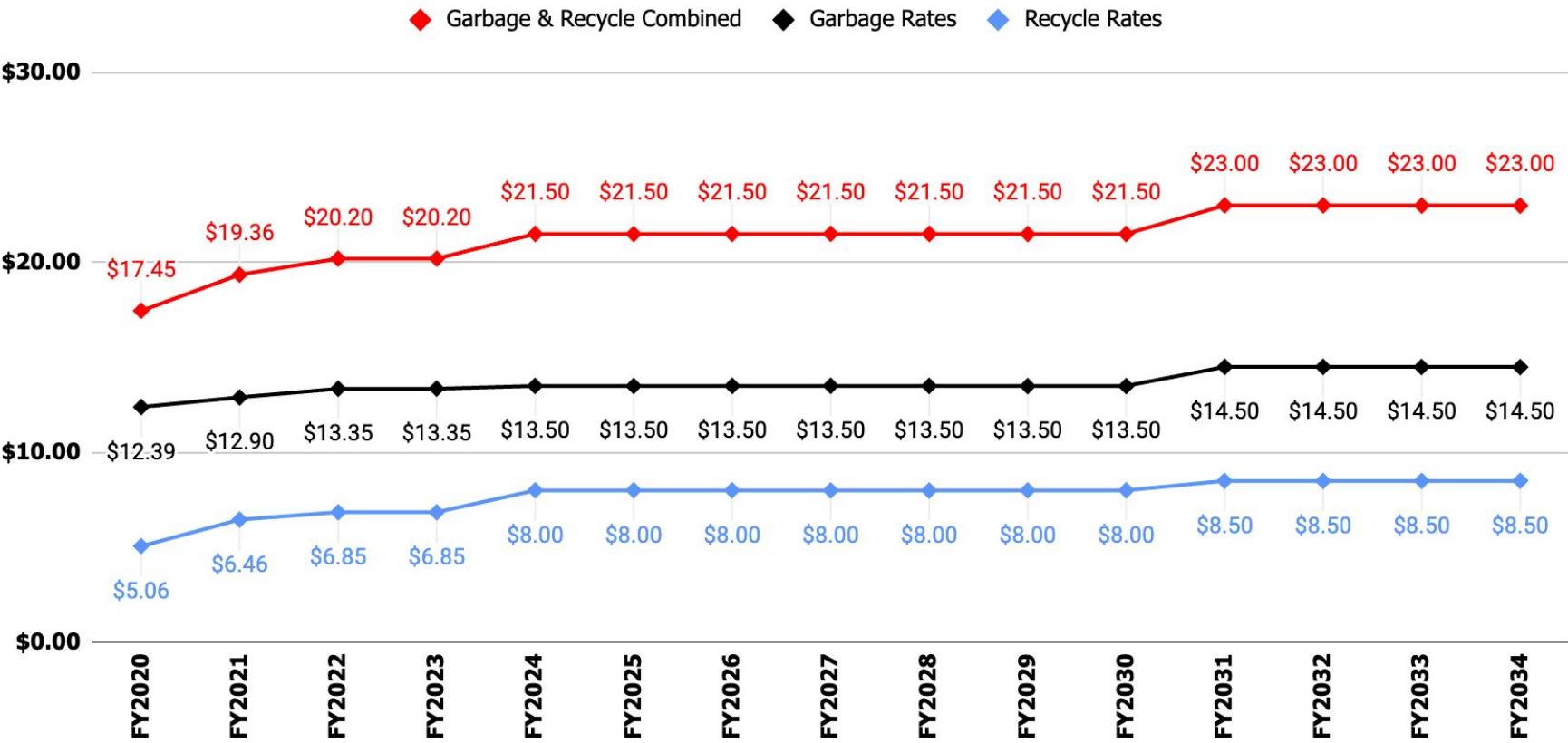
*Updated: September 2025*

# Garbage & Recycle Rates Comparison

◆ Garbage & Recycle Combined    ◆ Other Cities Average

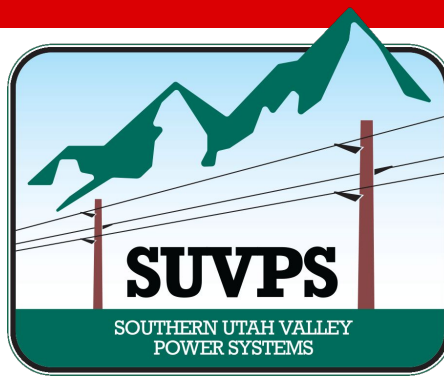


# Garbage & Recycle Rates



# POWER RATES





## **SIGNIFICANT PROJECTS**

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- FY26 True Up: **\$3.6M**
- SF Portion of Current Phase 1 Bond: **\$1.3M/yr**
- SF Portion of proposed Phase 2 Bond: **\$2M/yr**
- **\$31.5M** in the Next 10 Years vs. **\$6.6M** Invested in the Previous 10 years





New Upgraded  
Transmission Line Route

SUVPS Taylor  
Switch Rack

Spanish Fork  
Canyon Road  
Substation

Rocky Mountain Power  
Spanish Fork Substation

Existing  
Transmission Line

Existing  
Transmission Line

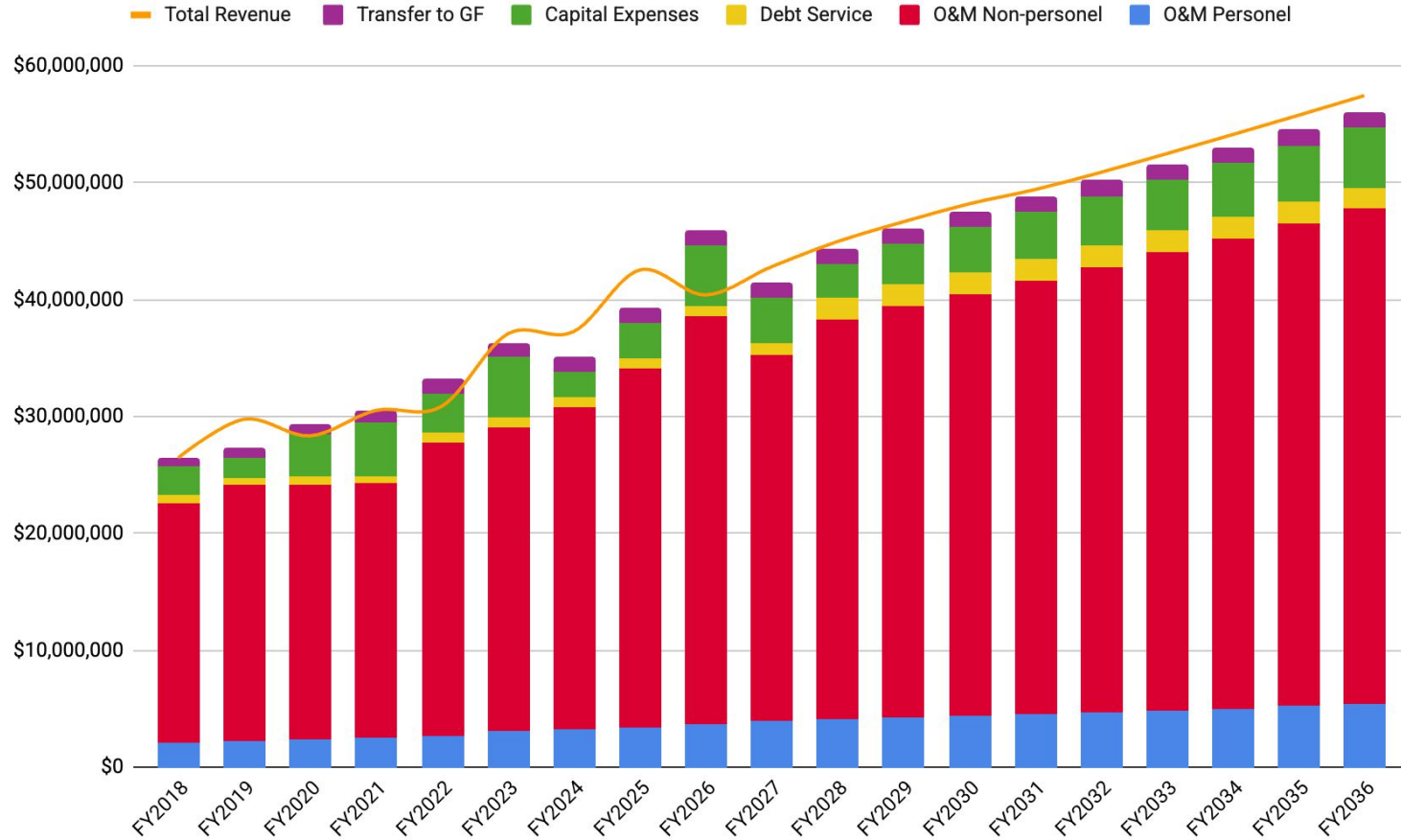


# FUTURE POWER & LIGHT PLANNING

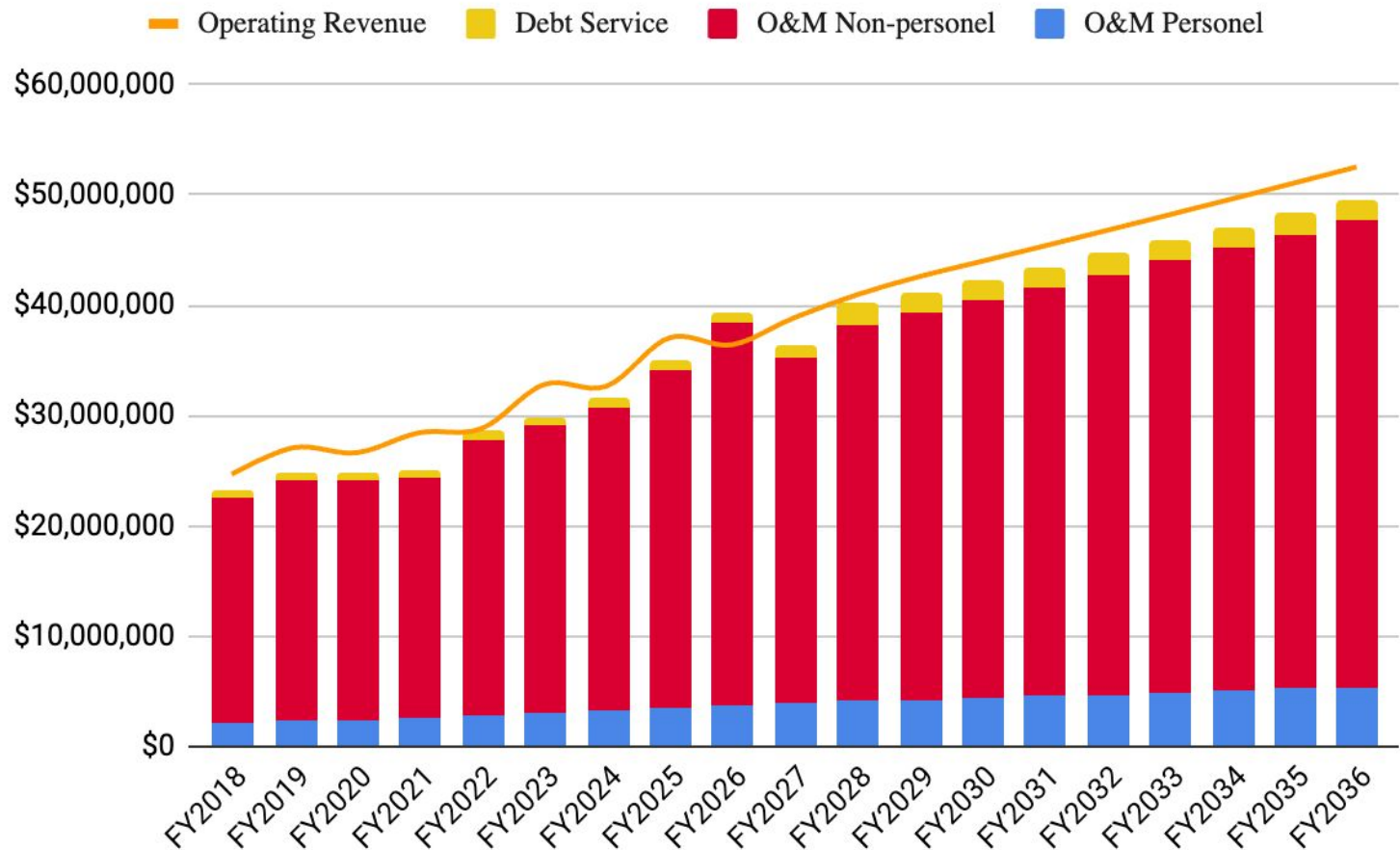
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- UMPA Performing a Rate Study
- SF Rate Study to Follow
- SUVPS \$3.3M/yr
- Capital Expenditures: \$4M/yr
- Proposed Rate Increases:
  - FY27 & FY28 - \$2.50/Month Residential (2.75%)
  - Similar % Increase for Non-Residential

# TOTAL POWER REVENUE VS. EXPENSES

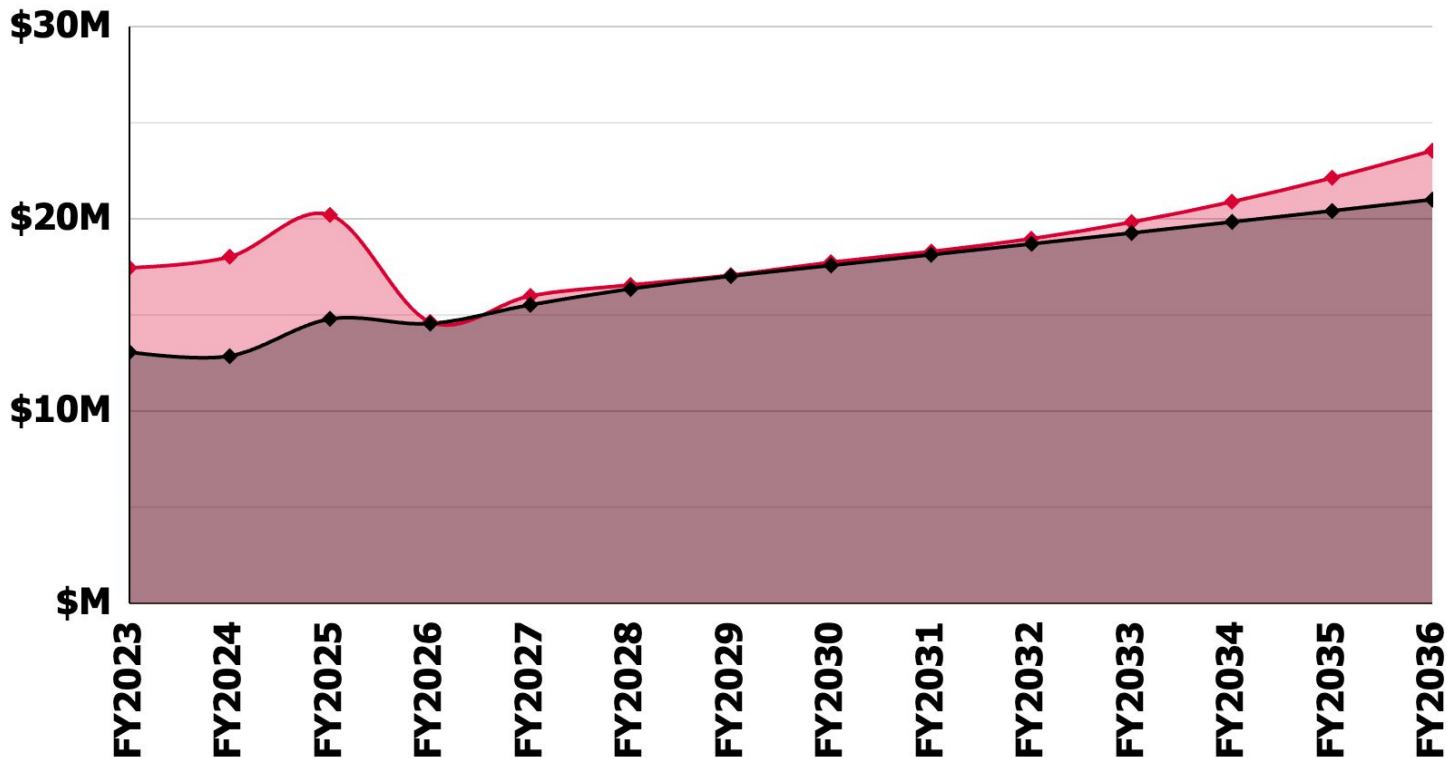


# POWER OPERATING REVENUE VS. EXPENSES

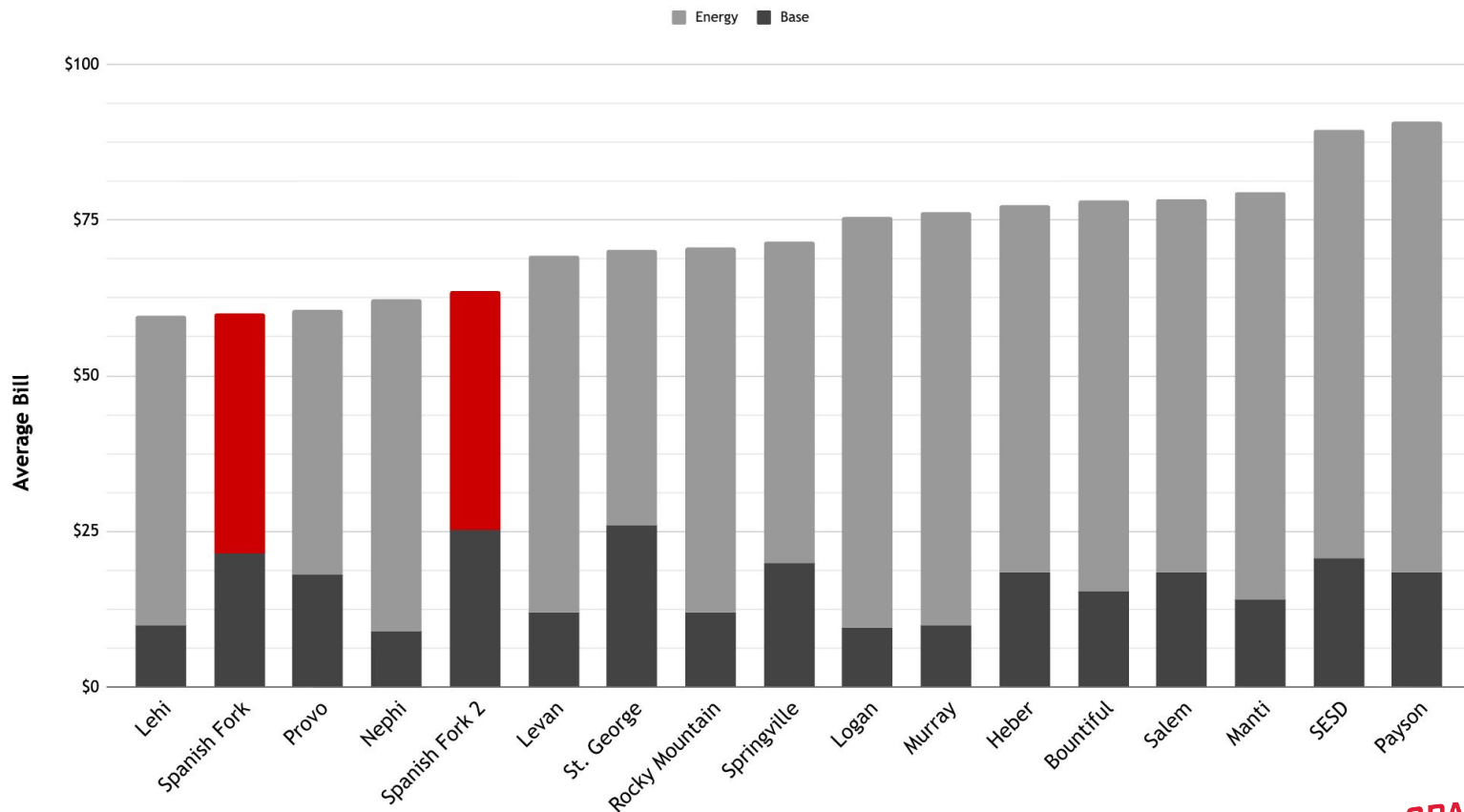


# Cash Reserves - Power & Light

◆ Cash Reserves ◆ 40% Operating Revenue

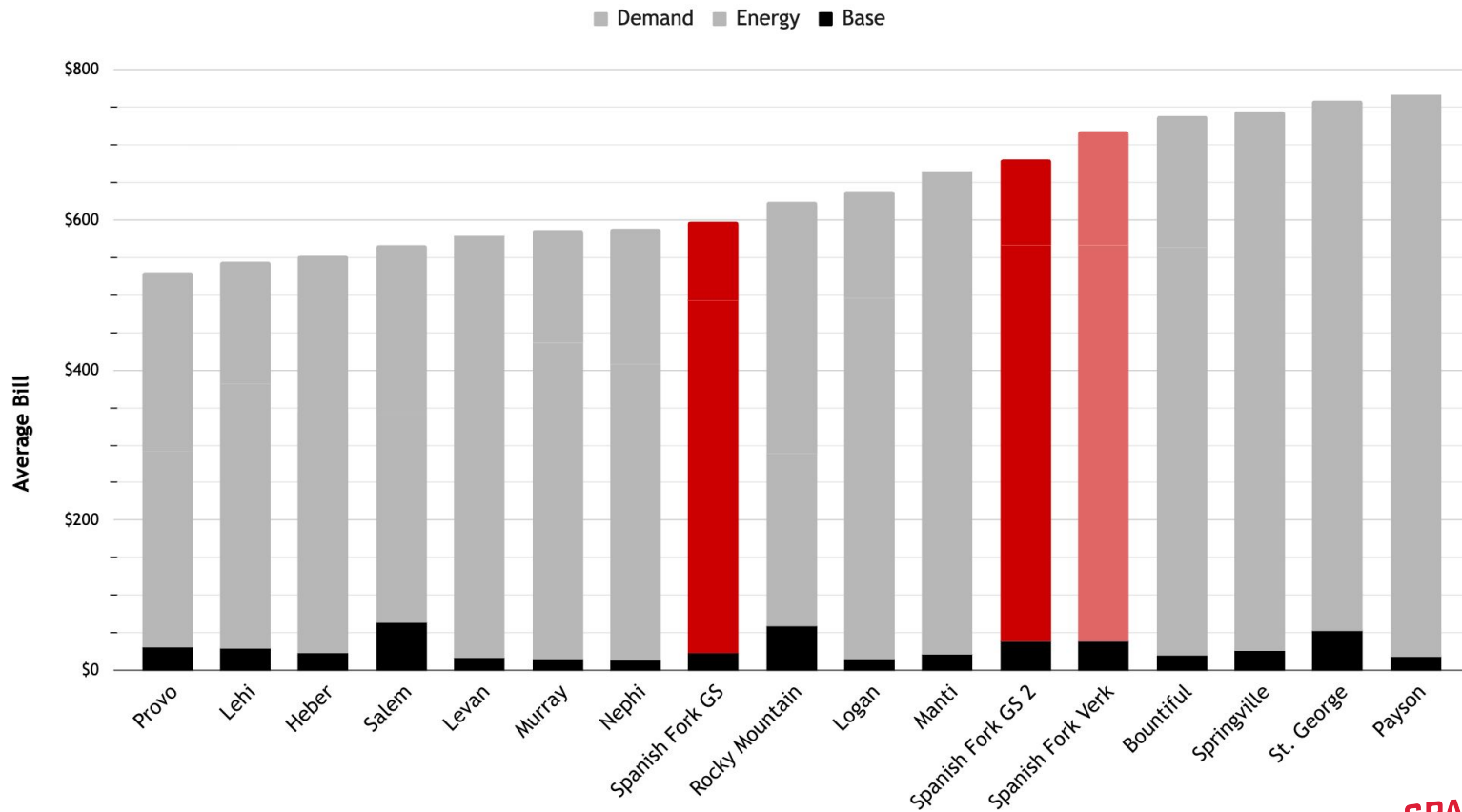


## Residential Comparison - 572 kW Average

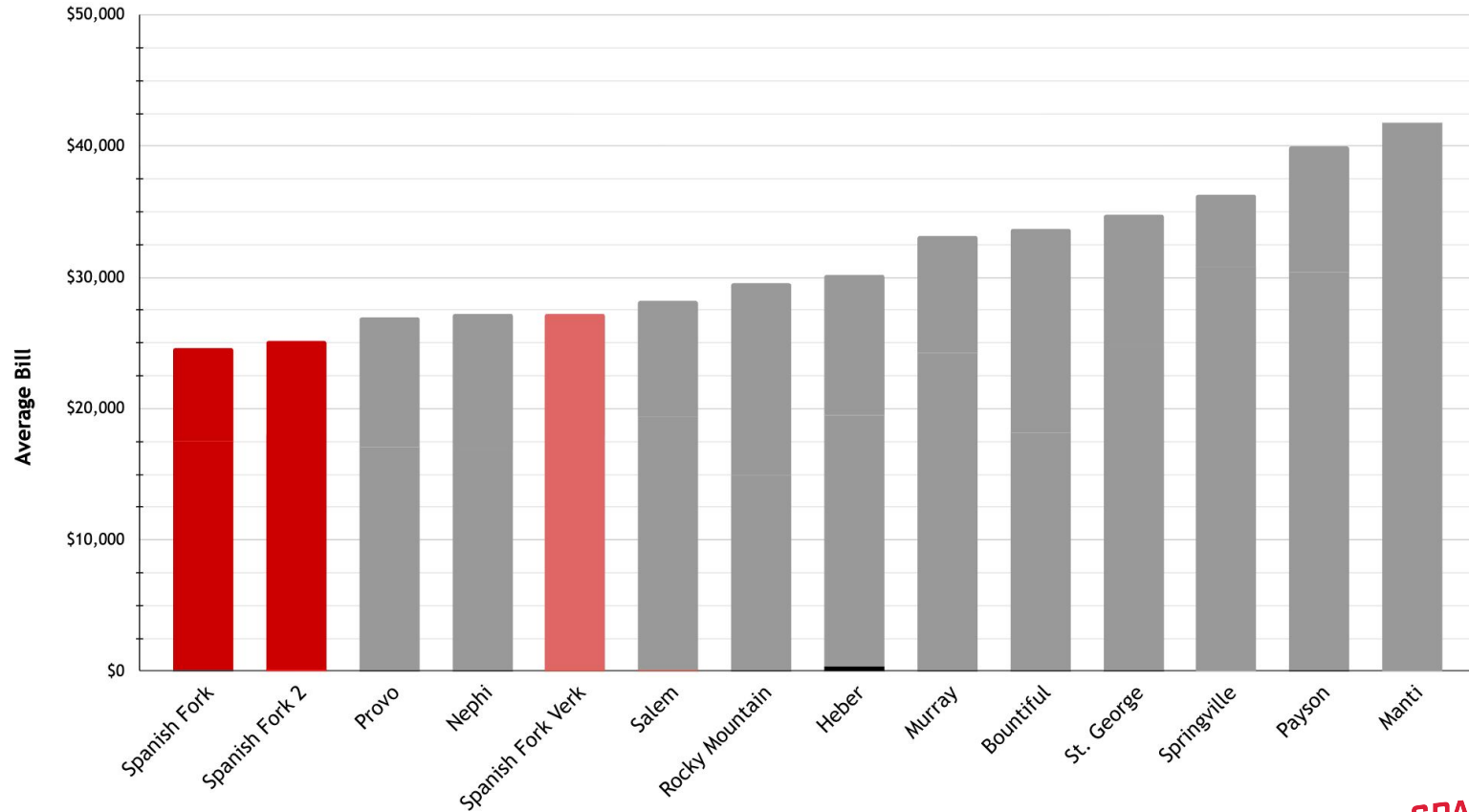




# Small Commercial Comparison

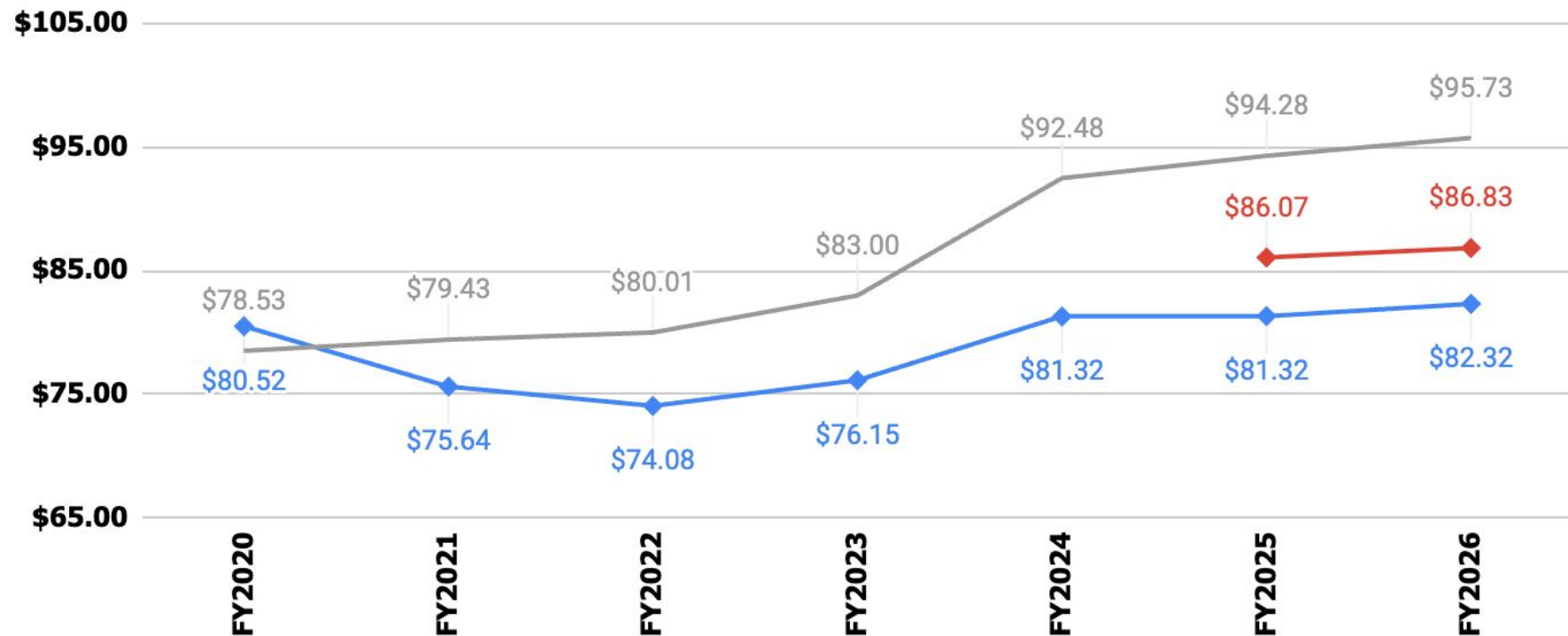


## Large Commercial Comparison

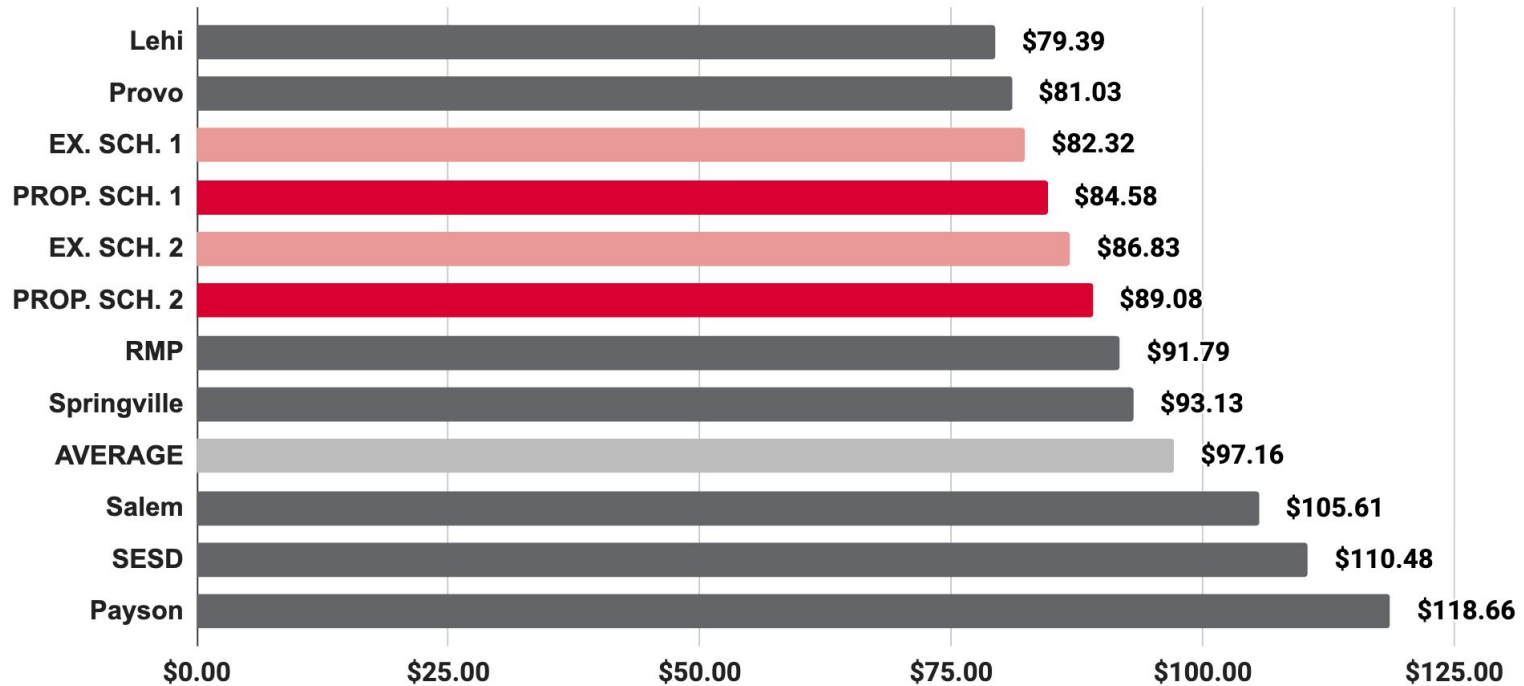


# Average Residential Power Bill Comparison- 750 Kwh

◆ Sch 1    ◆ Sch 2    — Average Other Cities

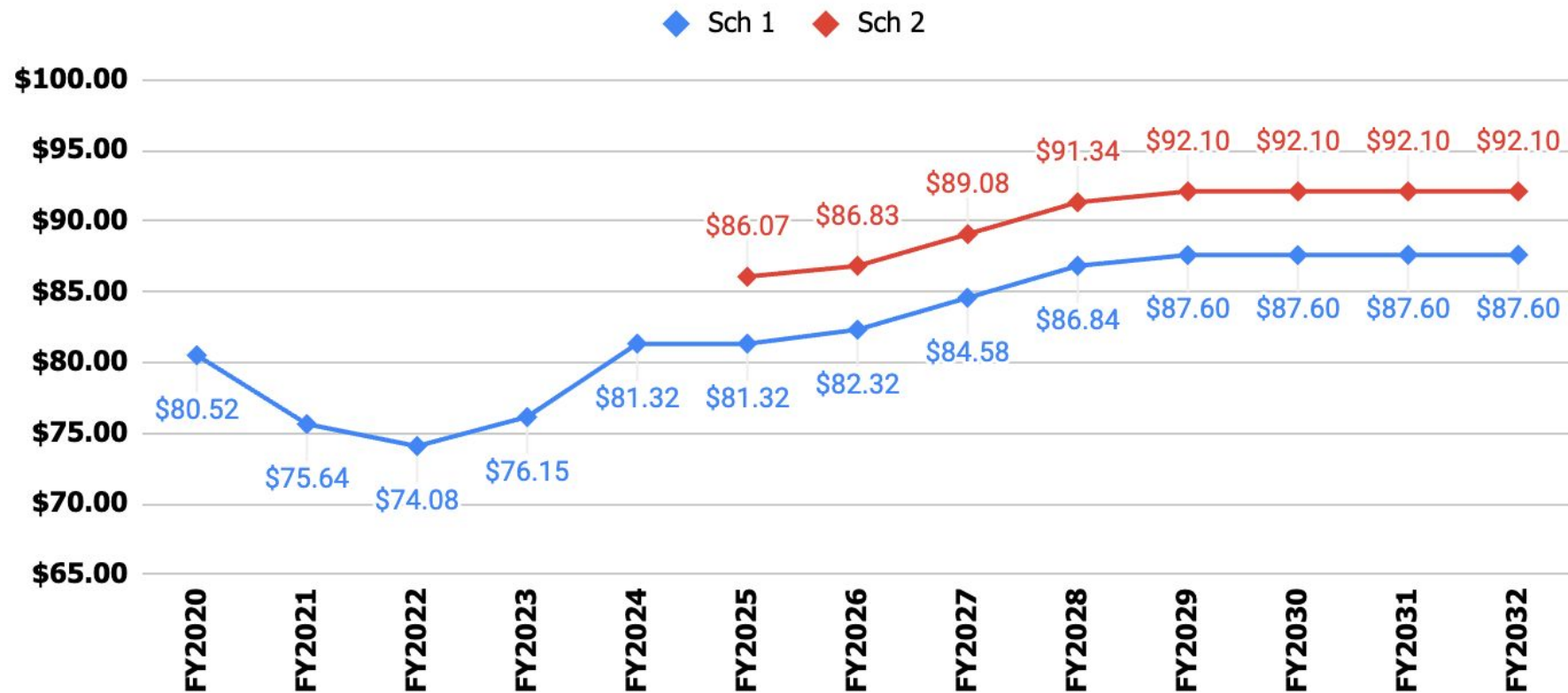


## POWER & LIGHT: Proposed Avg Monthly Residential Bill: 750 Kwh



Updated: January 2026

# Average Residential Power Bill - 750 Kwh





# STREETS & STORMWATER



**SPANISH FORK**  
STREETS & STORM WATER



# STREETS & STORMWATER FUNDING

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| FY25 Revenue                 | Amount      | % Of Total |
|------------------------------|-------------|------------|
| Storm Drain Revenue          | \$3,076,436 | 19.77%     |
| B&C Allotment                | \$2,298,291 | 14.77%     |
| County Highway & Transit Tax | \$1,262,469 | 8.11%      |
| County Public Transit Tax    | \$572,577   | 3.68%      |
| Other Fees/Misc. Rev.*       | \$695,241   | 4.47%      |
| Road Repair Assessment       | \$905,121   | 5.82%      |
| Development Seal Coats       | \$461,334   | 2.97%      |
| Grants                       | \$799,858   | 5.14%      |
| SD Impact Fees               | \$3,617,952 | 23.26%     |
| Transportation Impact Fees   | \$1,868,201 | 12.01%     |

Total \$15,557,480

\* Excludes Flooding Reimb. / Annie's Acres Basin Reimb. (\$512,925)

\*\* Didn't have a GF transfer in FY25 but FY26 is \$475,000

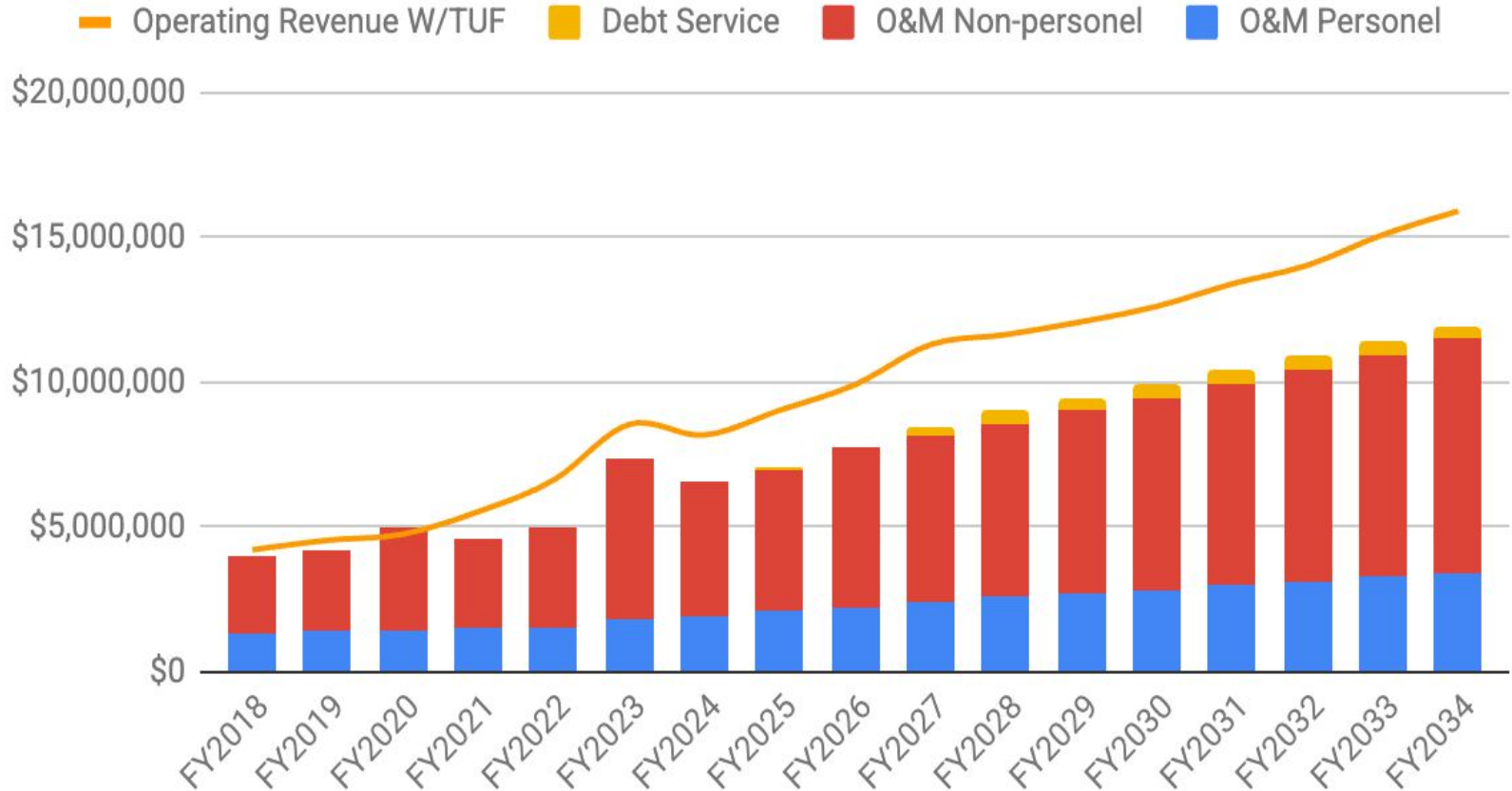
- A Lot of Funding Sources
- Storm Drain Rate is What we Control
- Storm Drain Rate is High Compared to Other Cities
- 20% of Expenses are Storm Drain with 80% Streets
- Traffic is the #1 Complaint
- Do We Want to Continue the Road Repair Assessment?
- Do We Want to Continue \$475K from the General Fund?
- What is Your Comfort Level with a TUF?

# STREETS & STORMWATER FUNDING

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- Average Capital Expenditures
  - Previous 5 Years - \$8.7M
  - Next 5 Years - \$6.8M (Excludes Trail Bridge Funded by State)
- Assume Continuing the Road Repair Assessment - \$905K/yr
- Assume GF Transfer - \$475K/yr
- Proposed TUF Starting at \$1.72/Month Residential

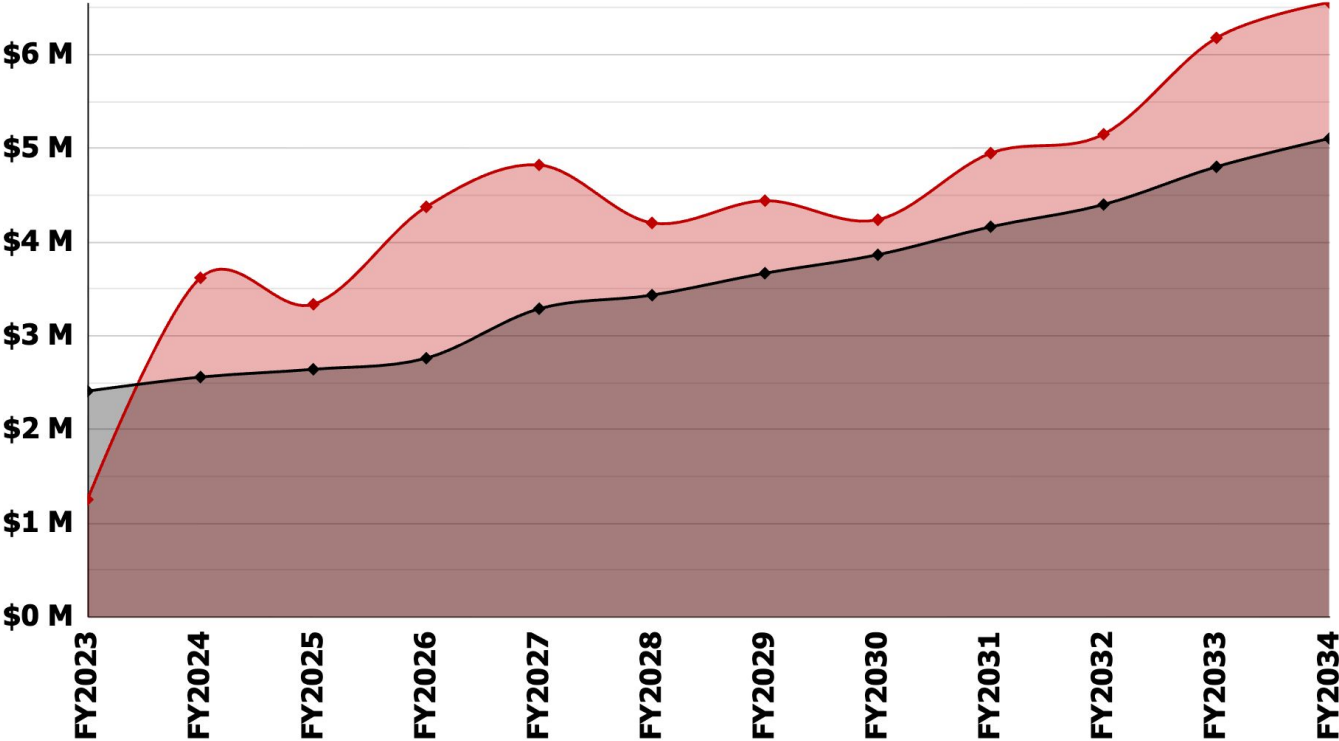
# Operating Revenue and Expenses With TUF



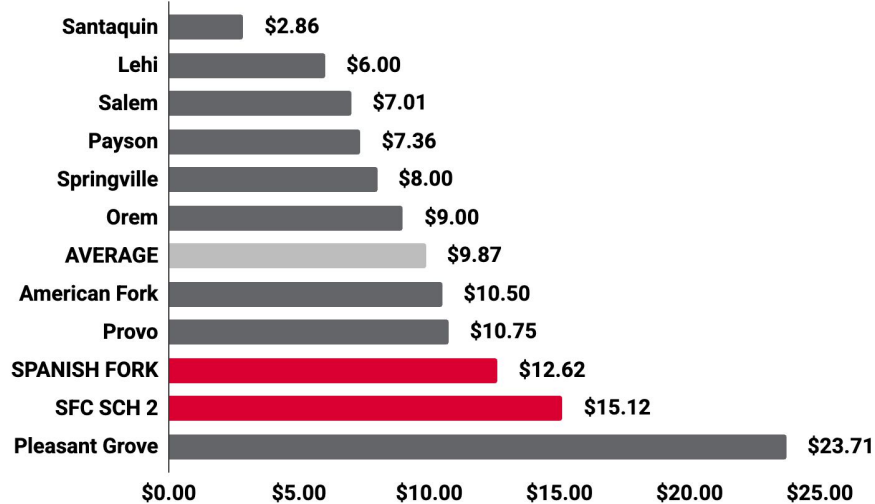


# Cash Reserves - Streets & Storm Water w/Proposed TUF

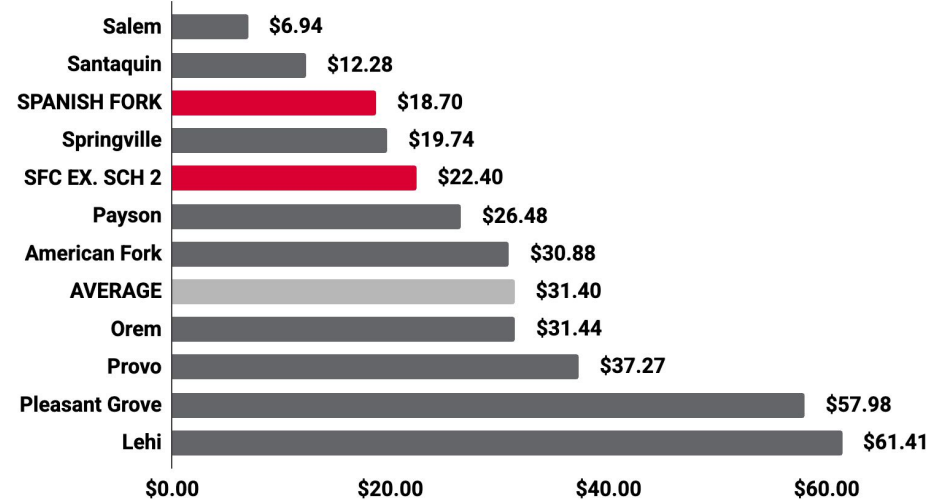
◆ Cash Reserves ◆ 40% Operating Revenue



### Existing Avg Residential Storm Water Rate



### Existing Avg Commercial Storm Water Rate



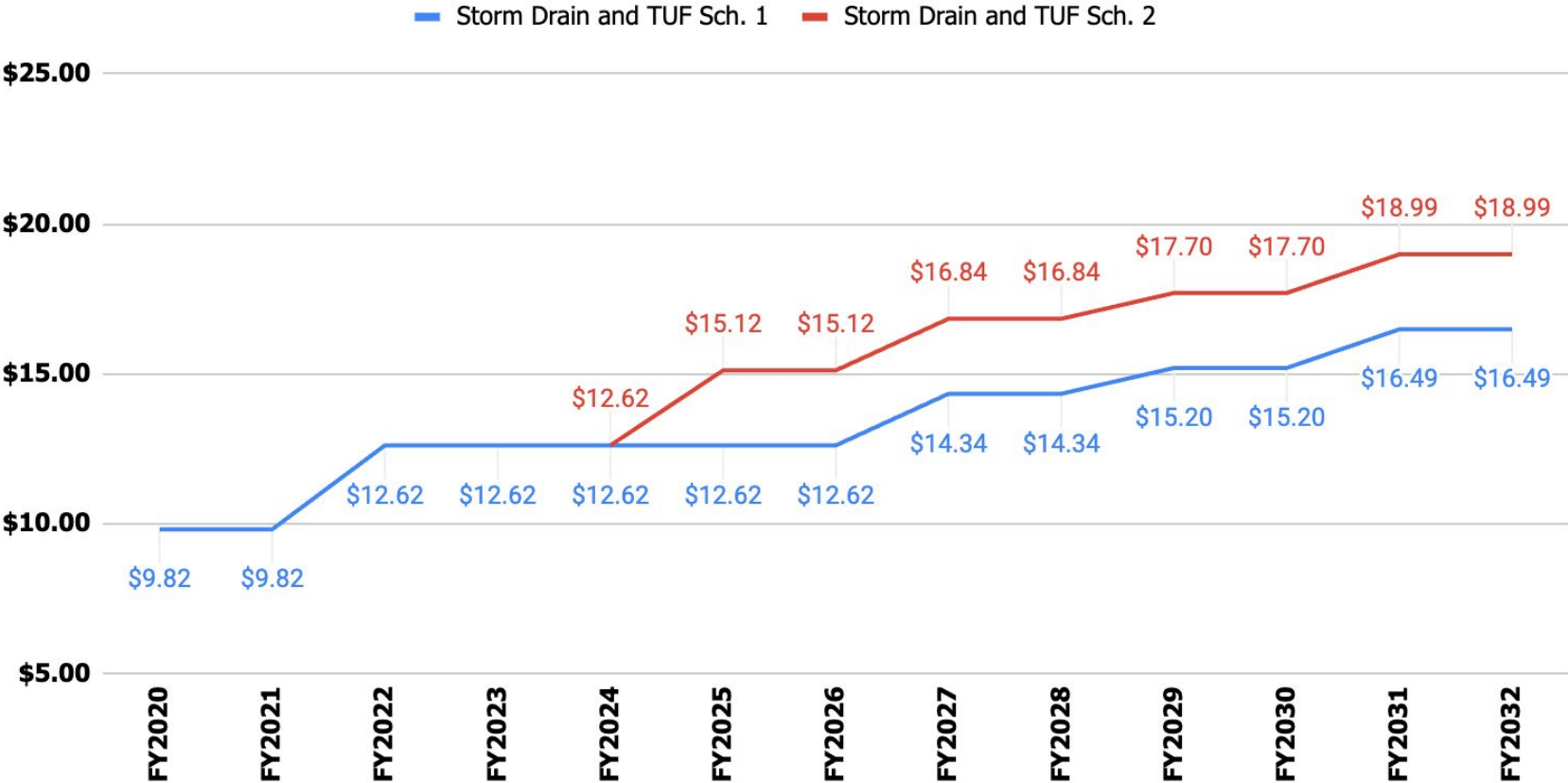
Model Does Not Include a Proposed SD Rate Increase

## Proposed TUF Included in Model

| ADT Range                | FY2027           | FY2028           | FY2029           | FY2030             | FY2031             | FY2032             | FY2033             | FY2034             |
|--------------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 0-100 ADT                | \$1.72           | \$1.72           | \$2.58           | \$2.58             | \$3.87             | \$3.87             | \$5.81             | \$5.81             |
| 100-200 ADT              | \$10.67          | \$10.67          | \$16.01          | \$16.01            | \$24.01            | \$24.01            | \$36.01            | \$36.01            |
| 300-600 ADT              | \$27.48          | \$27.48          | \$41.22          | \$41.22            | \$61.83            | \$61.83            | \$92.75            | \$92.75            |
| 600+ ADT                 | \$132.54         | \$132.54         | \$198.81         | \$198.81           | \$298.22           | \$298.22           | \$447.32           | \$447.32           |
| <b>Revenue Generated</b> | <b>\$563,148</b> | <b>\$600,278</b> | <b>\$853,080</b> | <b>\$1,013,633</b> | <b>\$1,429,976</b> | <b>\$1,689,845</b> | <b>\$2,370,713</b> | <b>\$2,788,758</b> |

- What is your comfort level with TUF?
- How do you feel about these rates?
- Would you like to look at other funding options?

# SD & Proposed TUF Combined Residential Rates



# Traffic Safety

## SR-51 400 N Roundabout



**11.49%**

decrease in economic cost of crashes since construction

- 6 crashes in the three years before construction
- 10 crashes in the three years since construction
- No injury crashes since construction

## Mill Rd 1100 S Roundabout



**100%**

decrease in economic cost of crashes since construction

- 3 crashes in the three years before construction
- 0 crashes in the three years since construction
- No crashes since construction

## Also Trending Down

- 400 N 300 W Roundabout
- 800 N 400 E Traffic Signal
- Expressway Ln Marketplace Dr Traffic Signal

**SAFETY**

**Build and Maintain Vibrant City**



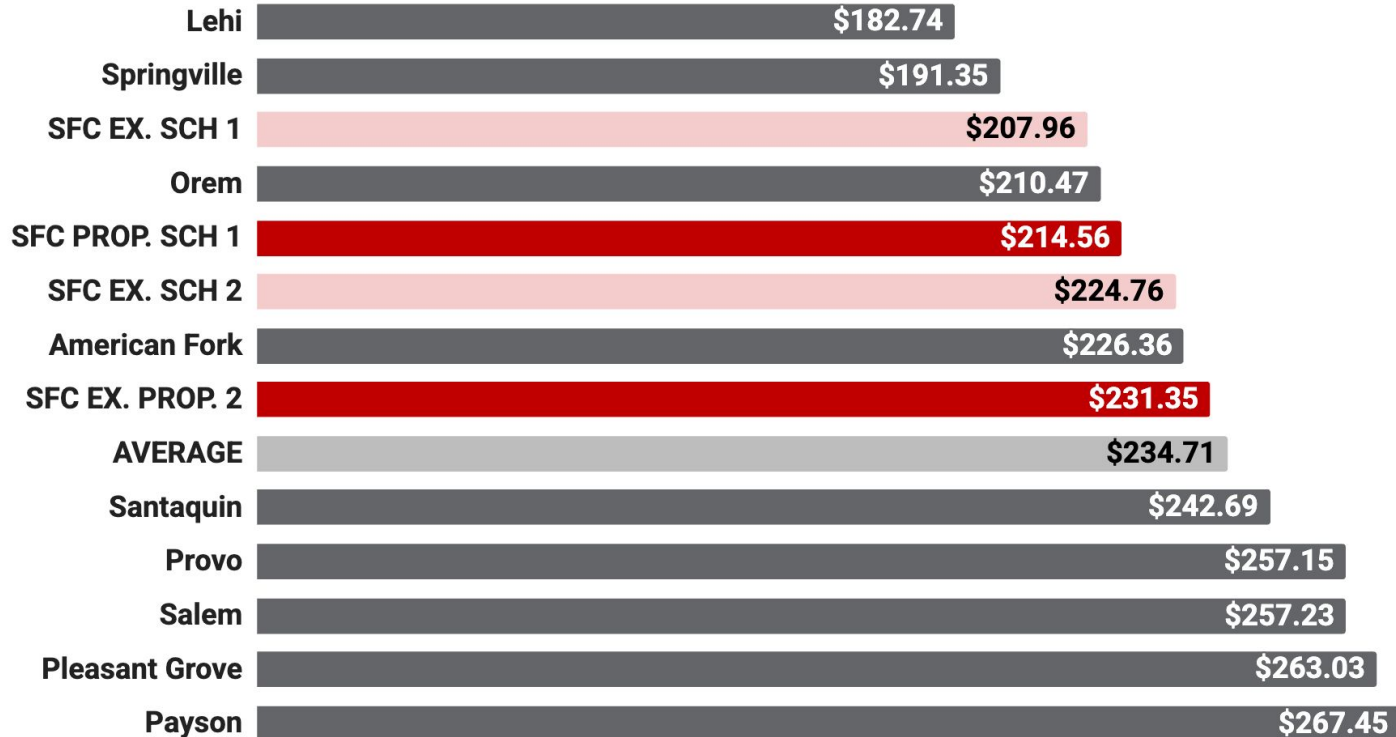


# COMBINED UTILITY RATE



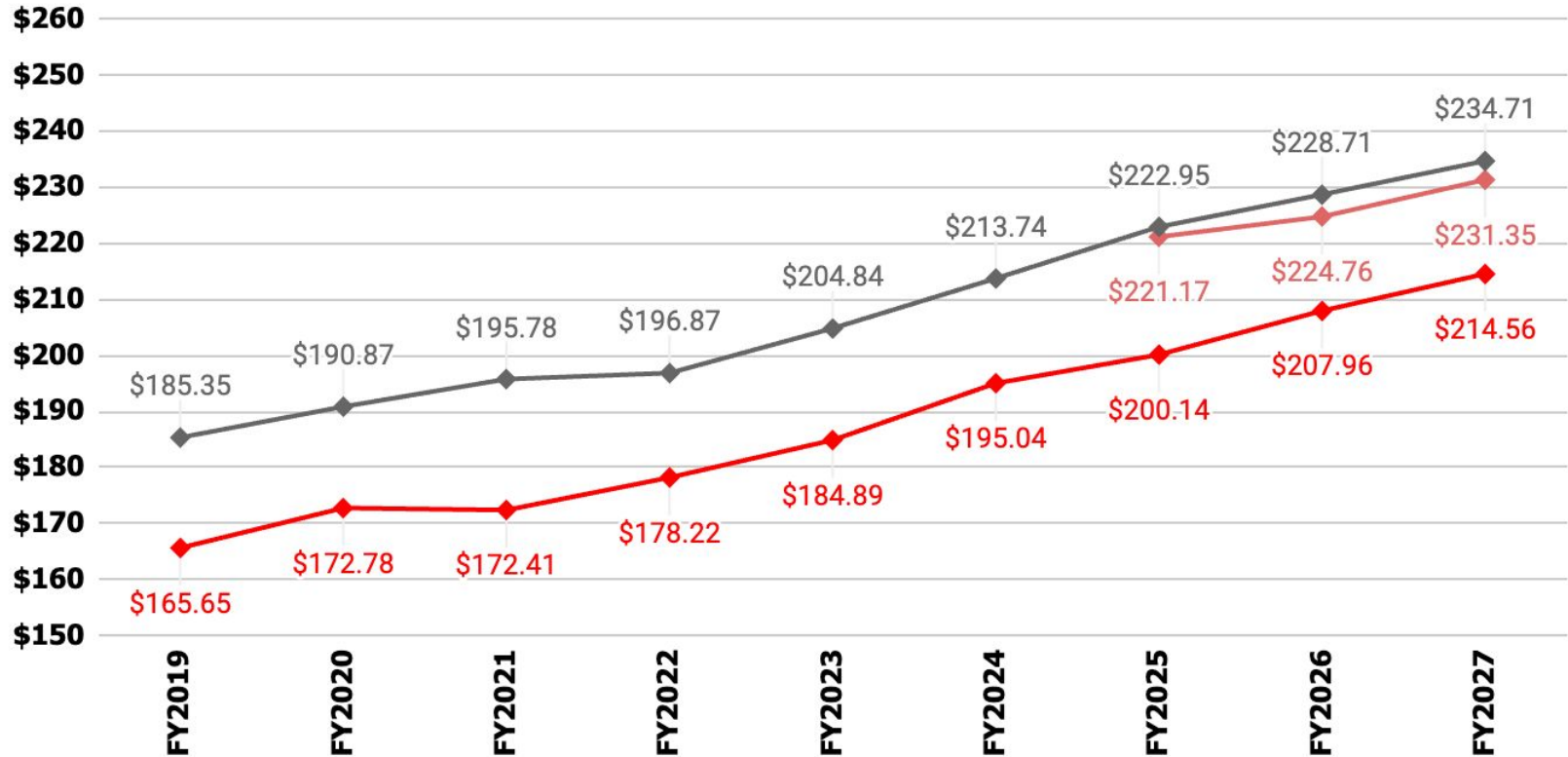
## PROPOSED MONTHLY UTILITY BILL

(Garbage & Recycling, Power & Light, Sewer, Storm Water, Streets, Water, TUF)



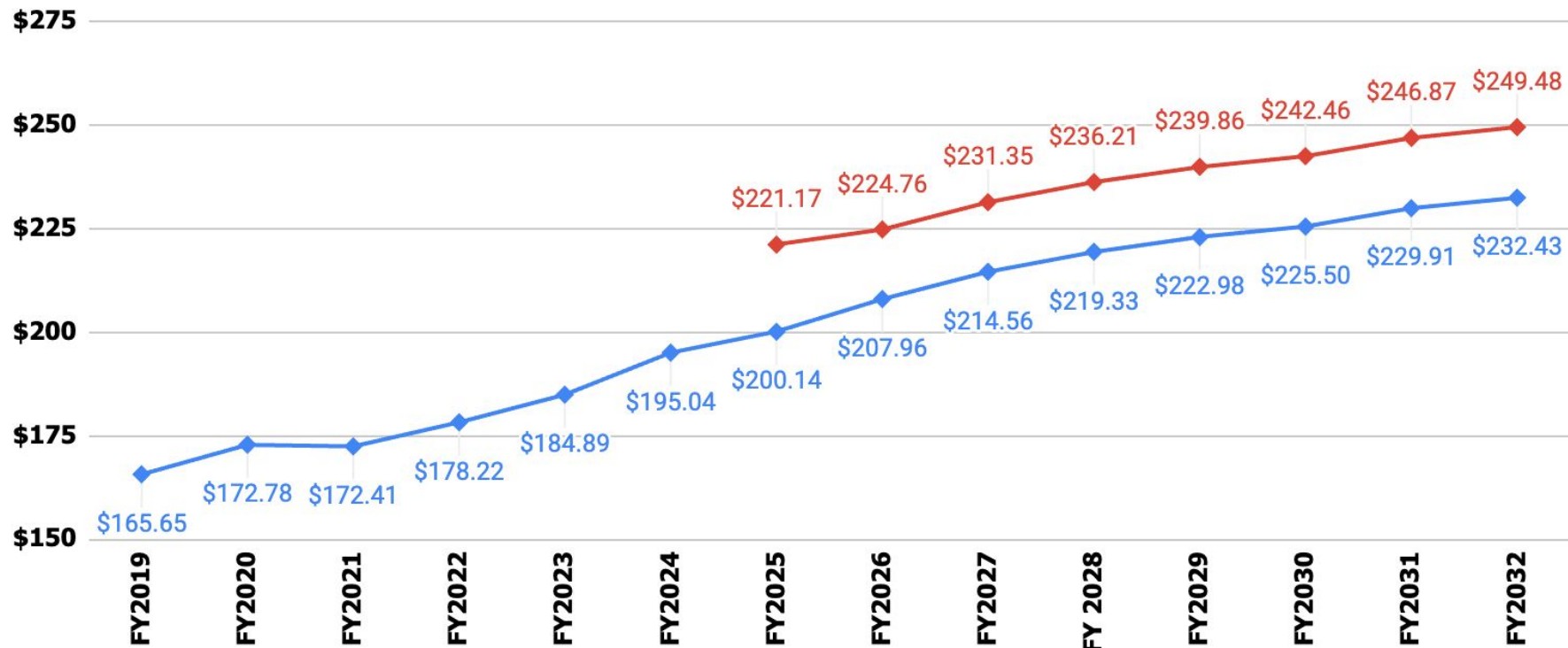
# Combined Residential Utility Bill Comparison

◆ Spanish Fork Sch. 1    ◆ Spanish Fork Sch. 2    ◆ Other City Average



# Combined Residential Utility Bill Past & Future

Spanish Fork Sch. 1 Spanish Fork Sch. 2



# VERK BOND & EMPLOYEE REQUESTS

Friday 12:30 pm



**SPANISH FORK**  
PUBLIC WORKS



# VERK POWER & LIGHT PLANNING

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- 8/5/2025 - Resolution 2025-31
  - Allows the City to choose to issue electric revenue bonds and reimburse itself for project costs from 60 day prior
  - Procedural step with no binding effect but preserves options
  - We have done some further studies to look at the impact on the power fund.
- Special Verk rate to cover payment to ensure existing resident aren't supplementing Verk

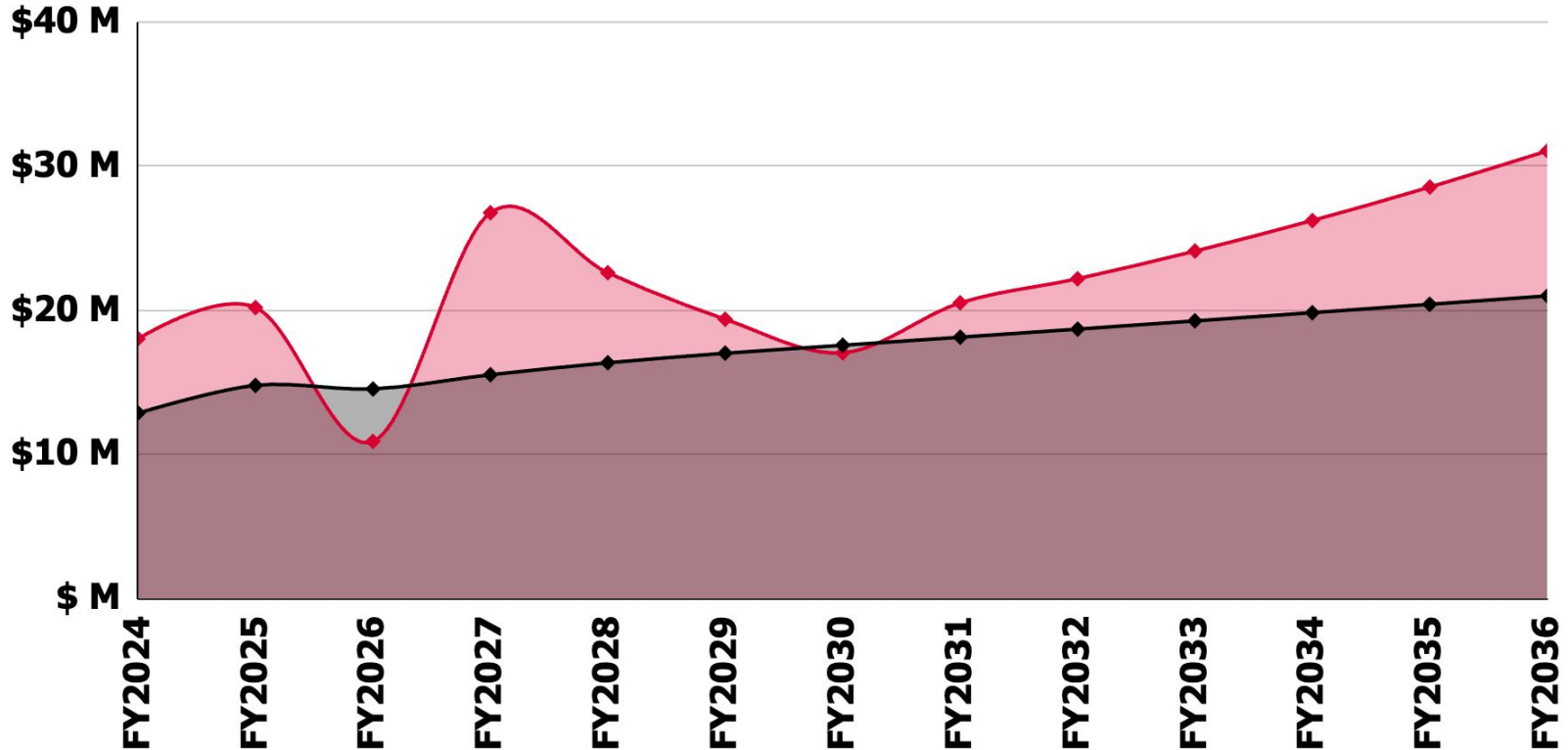
# VERK POWER & LIGHT PLANNING

- \$30M Cost for next phases of Verk power
  - 138kV Line and Substations
- Target of \$20M power bond
- Verk Growth Assumptions (Dave Berg Study)

| Item            | FY26        | FY27        | FY28        | FY29        | FY30         |
|-----------------|-------------|-------------|-------------|-------------|--------------|
| Additional Load |             | 6 MW        | 12MW        | 18MW        | 24MW         |
| Power Cost      |             | \$2,368,563 | \$4,737,126 | \$7,105,689 | \$9,474,252  |
| Increased O&M   |             |             | \$250,000   | \$250,000   | \$300,000    |
| Capital Cost    | \$3,731,720 | \$6,862,500 | \$6,862,500 | \$6,862,500 | \$6,862,500  |
| Bond Payment    |             | \$1,454,352 | \$1,454,352 | \$1,454,352 | \$1,454,352  |
| Power Sales     |             | \$3,028,908 | \$6,057,815 | \$9,086,723 | \$12,115,630 |
| Port Funds      |             | \$1,875,000 | \$1,875,000 | \$1,875,000 | \$1,875,000  |
| Impact Fee      |             | \$216,000   | \$216,000   | \$216,000   | \$216,000    |

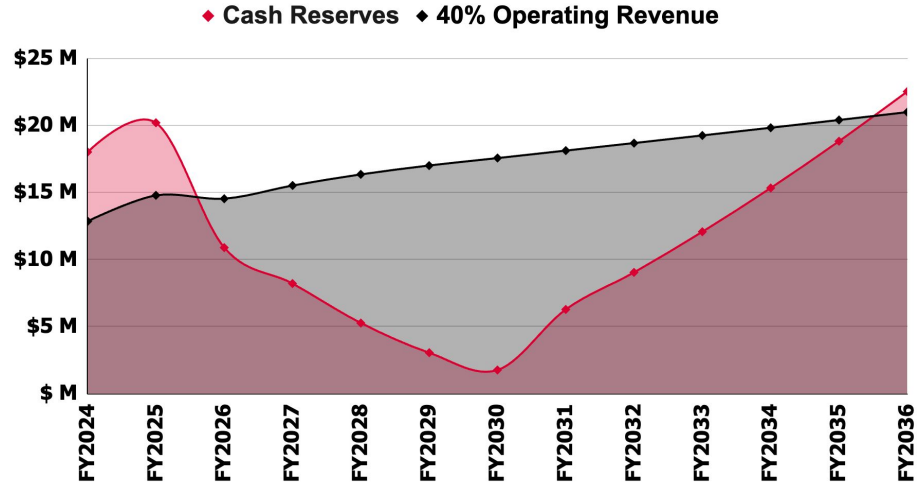
# Cash Reserves - Power & Light (\$20M Verk Bond)

◆ Cash Reserves ◆ 40% Operating Revenue



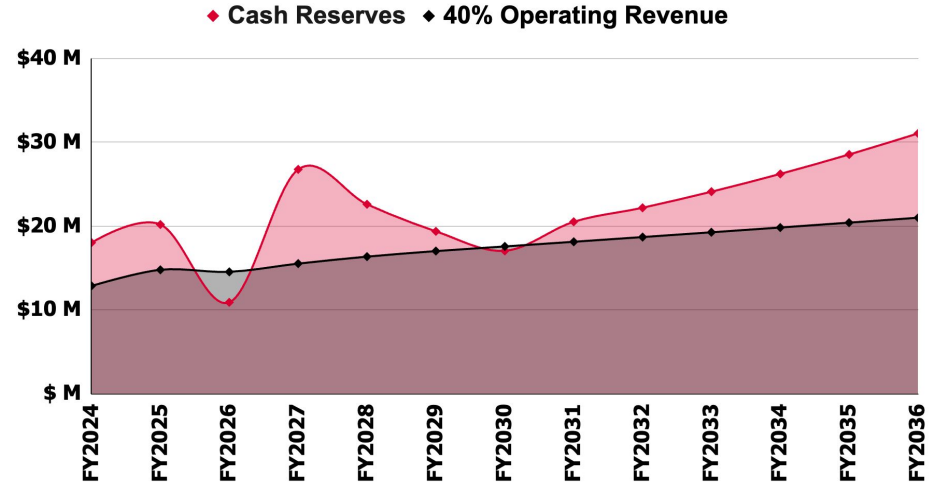
## Project without a bond

### Cash Reserves - Power & Light (No \$20M Bond)



## Project with a bond

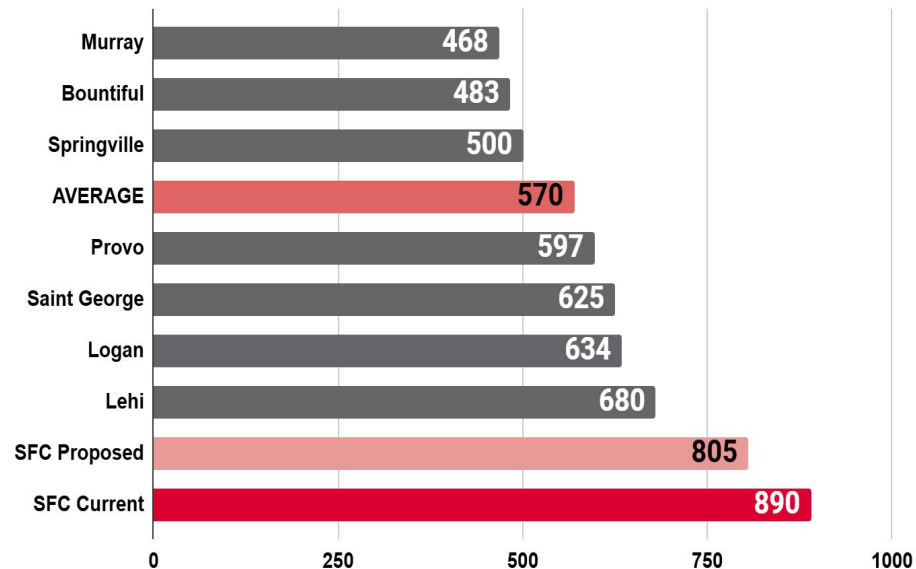
### Cash Reserves - Power & Light (\$20M Verk Bond)



# **Power Division FY 2027 Employee Request**

| City                | Customers | Employees | Customers Per Emp. |
|---------------------|-----------|-----------|--------------------|
| Murray              | 22,000    | 47.00     | 468                |
| Springville         | 13,512    | 27.00     | 500                |
| Bountiful           | 17,389    | 36.00     | 483                |
| <b>AVERAGE</b>      |           |           | <b>570</b>         |
| Saint George        | 30,000    | 48.00     | 625                |
| Logan               | 21,558    | 34.00     | 634                |
| Provo               | 40,000    | 67.00     | 597                |
| Lehi                | 29,255    | 43.00     | 680                |
| <b>SFC Proposed</b> | 16,914    | 21.00     | <b>805</b>         |
| <b>SFC Current</b>  | 16,914    | 19.00     | <b>890</b>         |

Customers Per Employee



- Capital project backlog - keep projects in house to save \$\$
- Give more priority to maintenance projects
- Have stretched staff for several years



|   |          |                                    |           |                              |
|---|----------|------------------------------------|-----------|------------------------------|
| <b>Power &amp; Light Superintendent</b> | <b>2</b> | <b>Asst P&amp;L Superintendent</b> |           |                              |
|   | <b>3</b> | <b>Line Foreman</b>                |           |                              |
|   |          |                                    | <b>9</b>  | <b>Journey Lineworker</b>    |
|   |          |                                    | <b>10</b> | <b>Journey Lineworker</b>    |
| <b>19 Employees</b>                     |          |                                    | <b>11</b> | <b>Journey Lineworker</b>    |
|   | <b>4</b> | <b>Line Foreman</b>                |           |                              |
| Asking for                              |          |                                    | <b>12</b> | <b>Journey Lineworker</b>    |
| <b>21 Employees</b>                     |          |                                    | <b>13</b> | <b>Journey Lineworker</b>    |
|   |          |                                    | <b>14</b> | <b>Apprentice Lineworker</b> |
|   | <b>5</b> | <b>Service/Substation Foreman</b>  |           |                              |
|   |          |                                    | <b>15</b> | <b>Inspector</b>             |
|   |          |                                    | <b>16</b> | <b>Journey Lineworker</b>    |
|   |          |                                    | <b>17</b> | <b>Journey Lineworker</b>    |
|   |          |                                    | <b>18</b> | <b>App. Lineworker</b>       |
|   |          |                                    | <b>19</b> | <b>Substation Technician</b> |
|   |          |                                    | <b>20</b> | <b>Substation Technician</b> |
|   | <b>6</b> | <b>Senior Utility Planner</b>      |           |                              |
|   | <b>7</b> | <b>Meter Technician</b>            |           |                              |
|   |          |                                    | <b>21</b> | <b>Apprentice Meter Tech</b> |

- Substation foreman (37 yr) currently inspecting.
- Allow the Service/ Substation crew to reorganize and add a new dedicated line crew
- Equipment: Inspector truck and foreman truck.

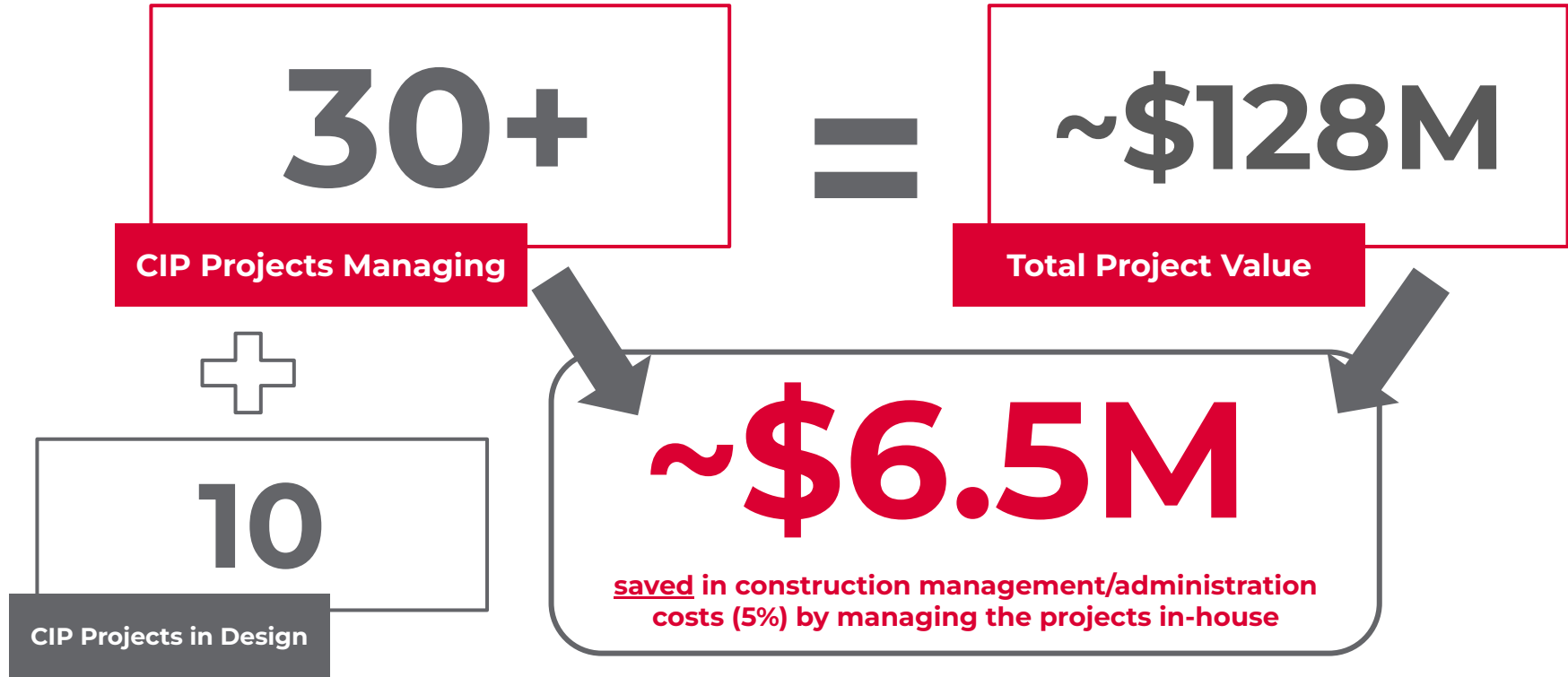
# **Engineering Division FY 2027 PM Employee Request**

# Previous Staffing - Current Staffing

Engineering Division Manager (Jered) —————> City Engineer (Byron)  
Project Manager (Matt R) —————> Project Manager (Matt R)  
Senior Engineer/ Project Manager (Byron) —————> **Project Manager (.....)**  
Assistant City Engineer (Mike) —————> Assistant City Engineer (Josh W)  
Staff Engineer (Dillon) —————> Traffic Engineer (Dillon)  
Design Engineer (Josh R) —————> Design Engineer (Josh R)



# Projects Summary



# Upcoming Projects To Be Hired Out

| Construction Projects                           | Project Cost | Construction PM cost     |
|---|--------------|--------------------------|
| • Verk Ave. Roadway and PI line -               | \$6,000,000  | \$180,000 (3%)           |
| • Oaks transmission waterline -                 | \$2,500,000  | \$125,000 (5%)           |
| • 400 N - Main St to 200 W -                    | \$650,000    | \$32,500 (5%)            |
| • 500 N 100 E to 300 E -                        | \$650,000    | \$32,500 (5%)            |
| • 600 N - Main St to 300 W Waterline -          | \$650,000    | \$32,500 (5%)            |
| • 750 South Waterline 1600 East to 2400 East -  | \$900,000    | \$45,000 (5%)            |
| • 2040 E. 400 N. roundabout -                   | \$1,800,000  | \$54,000 (5%)            |
| • 2000 E. connection -                          | \$6,500,000  | \$195,000 (3%)           |
| • I-15 Benjamin Interchange Storm Drain -       | \$5,000,000  | \$150,000 (3%)           |
| • Main St. Corridor -                           | \$13,500,000 | \$337,500 (2.5%)         |
| • River trail Mapleton connection MAG project - | \$5,500,000  | \$165,000 (3%)           |
|   |              | <b>Total=\$1,349,000</b> |

# Project Manager Annual Cost

- Truck Yearly lease/insurance - \$12,000
- Computer - \$1,500
- Yearly Wage & Benefits = \$82,368 & \$46,258
- Allowances - \$1,000
- Total Each Year = \$143,126



# MAIN STREET PROJECT

Saturday 8:15 am



**SPANISH FORK**  
PUBLIC WORKS

# Main St Vision

**Project History & Status Update  
Council Midway Work Session  
January 2026**



## Brief Project History

- **May 2023:** Concept and Scoping Work Commences
- **March 2024:** Concept Geometry and Aesthetic Improvement packages submitted
- **April 2024:** It is determined that impacts to existing features like trees are unavoidable; public involvement strategy is devised
  - **Step 1:** Work with City Council to finalize concepts and ensure they are fully briefed on constraints
  - **Step 2:** Bring in public for feedback on concepts
- **August 2024:** First City Council work session presentation
- **September 2024:** Second City Council presentation
- **October 2024:** Third and final City Council presentation
  - Public involvement messaging approved, focusing on decisions made by Council and project impacts
- **February 2025:** Two public meeting held and feedback gathered
  - Property/Business owner meeting
  - General public open house

# SPANISH FORK

MAIN STREET

## POTENTIAL SCHEDULE

**2018**

**Main Street  
Vision Plan**

**2022**

**UDOT Identified  
Safety Funding**

**2024**

**Concept  
Development**  
Grant Applications  
through 2026

**2028**

**Phases 1 & 2 Construction**  
Phase 3  
Pending Successful  
Grant Applications



**Phase 3:  
Seeking Funding**

**Phase 1 & 2:  
Funded**

## Funding History

### Funding Source 1 August 2020

MAG: \$3.18M  
SFC: \$231k  
UDOT HSIP: \$2M

**Total: \$5.41M**

### Funding Source 2 August 2024

MAG: \$4.74M  
SFC: \$344k

**Total: \$5.09M**

### Funding Source 3 November 2025

UDOT HSIP: \$1.1M

**Total: \$1.1M**

### Total January 2026

MAG: \$7.92M  
SFC: \$575k  
UDOT HSIP: \$3.1M

**Total: \$11.6M**



# Total Expenditures (as of January 2026)

## UDOT & CITY PROJECT EXPENDITURES

UDOT PROJECT EXPENDITURES:

**~\$680k**

Local Match: ~\$46k

TOTAL CITY EXPENDITURES  
(including match):

**~\$220k**

## EXPENDITURE ACTIVITIES

- ☒ Preliminary design, concepts, and plans
- ☒ Public involvement efforts
- ☒ Grant solicitation efforts

## WE WOULD OWE

**~\$634k**





# Moving Forward

- Moving forward on design
- What information do you need?
- Do you need any further studies?
- How aggressive do we pursue funding for 400 North going south?