

River Heights City

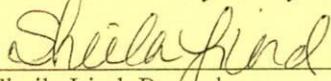
COUNCIL MEETING AGENDA

Tuesday, July 14, 2015

Notice is hereby given that the River Heights City Council will hold its regular council meeting beginning at 6:30 p.m. in the River Heights City Office Building at 520 S 500 E.

- 6:30 p.m. Opening Remarks and Pledge of Allegiance
- 6:35 p.m. Adoption of Previous Minutes and Agenda
Pay Bills
Purchase Requisitions
Finance Director Report
Public Works Report
Administrative Report
Public Comment
- 6:45 p.m. Orchard Heights Minor Subdivision – Casey McFarland
- 6:55 p.m. Discuss Utah Festival Opera Offer to Replace Old Church Roof
- 7:05 p.m. Review Wastewater Contract Options
- 7:20 p.m. Mayor and Council Reports
- 7:40 p.m. Adjourn

Posted this 10th day of July 2015



Sheila Lind, Recorder

In compliance with the American Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sheila Lind, (435) 770-2061 at least 24 hours before the meeting.

River Heights City

River Heights City Council
Minutes of the Meeting
July 14, 2015

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6 Present were: Mayor James Brackner
7 Council members: Doug Clausen
8 Robert "K" Scott
9 Geoff Smith
10 Dixie Wilson
11 Blake Wright
12
13 Recorder Sheila Lind
14 Public Works Director Clayton Nelson
15 Treasurer Wendy Wilker
16
17 Excused Finance Director Clifford Grover
18
19 Others Present: Gayle Brackner, Melanie McFarland, Stephanie and Ben
20 Swan, Connie and Jayden Johnson, Cindy Schaub
21
22

23 The following motions were made during the meeting:
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25 Motion #1

26 Councilmember Clausen moved to "adopt the minutes of the June 23, 2015 Council Meeting,
27 and the evening's agenda." Councilmember Scott seconded the motion, which passed with Clausen,
28 Scott, Smith, Wilson and Wright in favor. No one opposed.
29

30 Motion #2

31 Councilmember Clausen moved to "pay the bills as listed." Councilmember Wright seconded
32 the motion, which passed with Clausen, Scott, Smith, Wilson and Wright in favor. No one opposed.
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35 Proceedings of the Meeting:
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37 The River Heights City Council met at 6:30 p.m. in the Ervin R. Crosbie Council Chambers in
38 the River Heights City Building on Tuesday, July 14, 2015.

39 Opening Remarks and Pledge of Allegiance: Councilmember Smith expressed gratitude for this
40 time of year and discussed the Declaration of Independence and how governments were formed.
41 Councilmember Clausen led the group in the Pledge of Allegiance.

42 Adoption of Previous Minutes and Agenda: Minutes of the June 23, 2015 Council Meeting,
43 were reviewed.

44 **Councilmember Clausen moved to "adopt the minutes of the June 23, 2015 Council**
45 **Meeting, and the evening's agenda." Councilmember Scott seconded the motion, which passed**
46 **with Clausen, Scott, Smith, Wilson and Wright in favor. No one opposed.**

47 Pay Bills: The bills were presented and discussed.

48 **Councilmember Clausen moved to “pay the bills as listed.” Councilmember Wright**
49 **seconded the motion, which passed with Clausen, Scott, Smith, Wilson and Wright in favor. No**
50 **one opposed.**

51 Finance Director Report: In the absence of FD Grover, Mayor Brackner reported the city’s
52 bank balances total \$1,135,161.27 (before tonight’s bills are paid). Mr. Grover has talked with Cache
53 Valley Bank about the city’s desire to pull their savings out because of recent fees. The bank has
54 agreed not to charge the city to hold their money, therefore, it will be left in this account.

55 Purchase Requisition Requests: There were none.

56 Public Works Report and Discussion: PWD Nelson reported on the following:

- 57 • The Saddlerock sewer is nearly completed. The water line should be coming across 600 South
58 tomorrow. After this is finished they can get the road leveled and repaved. Councilmember
59 Wright reminded that the road widening (by Hogan on the north side) won’t include in front of
60 the Luu property after all phases are built. The city may want to look at how to finish off the
61 corner.
- 62 • Tomorrow they will start to crack seal the roads that are scheduled for the mineral bond
63 beginning July 21.
- 64 • The city engineer has the 600 East resurfacing project nearly ready to go out for bid.
- 65 • The 650 South resurfacing project is currently out for bid. PWD Nelson stated Staker Parsons
66 are the only ones who have picked up a packet. Mayor Brackner explained that contractors are
67 very busy right now. He asked the Council to consider waiting until the first of the year if the
68 bid(s) come back high. The Council thought that would be fine.
- 69 • The street lights in Saddlerock Phase 1 were supposed to be bid today. The light poles will be
70 the same as Conservice plans to use. If needed, the city can purchase the lights separate from
71 the installation bid.

72 Administrative Report: Recorder Lind reported the city code changes have all been made and
73 she is making preparations to post it on the city’s website.

74 Public Comment: There was none.

75 Orchard Heights Minor Subdivision – Casey McFarland: In Casey McFarland’s absence, his
76 wife Melanie handed out a copy of his findings (requested by the Council at the last meeting). The city
77 would like the sewer line (which feeds from three homes above his property) relocated since it
78 currently runs under his garage. His engineer has showed it could be moved east onto parcel A. Mr.
79 McFarland doesn’t mind it running under his garage and would rather leave it than pay to have it
80 moved at this time. PWD Nelson said it will cost less to move it now while there isn’t as much
81 landscaping to disrupt. The old line would actually be abandoned and a new line installed. The
82 Council needs to determine who will pay for the replacement.

83 Melanie McFarland said they would like to leave the line where it is. They are fine with
84 whatever work might need to be done with it in the future. If they are forced to pay to move it now as
85 a stipulation of their minor subdivision, they will hold off on development. The McFarlands don’t feel
86 responsible to bear the cost because they are not even connected to the line.

87 Councilmember Clausen wondered if the city attorney should give an opinion on who should
88 pay. Councilmember Scott wondered what the life of a sewer line is; perhaps it’s got a lot of life left
89 and would be fine to stay put. PWD Nelson said it’s not just that, a sewer line should never have
90 bends in it, like this one. He has been unable to run a camera through it to determine its condition,
91 because of the bends. The line needs to run straight, which may put the easement on both properties.

92 He has heard the estimate to replace the line is about \$20,000 plus landscape recovery. He will find
93 out if that cost is accurate.

94 It was determined that PWD Nelson will try to get a hold of a motorized camera to find out
95 what's really there and the condition of the line. Mayor Brackner and Councilmember Clausen will
96 meet with Attorney Jenkins to discuss who should pay for the relocation. After these determinations,
97 this item will be on the agenda again.

98 Discuss Utah Festival Opera Offer to Replace Old Church Roof: Mayor Brackner has talked to
99 the Opera Company business manager who said they would like to replace the roof with a metal one.
100 He asked the Council how they felt about allowing them to rent 10 more years if they re-roof.
101 Councilmember Wright asked what kind of lease this would lead to. He'd also like to see what kind of
102 metal roofing product they are proposing. The Council agreed they would like them to present their
103 plan before they give approval. Councilmember Smith said roof or no roof, the city needs to make a
104 decision on the future of the building.

105 Councilmember Clausen doesn't have a problem with a metal roof or allowing them to stay
106 another 10 years. He also feels they need to take care of keeping the exterior and grounds up. He
107 would like the city to be kind to them because they are an important contributor to the community.

108 Councilmember Smith feels the building is a storage unit in downtown River Heights.

109 Councilmember Wright agrees that the Opera Company needs to abide by the conditions in
110 their Conditional Use Permit to keep up on the exterior maintenance. Perhaps the city needs to revisit
111 and enforce their permit. If they did these things he doesn't mind renewing their lease for 10 more
112 years.

113 Councilmember Scott suggested having a yearly review with them.

114 Mayor Brackner guesses the exterior revisions will cost the Opera Company around \$80,000.
115 They don't want to spend the money if they aren't going to be allowed to stay for some time.

116 Councilmember Clausen reminded that the building was looked at by the city engineer and it was
117 found to be structurally sound for its current use. Mayor Brackner said there needs to be negotiations
118 with them, a timeline set up, enforcement on improvements and discussion about the lease.

119 Councilmember Wilson wants the Opera Company to make a formal request for what they want.

120 Mayor Brackner will call and ask them to present at the next meeting.

121 Review Wastewater Contract Options: Mayor Brackner reviewed the two page analysis he put
122 together which compares the costs of staying with the current contract, versus going with the new
123 contract. If we go with the new contract the differential is about \$10/month for our citizens.

124 Councilmember Scott asked if there was any projection on what Logan would do to our rates in 10
125 years when our contract is up. Councilmember Clausen said they don't know but the city attorney said
126 they would not be allowed to charge unfair rates because we stayed with the old contract. River
127 Heights has some leverage with them because of the 32 homes in Logan that feed into a River Heights
128 line. The total difference between the two contracts is about \$500,000 (over the 8 year period from
129 June 2017 until June 2025 or the date the new contract will be effective and the date the present
130 contract will expire).

131 Mayor Brackner feels River Heights shouldn't commit to anything for at least another year.
132 We are the only city that can delay since we have a current contract, which states we will get rate
133 increases to match that of Logan's residents. PWD Nelson said the amount River Heights pays Logan
134 City now doesn't cover Logan's cost; due to Logan changing the way they bill since the beginning of
135 the contract. Councilmember Clausen reminded they are collecting more from River Heights, than
136 other cities, on fire protection.

137 Councilmember Clausen asked if Logan is under the assumption that River Heights will go
138 with the new contract. Mayor Brackner and Councilmember Wilson don't think Logan is assuming
139 River Heights will sign the new contract. Councilmember Wright isn't interested in paying an extra
140 \$500,000 over the 8 years from June 2017 until June 2015, if it's not needed. He'd like to wait for a
141 year to see what happens.

142 PWD Nelson suggested revisiting the sewer contract when the fire contract comes up for
143 renewal.

144 Councilmember Clausen asked what other cities reactions have been. Mayor Brackner has
145 talked with two cities who don't like the new contract, but have agreed to it. Logan is projecting the
146 new plant will be up and running by spring of 2017.

147 Mayor and Council Reports: Councilmember Smith said Apple Days is moving along and will
148 be ready by August 29.

149 Councilmember Scott is hoping to have a meeting with the Sheriff's Department next week.
150 He has been hearing some interest in the community about becoming CERT certified. He'd like to
151 bring the training to River Heights. We could invite others from surrounding cities, as well. Mayor
152 Brackner would like the city to pay training costs for anyone in River Heights. The Council agreed.

153 Councilmember Wilson reported there is new bark in the playground.

154 Councilmember Wright said Conservice has made an offer on parcels to the east of their lot.
155 They are interested in using it for additional parking and have asked to rezone it from agricultural to
156 commercial. Because the General Plan shows it as agricultural, the Planning Commission has been in
157 discussions about changing it, to accommodate their request. The residents in the area have concerns
158 about this and the Commission is now discussing how far the city should allow commercial
159 development to the east on 800 South. The Commission has scheduled a field trip tomorrow to start
160 off their meeting. He invited the council members to go. After the field trip the Commission will hold
161 a discussion on their ideas. At the next council meeting, Commissioner Malmstrom will most likely
162 approach the Council to ask their feelings on how far they want to allow the commercial area to go.
163 Randy Weston hasn't expressed any interest in rezoning his property to commercial, which would be
164 the next lot, after the parcels on which Conservice has an option.

165 The meeting adjourned at 8:00 p.m.

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Sheila Lind, Recorder

171 James Brackner, Mayor

River Heights City Bills To Be Paid

July 14, 2015

	Payee	Description	Admin.	P&Z	Parks/Rec	Pub. Safety	Com. Aff.	Roads	Water	Sewer	Total
1	Ace Banner & Sign llc	Youth Council Auto Magnet					\$64.00				\$64.00
2	All About Play	P.O. 2015-PO008 Wood Chips			\$2,304.00						\$2,304.00
3	Ashton, Angie	Utility Deposit Refund							\$14.77		\$14.77
4	AT&T Mobility	Cell Phones	\$85.68						\$85.58	\$85.73	\$256.99
5	Bear River Health Department	Water Samples/Coliform							\$60.00		\$60.00
6	Blue Stakes of Utah	E-Mail Notifications					\$24.86	\$24.86	\$24.86	\$25.61	\$75.33
7	Caselle	Monthly Contract Support	\$83.35						\$83.33	\$83.32	\$250.00
8	Century Equipment	Skid Steer Broom 2015 PO009						\$5,945.00			\$5,945.00
9	Century Equipment	Skid Steer Lease for FY2016			\$1,150.00			\$1,150.00	\$1,150.00	\$1,150.00	\$4,600.00
10	Chevron & Texaco	Fuel for City Vehicles						\$47.33	\$47.32	\$47.32	\$141.97
11	Chyanne Lind	Office Cleaning	\$35.00								\$35.00
12	City of Logan	Garbage, 911, Water Fair, Sewer	\$10,165.85			\$1,806.00		S.W. ←	\$752.70	\$6,597.22	\$19,321.77
13	Comcast	High Speed Internet	\$21.25						\$21.25	\$21.25	\$63.75
14	Daines & Jenkins	Legal Fees	\$50.00								\$50.00
15	Danny Petersen	Planning Commission 2nd Quarter		\$48.00							\$48.00
16	Denny's Stationery	Office Supplies	\$48.44								\$48.44
17	Discount Tires	Mower Tire			\$7.44						\$7.44
18	Ferguson Enterprises, Inc.	Meter Barrels							\$272.40		\$272.40
19	Forsgren Associates, Inc.	600 East & Saddlerock	\$5,796.25	\$1,125.00							\$6,921.25
20	Freedom Mailing Services, Inc.	Bill Processing	\$127.73						\$42.57	\$42.57	\$212.87
21	Image Matters	Youth Council Shirt Embroidery					\$287.10				\$287.10
22	Intermountain Farmers	Sprayer, Fertilizer, Weed Control			\$221.95			\$114.99			\$336.94
23	IPACO	Shop Supplies			\$22.42			\$22.42	\$22.43	\$22.44	\$89.71
24	It Works	DocuWare Setup	\$90.00								\$90.00
25	Jim Royle	Planning Commission 2nd Quarter		\$48.00							\$48.00
26	LeGrand Johnson Construction	Water Leak Repairs 500 S. 500 East							\$762.70		\$762.70
27	Mark Malmstrom	Planning Commission 2nd Quarter		\$48.00							\$48.00
28	Nina Knowles	Planning Commission 2nd Quarter		\$36.00							\$36.00
29	Patti Seeholzer	Planning Commission 2nd Quarter		\$36.00							\$36.00
30	Renegade Rentals	Mowser Rental (4 Acres)			\$287.00						\$287.00
31	Rocky Mountain Power	Electricity	\$135.12		\$63.93	\$21.74		\$1,184.05	\$5,831.27	\$30.12	\$7,266.23
32	Sam's Club	Office Supplies	\$3.88								\$3.88
33	Secure Instant Payments, LLC	Monthly Service plus Rental Service	\$23.81						\$12.32	\$12.32	\$48.45
34	South Fork Hardware	Shop Door Opener and Supplies			\$18.25			\$18.25	\$18.25	\$18.23	\$72.98
35	Thomas Petroleum	Fuel for City Vehicles						\$70.24	\$70.25	\$70.25	\$210.74
36	Thurcon, Inc.	City Clean-Up Dump/Asphalt by City Office					\$386.20		\$1,315.00		\$1,701.20
37	Utah Municipal Clerks Assoc.	Recorder Membership Dues	\$100.00								\$100.00
38	Watkins Printing	Office Supplies	\$355.88								\$355.88
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Page 1 SubTotals

\$17,122.24 \$1,341.00 \$4,074.99 \$1,827.74 \$737.30 \$8,577.14 \$10,587.00 \$8,206.38 \$52,473.79

Page 1 Total Amount to be Paid \$52,473.79

City Council:

I apologize for not being able to attend this meeting. I had something scheduled long in advance that could not be changed.

The last we met I was given the assignment of talking with the city engineer, my title company and my home owners insurance company. Here are the findings:

Title Company:

This was a little tricky because we refinanced since we moved into the home and therefore dealt with two title companies. Either way, the sewer easement was dealt with properly and shown on maps in our paperwork. The reality was at the time it was really a non-issue and we had not intentions of subdividing. In short, the title company has nothing to do with the issue at hand.

Home Owners Insurance:

Bear River Mutual is our insurance. Talking with a claims adjuster, he said that he had never seen anything like this but after reading the coverage he believed that because the city sewer line is not my line it would not cover any damage to my home. Normally, when a sewer line backs up they cover \$5000 which would be a result of an attached sewer line to the home. He believed that the sewer line would first cause damage to the homes that this is attached to but likely wouldn't cause damage to my home unless it caused a sink hole. In either case, they do not replace any city sewer lines, only damage to homes from a back-up.

Engineer response:

I have also attached a response from Craig Rasmussen regarding his thoughts on the findings.

My response:

With the relocation of the easement which will remain on my property the new lot will not be affected in the case of any changes made to the sewer line. In this case it shouldn't at this point have anything to do with subdividing these two lots. Whether the sewer line is fixed now or later will only be a question of the destruction of my property on which my house currently rests and not the new lot. The cost therefore should not be any different now or later when dealing with any digging should any problems arise. I therefore feel that since we have decided to change the easement location it should not have any bearing on the subdividing of these two properties.

If we are obligated to participate in a project of this size it is likely we will not be able to afford it for some time. If the city wants something done sooner I propose the city use the funds that will be gained from any impact fees that will be gained from a new home on this lot.

Thank you and again, I am sorry I could be present but I didn't want to wait.

Sincerely, Casey McFarland

From: Craig Rasmussen crasmussen@forsgren.com
Subject: RE: Latest Drawing
Date: May 29, 2015 at 3:27 PM
To: Casey McFarland casey@iamcasey.com, Clinton G Hansen clint@advancedlsi.com
Cc: River Heights (riverheightscity@comcast.net) riverheightscity@comcast.net, Clayton Nelson riverheights1@hotmail.com, James Brackner jamesbrackner@riverheights.org

Hi Casey,

Thanks for following up. As I understand the discussion at the council meeting. The proposed easement on the lot your home is on, Parcel B, would be placed for a sewer line to be placed in the future if there is a need to replace the existing pipe which goes under your garage. There is probably some way that this could be arranged. However here are some concerns/issues that I think should be addressed in resolving the sewer line issue.

1. Putting a future sewer line in the easement on your parcel will be significantly more expensive than installing a line now in the un-developed property. Who would pay in the future, or how would costs be allocated for the more expensive installation. It would require replacement of established landscaping, etc.
2. Damage claims – Sometimes you don't know a sewer line needs replaced, especially in this type of situation, until there is a problem with the line. A failure of the line under the garage, or from a possible future home owner digging through the line, etc. could lead to expensive claims for backups, etc. These claims could originate from whomever owns your lot, or the lots that are serviced by the line.

It is true that the condition has existed for several years, and may not be an issue of concern for many, many more. However, the potential for problems are more likely in this type of situation than for a typical sewer main in the street. And when there are problems the issues will be compounded to the private property issues – specifically the fact that the sewer is under the house. If the Council determines it is acceptable with keeping the line as is for now, that may be the best solution. I just ask that the above items be considered in the Council discussion and decision. I would feel much more strongly that the line should be relocated now if it went under the living portion of the house instead of the garage. It is my understanding that it crosses under a garage section of the house and that there is no connection from your house to the sewer line.

In answer to your question about where the service line could connect for the proposed lot, it could connect into the existing line under your driveway. I have discussed this with Clayton and it could be arranged. However, the service line needs to either be in an existing utility easement if one is there, or it needs to have an easement established for it. A cleanout should be placed as close to the connection point as possible. Discuss cleanout location and configuration with Clayton and/or myself.

Hope this helps in the discussion with the City. I am not entirely opposed to the sewer location if an amicable arrangement for addressing future concerns can be reached. Let me know if you have other questions, etc.

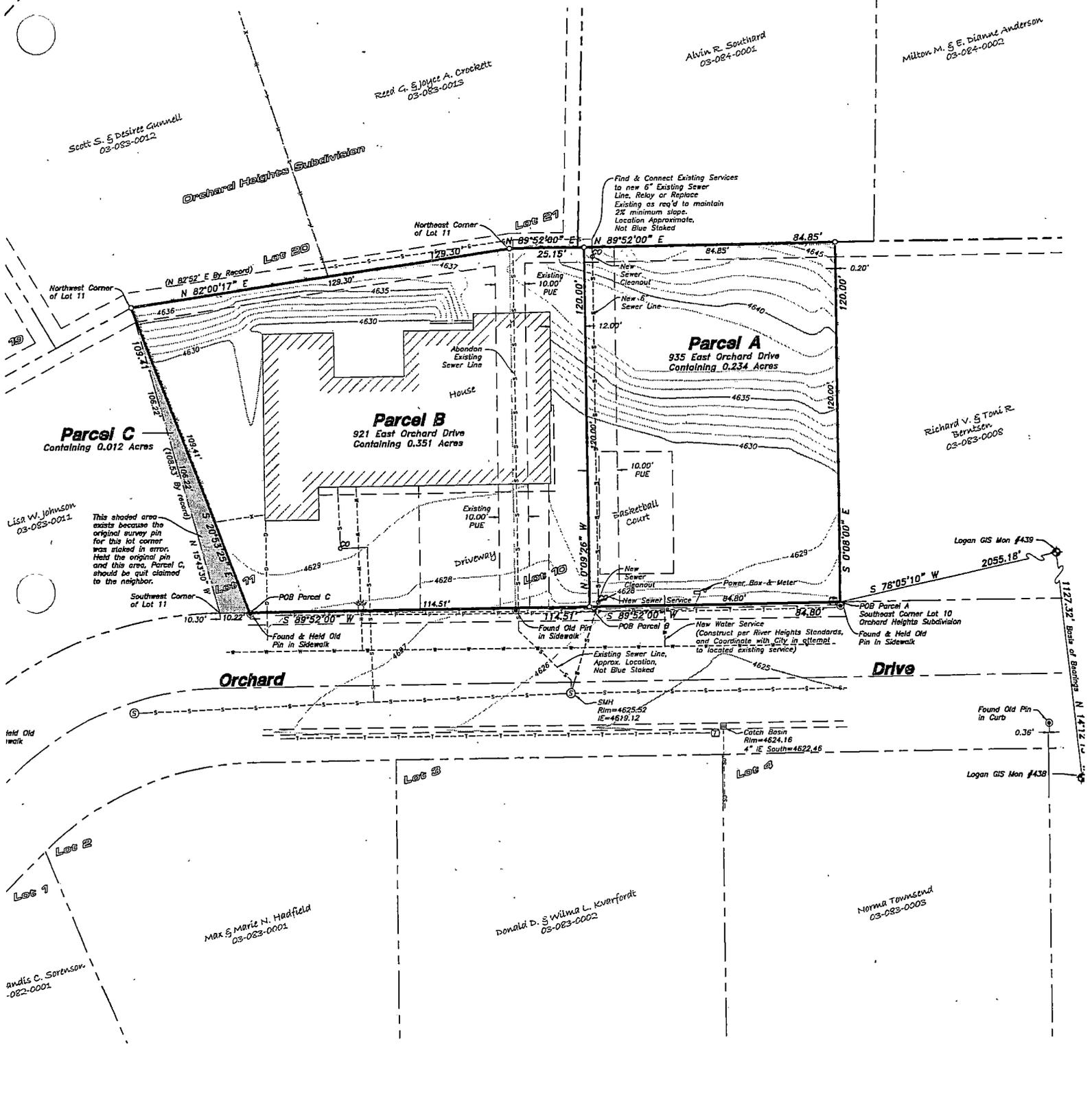
Craig R.

Craig Rasmussen, P.E., S.E.
Project Manager
95 West 100 South, Ste 115
Logan, UT 84321
435 227-0333 / 435 222-7245 Cell

Orchard Heights Minor Subdivision

River Heights City, Cache County, Utah

A Part of the Northwest Quarter of Section 2,
Township 11 North, Range 1 East, Salt Lake Base & Meridian
& A Part of Lots 10 & 11 of Orchard Heights Subdivision



CERTIFICATE OF REVIEW
I certify that I have examined this plat and find it to be correct and in accordance with the information on file in this office.

PLANNING AND ZONING APPROVAL
This plat approved by the City of River Heights Planning and Zoning Commission this _____ day of _____ A.D., 20__.

CITY COUNCIL ACCEPTANCE AND APPROVAL
Approved by the River Heights City Council, this _____ day of _____ A.D., 20__.

APPROVAL A
Approved as to form this _____, 20__.

Attest: _____ Attest: _____

Date _____ City Engineer _____ Date _____ Chairman _____ Secretary _____ Mayor _____ City Recorder _____ Attest _____

Review of the last discussion with Casey McFarland.

139 I'm preparing a very short set of comments now to deliver tomorrow taking this position.
140 Please let me know that you agree.

141 Thank you for your attention to these matters.

142 Mayor Brackner will go to the DWQ meeting in Salt Lake City tomorrow to monitor the
143 progress of Logan's agreement to borrow \$70 million to build their new waste water treatment plant.

144 Review Orchard Heights Minor Subdivision Final Plat Submitted by Casey McFarland: Mayor
145 Brackner asked Councilmember Wright to present this issue. Mr. Wright explained that Mr.
146 McFarland has complied with all the city engineer's comments. The Commission has given their
147 approval to pass it to the Council. Mr. Wright explained that currently, there is a sewer main that runs
148 under Mr. McFarland's driveway and carport (used by three homes above his). The city feels this is
149 the right time to move the line so it will be in compliance with city code. The Commission has agreed.
150 The old line would be abandoned.

151 Councilmember Wright said the line could be left as it currently is. If the line failed in the
152 future, the city could do what they needed for repairs since it is located in the city's easement. PWD
153 Nelson would like to find out if the sewer line actually belongs to the city.

154 Mayor Brackner asked what the probability is of a problem occurring with the line in the
155 future. PWD Nelson stated the bad thing about it is the current line is angled. Casey McFarland
156 suggested leaving it and if there is a problem in the future, he would agree to let the city do what they
157 need to since the easement is on his property. Mr. Nelson informed it would cost less money to move
158 the line now because it would be installed on a vacant lot. Once it is landscaped it will cost more. He
159 suggests running the line directly straight, rather than slightly angled, as suggested by the engineers.

160 Casey McFarland has estimated the cost for a new line would be between \$12,000 and \$20,000.
161 He would feel better about the situation if the city agreed to split the cost with him. He was also
162 agreeable to have the line straightened out and run on the parcel containing his home, rather than on
163 the vacant lot (as shown by the engineers).

164 Robert Scott suggested checking with the title company to see what was recorded. There is
165 title insurance that may cover an issue like this.

166 Councilmember Clausen asked if his homeowners insurance would be affected if the line had to
167 be dug up in the future.

168 **Councilmember Wright moved to, "table the Orchard Heights Minor Subdivision**
169 **discussion until Mr. McFarland can do some research with the title company and his**
170 **homeowner's insurance company, and meet with the city engineer and his engineer regarding**
171 **the sewer line easement being placed directly north of the existing sewer manhole in Orchard**
172 **Drive."**

173 Past mayor, Bill Baker entered the meeting. He was asked if he remembered the amount
174 Nyman agreed to pay the city for the 800 South Easement. Mr. Baker remembered it was \$7,500.

175 The meeting adjourned at 8:00 p.m.

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James Brackner, Mayor


Sheila Lind, Reporter

Wastewater Treatment Analysis and Contract Comparison

Various Facts:

Under Contracts w/Logan as of June 2015

Charges for treatment - per 1,000 gallons
Charges for collection - per 1,000 gallons

River Heights	Sister Cities				
	Hyde Park	Nibley	No. Logan	Providence	Smithfield
\$ 0.92	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.85
\$ 0.41	\$ 0.42	\$ 0.11	\$ 0.12	\$ 0.39	\$ 0.39

Estimated future rates after new contract- about 1 July 2017 per Mayor Peterson's statement on 5 June 2015

Charges for treatment - per 1,000 gallons
Charges for collection - per 1,000 gallons

???	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
\$ 0.41	\$ 0.42	\$ 0.11	\$ 0.12	\$ 0.39	\$ 0.39

Percentage increase from present to future contract

????	62.16%	62.16%	62.16%	62.16%	62.16%
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Current monthly charges to citizens for sewer connection:

For treatment
For collection
Total

River Heights	Logan
Not	\$ 14.00
Shown	\$ 13.00
	<u>\$ 19.05</u>
	<u>\$ 27.00</u>

If Logan increases their citizens charges by 62.16%, then River Heights treatment charges will be $(\$0.92 \times 162.16\%)$ \$1.49 per 1000 gallons.
(This rate is roughly 1/2 of the rate charged to our sister cities on their new contracts.)

RH City's average monthly wastewater treatment is 4.1 million gallons for an average monthly bill of $(4,100,000 / 1,000 \times \$0.92)$	\$ 3,772
If the rate is changed to 162.16% of our current rate, the average monthly amount will be $(4,100,000 / 100000 \times \$1.49)$	\$ 6,109
or a monthly increase of	<u>\$ 2,337</u>

If RH City switches to the new contract, the monthly bill will be $(4,100,000 / 1,000 \times \$3.00)$	\$ 12,300
If RH City stays with the present contract the monthly bill will be $(4,100,000 / 1,000 \times 1.49)$	\$ 6,109
or a monthly increase of	<u>\$ 6,191</u>

The total impact of the rate increase if we switch to the new contract for 96 months will be $(96 \times \$12,300)$	\$1,180,800
The total impact of the rate increase if we stay with our current contract for 96 months will be $(96 \times \$6,109)$	\$ 586,464
or a total difference from 1 July 2017 until 30 June 2025 of	<u>\$ 594,336</u>
The present value of this amount at 4% is	<u>\$ 500,189</u>

RH City presently services 580 homes (32 are in Logan), the cost per home per month for treatment currently is (\$3,772/580)	\$	6.50
The cost per home per month after the increase if we stay with the present contract will be (\$6,109/580)	\$	10.53
The cost per home per month after the increase if we switch to the new contract will be (\$12,300/580)	\$	21.21

Currently the monthlyt total sewer treatment bill to our citizens is	\$	19.05
and the monthly treatment cost is	\$	6.50
The difference is added to our fund to cover maintenance cost of the collection system	\$	<u>12.55</u>

Currently the monthlyt total sewer treatment bill to our citizens is	\$	19.05
If RH City stays with the current contract the monthly cost will be	\$	10.53
The difference will be added to our fund to cover maintenance cost of the collection system	\$	<u>8.52</u>

Currently the monthlyt total sewer treatment bill to our citizens is	\$	19.05
If RH City switches to the new contract, the monthly cost will be	\$	21.21
The amount of shortage per month if rates are not increased	\$	<u>(2.16)</u>