

**Table ES-1
Calculated Culinary Rates**

Monthly Base Rate (\$/month) - Includes first 12,000 gallons per month					
Metered Connections by meter Size (inch)	2019	2020	2021	2022	2023
1 and Smaller	\$67.63	\$69.99	\$72.44	\$74.98	\$77.23
1 1/2	\$131.46	\$136.06	\$140.82	\$145.75	\$150.12
2	\$208.05	\$215.33	\$222.86	\$230.66	\$237.58
3	\$386.74	\$400.27	\$414.28	\$428.78	\$441.65
4	\$642.02	\$664.49	\$687.75	\$711.82	\$733.17
Standby Fee Per ERU	\$25.88	\$26.78	\$27.72	\$28.69	\$29.55
Overage Volume Rate (\$/1000 gallons per month for use greater than 12,000 gallons)					
Metered Connection by Rate Schedule	2019	2020	2021	2022	2023
Regular Rate Schedule 102	\$16.11	\$16.68	\$17.26	\$17.87	\$18.40
Special Rate Schedules 103 and 104	\$4.56	\$4.72	\$4.89	\$5.06	\$5.21

Note: Rate schedule 101 is not included in this table because it is the water Standby Fee and is not calculated or assessed with typical user rates

**Table ES-2
Calculated Secondary Rates for Class 1 IBUs**

Rate Component	2019	2020	2021	2022	2023
Base Rate Per Month - Metered Connections	\$10.25	\$10.47	\$10.69	\$10.91	\$11.14
Tier 1 Volume Charge (0 - 50 kGal per Month)	\$0.35	\$0.36	\$0.37	\$0.38	\$0.39
Tier 2 Volume Charge (50 - 85 kGal per Month)	\$0.70	\$0.71	\$0.72	\$0.74	\$0.76
Tier 3 Volume Charge (85 - 250 kGal per Month)	\$1.40	\$1.43	\$1.46	\$1.49	\$1.52
Tier 4 Volume Charge (>250 kGal per Month)	\$2.00	\$2.04	\$2.08	\$2.12	\$2.16
Base Rate Per Month - Unmetered Connections	\$21.40	\$21.90	\$22.30	\$22.90	\$23.40
Standby Charge Per Month	\$7.00	\$7.15	\$7.30	\$7.45	\$7.61

IBU = Irrigation Billing Unit

The standby charge is the only base charge for customers that have turned in water but have not yet connected to the system.

**Table ES-3
Calculated Secondary Rates for Class 2 IBUs**

Rate Component	2019	2020	2021	2022	2023
Base Rate Per Month - Metered Connections	\$34.25	\$34.47	\$34.69	\$34.91	\$35.14
Tier 1 Volume Charge (0 - 50 kGal per Month)	\$0.35	\$0.36	\$0.37	\$0.38	\$0.39
Tier 2 Volume Charge (50 - 85 kGal per Month)	\$0.70	\$0.71	\$0.72	\$0.74	\$0.76
Tier 3 Volume Charge (85 - 250 kGal per Month)	\$1.40	\$1.43	\$1.46	\$1.49	\$1.52
Tier 4 Volume Charge (>250 kGal per Month)	\$2.00	\$2.04	\$2.08	\$2.12	\$2.16
Base Rate Per Month - Unmetered Connections	\$45.40	\$45.90	\$46.30	\$46.90	\$47.40
Standby Charge Per Month	\$7.00	\$7.15	\$7.30	\$7.45	\$7.61

IBU = Irrigation Billing Unit

The standby charge is the only base charge for customers that have turned in water but have not yet connected to the system.

RECOMMENDED FUTURE RATES

Based on projected revenue requirements for the District, calculated sewer rates are shown in Table 10. Included in Table 10 is a breakdown of the monthly base rate, the volume rate, and the estimated total monthly rate for the average residential user. BC&A recommends that the District implement the recommended rates as outlined in Table 10.

Table 10
Calculated/Recommended Rates

Monthly Base Rate	Current Sewer Rate	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021
All customers	\$10.00	\$11.46	\$13.87	\$15.92	\$17.89	\$19.09	\$19.73
Total Volume Rate							
All customers	\$0.80	\$1.13	\$1.29	\$1.43	\$1.56	\$1.64	\$1.68
Estimated Total Monthly Rate							
Average Residential Customer	\$16.24	\$20.28	\$23.93	\$27.08	\$30.06	\$31.88	\$32.83
Percent Increase		25%	18%	13%	11%	6%	3%

As can be seen in Table 10, the recommended change in rates is aggressive over the next 6 years. To avoid shocking customers with a sudden rate increase, rates changes should occur gradually over the next 6 years until the District reaches its target yearly budget. After 2021, the District should plan to continue increasing rates by approximately 3% to keep pace with inflation.

RATE COMPARISON

Figure 2 shows a comparison of TCSSD's current and proposed sewer rates with other communities in Northern Utah. The figure displays the current average monthly sewer rate as well as the estimated sewer rate in FYE 2020 for several sewer service entities. As shown in the figure, the District's current rates are extremely low compared to other cities and service districts. With the proposed rate increase over the next several years, TCSSD's monthly sewer fee will be roughly average in comparison to other entities. As other entities increase their rates, the District may still find itself on the lower end of regional rates. TCSSD should plan to re-evaluate sewer rates again in 5 years in order to assure that the District's revenue requirements are being met.