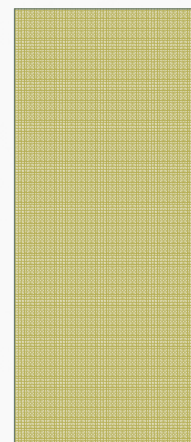


WASTEWATER

10-YEAR PROJECTION



OVERVIEW

- What does the combined Waste Water Operational and Impact Fee fund balance look like in 10 years?
- Can we sustain current operations with current utility rates?
- Can we complete scheduled projects with current utility rates?

WEST SIDE MANHOLE WITH CORROSION



MANHOLE PROBLEMS – SERIOUS NEED FOR CLEANING LINES



MANHOLE WAS HIT AND EASILY
DAMAGED BECAUSE IT WAS OLD



CONTRACTORS USED HEAT SHRINK TAPE TO GO FROM ONE SIZE TO ANOTHER, CAUSING A SEWER LEAK



BACK UP PUMPS NEEDED - RAS BUILDING W/ APPROX. 12" SLUDGE



FINAL (NORTH) CLARIFIER – DRIVE IS TILTED DUE TO BAD BEARING



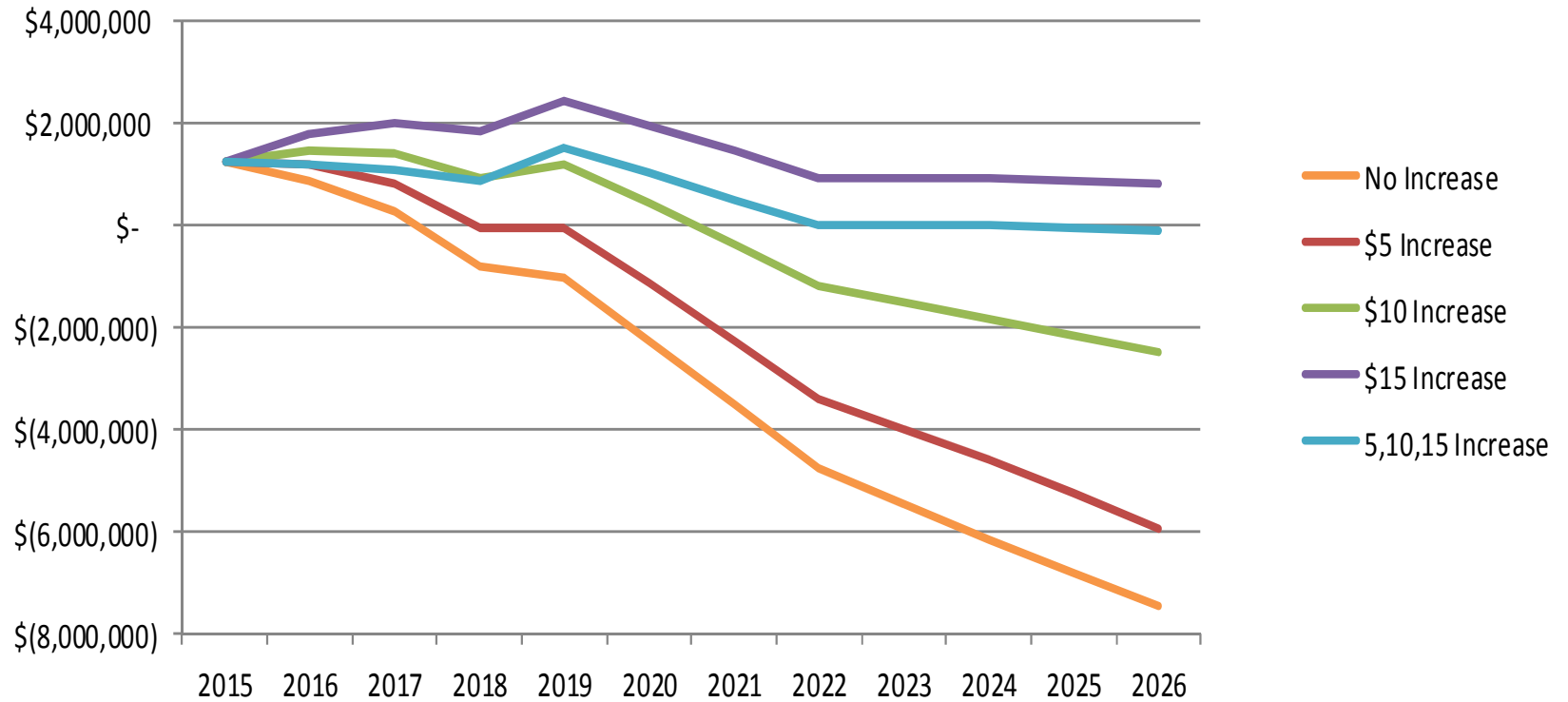
CHLORINE CONTACT BASIN
WATER SHOULD BE CLEAR - VIOLATION
NEED FOR REDUNDANCY



ASSUMPTIONS

- \$140,000 to Clean Lines every year with 1.5% CPI Increase
- 1.5% CPI Increase for expenses except in 2017 5% was used to cover wage market analysis study
- Capital Projects Budgeted for FY2016-FY2020, but no other Capital Improvement projects budgeted after that year.
- \$17,000,000 Bond for Sewer Upgrade – Annual Payment of \$1,200,000 beginning FY2020
- 2010 Sewer Bond Refunding paid off of in 2022 (\$550,000 payment)
- No projects attributable to growth included. Impact fees should cover the costs of new construction.

WASTE WATER OPEARTING AND IMPACT FEE FUND BALANCE PROJECTION



CAPITAL IMPROVEMENT PROJECTS INCLUDED IN PROJECTION

Fiscal Year	Description	Estimated Cost
2016	Finish Installing 2nd half of Air Rotors Sprockets and Chains	50,000.00
2016	Replace Sewer Behind Ridge Lane	200,000.00
2016	Main St. and 4th North	20,000.00
2017	Saddlebrook	72,000.00
2017	300 S. Pipe Replacement	480,000.00
2018	750 W. Pipe Replacement	276,000.00
2018	Treatment Plant Connect Pipe	684,000.00
2019	Boring Under I-15	140,000.00
2020	Treatment Plant Upgrade to Comply with New Regulations	17,000,000.00
	Annual Estimated Payment of Sewer Upgrade Bond	1,200,000.00

MONTHLY SEWER RATES

UTAH COUNTY

NOTE: COSTS BASED ON 11,000 GALLONS AVERAGE MONTHLY WINTERTIME WATER USAGE AND 29,000 GALLONS AVERAGE MONTHLY SUMMERTIME WATER USAGE.

Current Rate			\$5			\$10			\$15		
Provo *	\$237.00	\$ 19.75	Provo *	\$237.00	\$ 19.75	Provo *	\$237.00	\$ 19.75	Provo *	\$237.00	\$ 19.75
Salem	\$294.00	\$ 24.50	Salem	\$294.00	\$ 24.50	Salem	\$294.00	\$ 24.50	Salem	\$294.00	\$ 24.50
Orem *	\$299.28	\$ 24.94	Orem *	\$299.28	\$ 24.94	Orem *	\$299.28	\$ 24.94	Orem *	\$299.28	\$ 24.94
Spanish Fc	\$315.60	\$ 26.30	Spanish Fc	\$315.60	\$ 26.30	Spanish Fc	\$315.60	\$ 26.30	Spanish Fc	\$315.60	\$ 26.30
Payson *	\$352.56	\$ 29.38	Springville	\$371.16	\$ 30.93	Springville	\$371.16	\$ 30.93	Springville	\$371.16	\$ 30.93
Springville	\$371.16	\$ 30.93	Payson *	\$406.80	\$ 33.90	Highland	\$434.28	\$ 36.19	Highland	\$434.28	\$ 36.19
Highland	\$434.28	\$ 36.19	Highland	\$434.28	\$ 36.19	Elk Ridge	\$438.00	\$ 36.50	Elk Ridge	\$438.00	\$ 36.50
Elk Ridge	\$438.00	\$ 36.50	Elk Ridge	\$438.00	\$ 36.50	Payson *	\$466.80	\$ 38.90	Eagle Mou	\$486.00	\$ 40.50
Eagle Mou	\$486.00	\$ 40.50	Eagle Mou	\$486.00	\$ 40.50	Eagle Mou	\$486.00	\$ 40.50	Mapleton	\$489.12	\$ 40.76
Mapleton	\$489.12	\$ 40.76	Mapleton	\$489.12	\$ 40.76	Mapleton	\$489.12	\$ 40.76	Lindon *	\$506.88	\$ 42.24
Lindon *	\$506.88	\$ 42.24	Lindon *	\$506.88	\$ 42.24	Lindon *	\$506.88	\$ 42.24	Payson *	\$526.80	\$ 43.90
Lehi *	\$528.00	\$ 44.00	Lehi *	\$528.00	\$ 44.00	Lehi *	\$528.00	\$ 44.00	Lehi *	\$528.00	\$ 44.00
Santaquin	\$534.00	\$ 44.50	Santaquin	\$534.00	\$ 44.50	Santaquin	\$534.00	\$ 44.50	Santaquin	\$534.00	\$ 44.50
Alpine *	\$550.20	\$ 45.85	Alpine *	\$550.20	\$ 45.85	Alpine *	\$550.20	\$ 45.85	Alpine *	\$550.20	\$ 45.85
Saratoga S	\$572.04	\$ 47.67	Saratoga S	\$572.04	\$ 47.67	Saratoga S	\$572.04	\$ 47.67	Saratoga S	\$572.04	\$ 47.67
Cedar Hills	\$575.16	\$ 47.93	Cedar Hills	\$575.16	\$ 47.93	Cedar Hills	\$575.16	\$ 47.93	Cedar Hills	\$575.16	\$ 47.93
American I	\$611.40	\$ 50.95	American f	\$611.40	\$ 50.95	American I	\$611.40	\$ 50.95	American I	\$611.40	\$ 50.95
Pleasant C	\$728.40	\$ 60.70	Pleasant C	\$728.40	\$ 60.70	Pleasant C	\$728.40	\$ 60.70	Pleasant C	\$728.40	\$ 60.70

MONTHLY RATE CALCULATION

Payson

Month	Gal. Used	Base Chg.	Allowance	Com. Chg.	Gal. at Com. Chg.	Commodity Charge	Total
January	11000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
February	11000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
March	11000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
April	11000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
May	29000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
June	29000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
July	29000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
August	29000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
September	29000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
October	29000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
November	11000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
December	11000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38
Totals	240000	\$208.68	0	\$13.08	132000	\$143.88	\$352.56
Averages	20000	\$17.39	0	\$1.09	11000	\$11.99	\$29.38

CONCLUSION

- Wastewater's FY 2026 Combined Ending Fund Balance projection is as follows:
 - No Increase = -\$7.5 Million
 - \$5 Increase = -\$5.9 Million
 - \$10 Increase = -\$2.5 Million
 - \$15 Increase = \$800,000
- If Wastewater's utility fees remain the same, the funds will not even be able to cover the costs to maintain current infrastructure and daily operational costs.

BUDGET QUESTIONS

- What are Wastewater's greatest challenges in the next 10 years?
 - Increasingly Stringent Regulatory Mandates
 - Cash Flow to support operations and maintenance of current infrastructure
- Are Wastewater's fees adequate?
 - The current rates will not cover future operational costs nor CIP costs associated with **current infrastructure**.
- Are there any Revenue Opportunities to explore?
 - With Wastewater rates as low as they are, we feel rate adjustments need to be made prior to any additional charges being considered.
 - Additional rooftops would help