

CITY COUNCIL NOTES:

The Red Area contains Logan City's Sewer Rate increases (listed by Fiscal Year):

- Collection fee increase starts July 2017 (FY 2018)
- Treatment fee increase starts July 2017 and increases about 10% each year until FY 2022 (includes the NEW Treatment Facility participation)

Current Average Single Family Home Sewer Rate is about \$30.00/month

- 40% increase = about \$42/month
- 50% increase = about \$45/month
- 60% increase = about \$48/month
- 70% increase = about \$51/month

Tiered Rate options show the expected Sewer Fund health - and accounts for Logan's expected Sewer Rate increases. Regardless of the North Logan Rate Option chosen, we need to be at a 70% increase (from FY2017 rates) by July 2021, just to stay solvent according to the Logan's Rate Increase Schedule.

- **Recommended Tier - Option 1:**
 - **50% starting in 2017 (FY 2018), 60% starting July 2019 (FY 2020), 70% starting July 2021 (FY2022)**
 - The average bill will be about: \$45/mo starting in 2017, \$48/mo starting July 2019, \$51/mo starting in July 2022
 - This option is expected to significantly reduce our Fund deficit within 2 years, and provide some funds (about \$250,000) that can be used to maintain our system and shore up outside infiltration (i.e. stormwater, ground water). Reducing outside infiltration will reduce our flow, and therefore reduce our Treatment payments to Logan.
 - This option allows us 2 to 4 years to see how Logan rate increases and our treatment reduction efforts affect us - without increasing rates any more than necessary to maintain the Sewer Fund for the next 2 to 4 years.
 - The 60% rate and the 70% rate can be modified (up or down) to more accurately reflect what is actually needed in July 2019 and/or July 2021.
- **Recommended Tier - Option 2:**
 - **60% starting in 2017 (FY2018), 70% starting July 2021 (FY2022)**
 - The average bill will be about: \$48/mo starting in 2017, \$51/mo starting in July 2021.
 - This option is expected to significantly reduce our Fund deficit in about a year, and provides funds (about \$400,000) that can be used to maintain our system and shore up outside infiltration (i.e. stormwater, ground water). Reducing outside infiltration will reduce our flow, and therefore reduce our Treatment payments to Logan.
 - This option allows us 4 years to see how Logan rate increases and our treatment reduction efforts affect us
 - The 70% rate can be modified (up or down) to more accurately reflect what is actually needed in July 2021.

SEWER FUND EXPECTATIONS

NLC 2003 Monthly Meter Fee 3/4 or 1" 1.5" 2" 3" 4" 6" 13.00 17.88 24.38 48.75 89.38 221.00	Flow Fee per 1,000 gal 1.15	FISCAL YEAR	Service Fee Revenue	Operating Expense	Total Fund Revenue	Total Fund Expense	FY Net Revenue		Gen Fund Cash Alloc																								
										Collection	Treatment	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025					
<p align="center">NLC 2010 Monthly Meter Fee (70% increase) Flow Fee (70% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" per 1,000 gal 22.10 30.40 41.45 82.88 151.95 375.70 1.97</p>																																	
<p align="center">OLD Logan Fee Collection 0.12/1000 gal Treatment 1.85/1000 gal Average Monthly Bill: \$30.00</p>			<p align="center">NO Increase</p>																														
<p align="center">USING LOGAN RATE STRUCTURE Note: NEW Logan Facility Participation FIGURED IN</p> <table border="1"> <thead> <tr> <th colspan="8">NEW Logan Fee - Jul 2017</th> </tr> <tr> <th></th> <th>Collection</th> <th>2018 Treatment</th> <th>2019 Treatment</th> <th>2020 Treatment</th> <th>2021 Treatment</th> <th>2022 Treatment</th> <th>Flow Fee</th> </tr> </thead> <tbody> <tr> <td></td> <td>0.30/1000 gal</td> <td>2.05/1000 gal</td> <td>2.26/1000 gal</td> <td>2.48/1000 gal</td> <td>2.73/1000 gal</td> <td>3.00/1000 gal</td> <td></td> </tr> </tbody> </table>										NEW Logan Fee - Jul 2017									Collection	2018 Treatment	2019 Treatment	2020 Treatment	2021 Treatment	2022 Treatment	Flow Fee		0.30/1000 gal	2.05/1000 gal	2.26/1000 gal	2.48/1000 gal	2.73/1000 gal	3.00/1000 gal	
NEW Logan Fee - Jul 2017																																	
	Collection	2018 Treatment	2019 Treatment	2020 Treatment	2021 Treatment	2022 Treatment	Flow Fee																										
	0.30/1000 gal	2.05/1000 gal	2.26/1000 gal	2.48/1000 gal	2.73/1000 gal	3.00/1000 gal																											
<p align="center">Monthly Meter Fee (70% increase) Flow Fee (70% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" Flow Fee 37.57 51.68 70.47 140.90 258.32 638.69 3.35</p> <p align="center">Note: NEW Logan Facility Participation FIGURED IN Average Monthly Bill: \$ 51</p>																																	
<p align="center">Monthly Meter Fee (60% increase) Flow Fee (60% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" Flow Fee 35.36 48.64 66.32 132.61 243.12 601.12 3.15</p> <p align="center">Note: NEW Logan Facility Participation FIGURED IN Average Monthly Bill: \$ 48</p>																																	
<p align="center">Monthly Meter Fee (50% increase) Flow Fee (50% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" Flow Fee 33.15 45.60 62.18 124.32 227.93 563.55 2.96</p> <p align="center">Note: NEW Logan Facility Participation FIGURED IN Average Monthly Bill: \$ 45</p>																																	
<p align="center">Monthly Meter Fee (40% increase) Flow Fee (40% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" Flow Fee 30.94 42.56 58.03 116.03 212.73 525.98 2.76</p> <p align="center">Note: NEW Logan Facility Participation FIGURED IN Average Monthly Bill: \$ 42</p>																																	
<p align="center">Monthly Meter Fee (30% increase) Flow Fee (30% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" Flow Fee 28.73 39.52 53.89 107.74 197.54 488.41 2.56</p> <p align="center">Note: NEW Logan Facility Participation FIGURED IN Average Monthly Bill: \$ 39</p>																																	
<p align="center">Monthly Meter Fee (20% increase) Flow Fee (20% increase) 3/4 or 1" 1.5" 2" 3" 4" 6" Flow Fee 26.52 36.48 49.74 99.46 182.34 450.84 2.36</p> <p align="center">Note: NEW Logan Facility Participation FIGURED IN Average Monthly Bill: \$ 36</p>																																	
			<p align="center">FISCAL YEAR</p>			<p align="center">Service Fee Revenue</p>		<p align="center">Operating Expense</p>		<p align="center">Total Fund Revenue</p>		<p align="center">Total Fund Expense</p>		<p align="center">FY Net Revenue</p>		<p align="center">SEWER FUND</p>																	
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