

Salt Lake City
Department of Public Utilities
Proposed Budget for 2022-2023

Salt Lake City Public Utilities Mission and Services

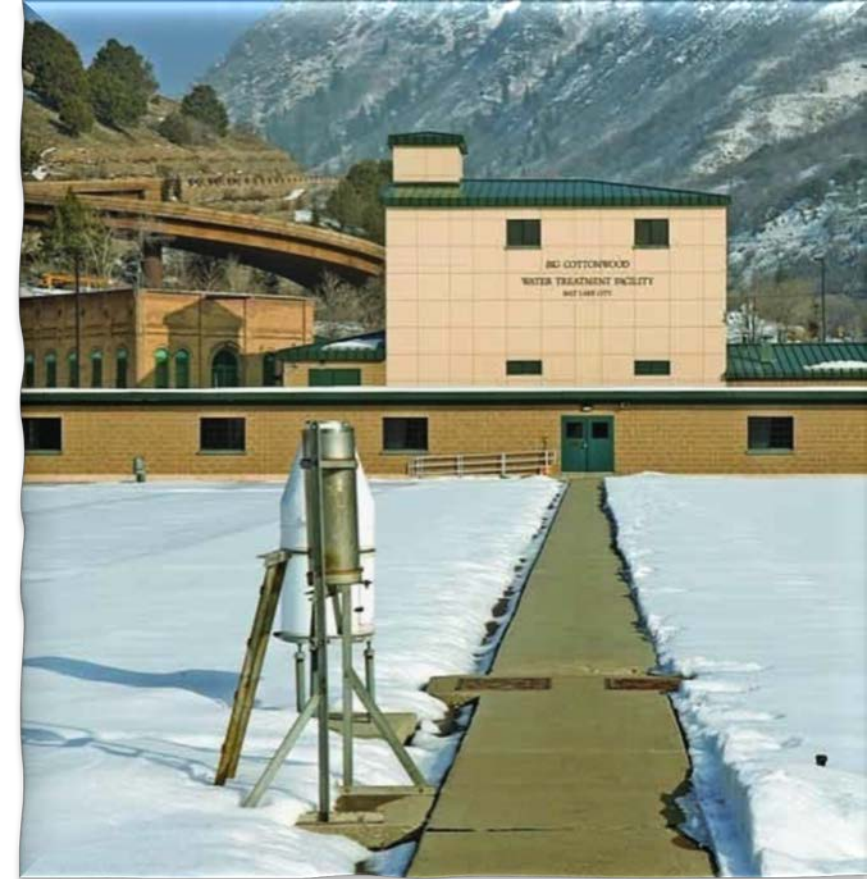
- Drinking Water
- Wastewater
- Stormwater
- Street Lighting

*“Serving our community,
protecting our environment”*



FY 2023 Salt Lake City Public Utilities Budget Priorities

- Aging infrastructure investment
- Water stewardship
- Regulatory programs
- Operations and maintenance
- Financial health
- Sustainability
- Employee well-being

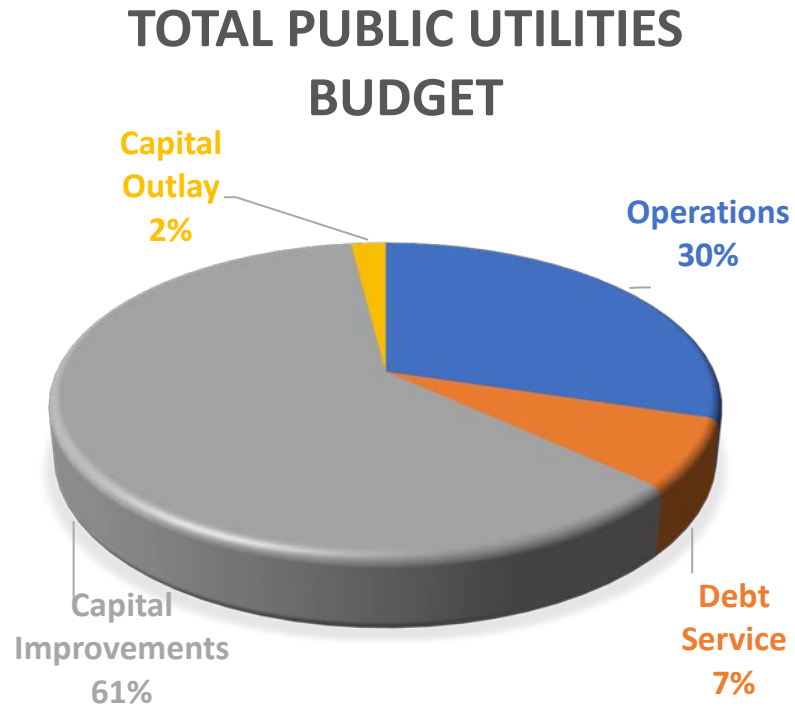


Utility Resilience

- Drought and climate planning and response.
- CIP during a time of inflation, pandemic, and drought.
- Strategies to replace large, aging, generational infrastructure.
- Organizational and operational adaptation amid growth and changing regulations.
- DEI orientation internally and with the public we serve.
- Hiring talent with passion and integrity, promoting from within.
- Deep dive into rate structures, community financial capability, and customer assistance.
- Local, state, and federal relationships.
- Community engagement.



Total Public Utilities Budget: \$413,124,942 -1.75%



- Revenues projected at \$413,124,942; WIFIA proceeds of \$125,965,000.
- Rate increases for water, sewer, and stormwater utilities.
- Capital Improvement Program investments \$252,838,910.
- Operations budget \$122,794,572.
- Seven additional employees – bringing staffing to 477.5 full-time equivalent employees.

Water Utility Budget: \$132,752,815 4.23%

- Water service fees contribute to most of the projected revenue, at \$98,266,900.
- Reserve fund use proposed at \$24,656,447.
- A rate increase of 15%.
- Capital investments of \$38,989,000.
- Capital program emphasis on treatment plants, water mains, wells, meters, and reservoirs.

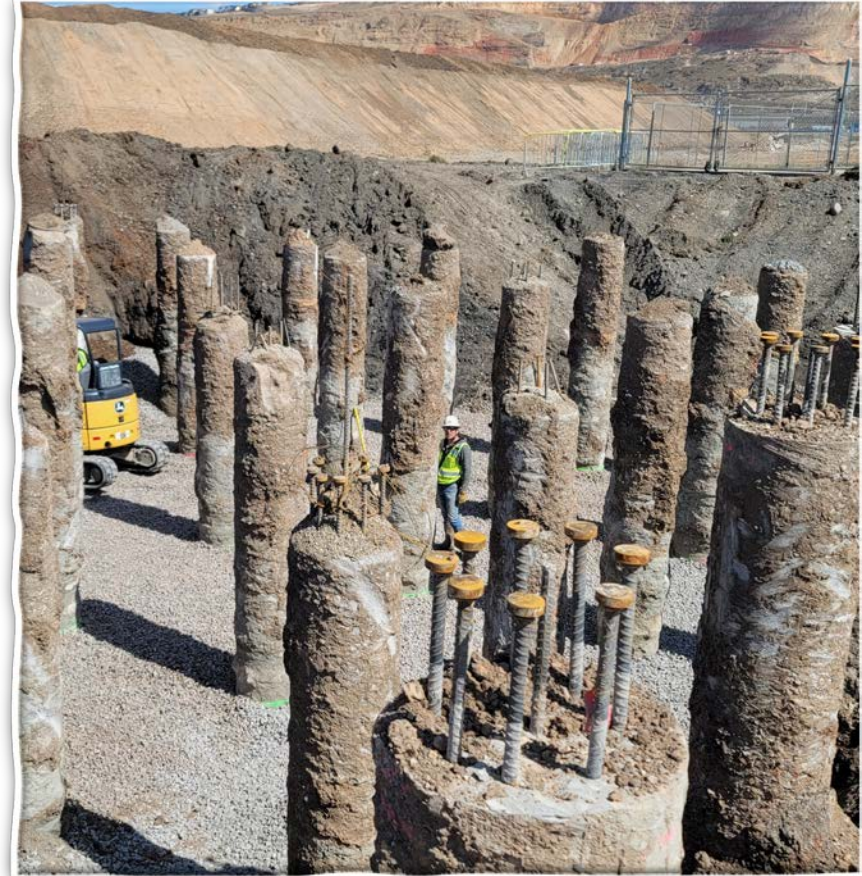


Sewer Utility Budget:

\$255,914,580

-4.59%

- Sewer fees and the WIFIA loan comprise most of the sewer utility's projected revenue, at \$66,740,000 and \$125,965,000, respectively.
- Unspent bond proceeds will be transferred to reserve fund for use on WRF - \$59,283,673.
- Debt service payments of \$21,409,504.
- A rate increase of 15% is proposed.
- Capital Improvements of \$205,884,910; new WRF is 87% of sewer CIP budget, 70% of overall sewer utility budget, and 43% of total Public Utilities budget.





Stormwater Utility Budget: \$18,699,722 -2.61%

- Stormwater fees projected to generate \$12,321,733 in revenue.
- Reserve funds from 2020 bond proceeds at \$5,222,989.
- Capital improvement program investment proposed to be \$5,725,000.
- Rate increase of 15% proposed.

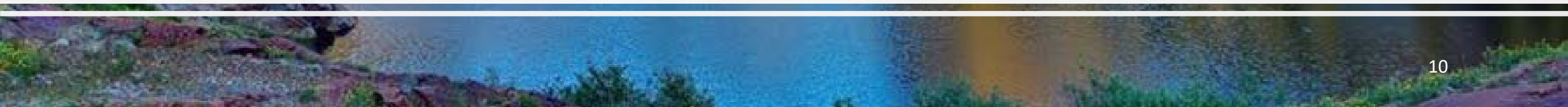
Street Lighting Utility Budget: \$5,757,825 1.02%

- Street light fees and reserves account comprise most of the projected revenue, at \$4,174,622 and \$1,455,603, respectively.
- Capital improvement program \$2,240,000.
- New rate study to be conducted to help with implementation of Street Lighting Master Plan update.





Rate Projections and Summaries



Rate Adjustment History

Year	Water	Sewer	Stormwater	Street Lighting
2014-2015	4%	8%	0%	0%
2015-2016	4%	8%	0%	0%
2016-2017	4%	14%	0%	0%
2017-2018	7%	30%	0%	0%
2018-2019	4%	15%	10%	0%
2019-2020	5%	18%	10%	0%
2020-2021	0%	18%	0%	0%
2021-2022	8%	18%	10%	0%
2022-2023	15%	15%	15%	0%

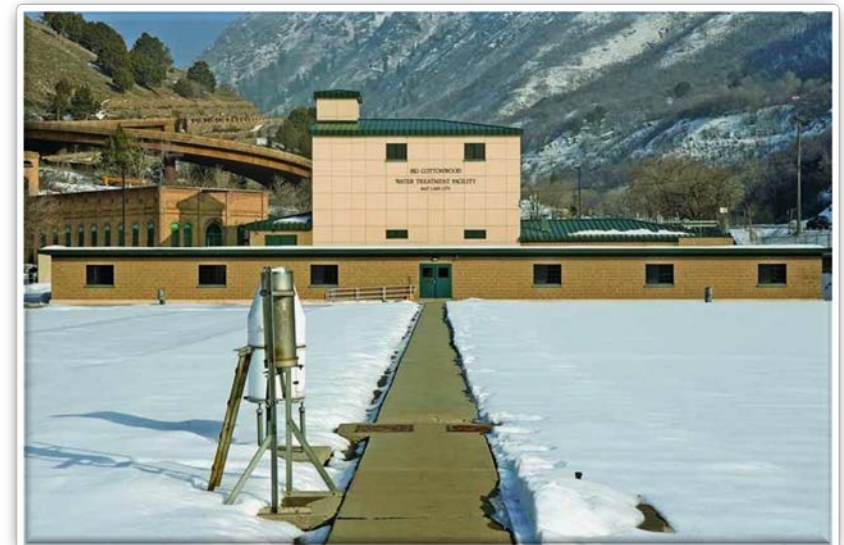
Projected Five-Year Rate Adjustments

Year	Water	Sewer	Stormwater	Street Lighting
2022-2023	15%	15%	15%	0%
2023-2024	15%	10%	10%	10%
2024-2025	15%	10%	10%	10%
2025-2026	12%	10%	5%	10%
2026-2027	10%	10%	0%	10%

Water Rate Increase – Monthly Impact

**Water Rate Change
Monthly Impact on Select City Customers**

Account Type	Monthly Usage	Meter Size	2022	2023	\$ Change	% Change
			Current Rate	Proposed Rate		
Residential Minimum Use	6 ccf	3/4	18.91	21.80	2.89	15.28%
Residential Low Use	8 ccf	3/4	21.87	25.22	3.35	15.32%
Residential Medium Use	21 ccf	3/4	50.15	57.81	7.66	15.28%
Residential High Use	70 ccf	1	181.85	209.40	27.54	15.14%
Industrial Use	8,040 ccf	2	13,989.78	16,156.59	2,166.81	15.49%
Commercial Use	966 ccf	2	1,641.81	1,896.30	254.49	15.50%



Sewer Rate – Monthly Impact

**Sewer Rate Change
Monthly Impact on Select City Customers**

Account Type	Annualized Average Winter Water Usage (CCF)	2022	2023	\$ Changes	% Change
		Current Rate	Proposed Rate		
Residential Minimum Use	2 ccf	10.26	11.80	1.54	15.01%
Residential Low Use	4 ccf	20.52	23.60	3.08	15.01%
Residential Medium Use	8 ccf	41.04	47.20	6.16	15.01%
Residential High Use	15 ccf	76.95	88.50	11.55	15.01%
Industrial 2, 4	2,014 ccf	27,289.70	31,398.26	4,108.56	15.06%
Commercial 2,1	34 ccf	538.90	619.82	80.92	15.02%

*Industrial & Commercial charges are calculated based on flow rate, BOD and TSS



Stormwater Rate Increase – Monthly Impact



**Stormwater Rate Change
Monthly Impact on Select City Customers**

Account Type	ERUs	2022	2023	Changes Current to Proposed	
		Current Rate	Proposed Rate	\$	%
Residential less than .25 Acre	Any ERU	5.98	6.88	0.90	15.05%
Residential more than .25 Acre	Any ERU	8.36	9.62	1.26	15.07%
Industrial	25 ERU	149.50	172.00	22.50	15.05%
Commercial	10 ERU	59.80	68.80	9.00	15.05%

Water Rate Comparison with Nearby States

RANKING	Comparison of Recognizable Cities in Western States City, State	AVERAGE MONTHLY CHARGES
1	FLAGSTAFF, ARIZONA	\$132.66
2	CHEYENNE, WYOMING	\$74.18
3	BOISE, IDAHO	\$74.03
4	DENVER, COLORADO	\$60.25
5	HENDERSEN, NEVADA	\$57.22
6	PHOENIX, ARIZONA	\$55.37
7	RENO, NEVEDA	\$52.42
8	LAS VEGAS, NEVADA	\$46.99
	SALT LAKE CITY, UTAH (Proposed) 15%	\$46.32
9	SALT LAKE CITY, UTAH (Current)	\$40.16

Cities compared with 7,480 gallons per month and 24,000 gallons summer usage
Based on eight months Winter and four months Summer usage

RANKING	CITY OR DISTRICT NAME	MONTHLY MINIMUM CHARGE	MINIMUM ALLOWANCE IN GALLONS	RATE OVER MINIMUM ALLOWANCE	PER GALLONS	MONTHLY FLOURIDE CHARGE	WINTER @ 7,480 GAL PER MONTH	SUMMER @ 23,936 GAL PER MONTH	TOTAL WINTER CHARGES*	TOTAL SUMMER CHARGES*	YEARLY TAX ON \$200,000 PROPERTY	TOTAL CHARGES
1	PARK CITY - GRADUATED RATES (1)	53.63	0	6.68 - 11.27	1,000		113.59	294.84	908.73	1179.35		2088.08
2	SALT LAKE CITY - OUTSIDE OF CITY (Proposed)	15.57	0	2.30 - 4.35	748		38.58	110.08	308.64	440.32		748.96
3	PLEASANT GROVE - GRADUATED RATES (6)	24.32	5,000	2.95 - 6.26	1,000		31.64	116.51	253.09	466.04		719.13
4	AMERICAN FORK - GRADUATED RATES (2)	16.17	3,000	3.52 - 4.96	1,000		33.01	113.53	264.04	454.13		718.17
5	DRAPER CITY - GRADUATED RATES (3)	20.25	0	2.05 - 3.71	1,000		39.08	97.00	312.65	388.01		700.66
6	SOUTH JORDAN CITY - GRADUATED RATES (4)	30.00	0	2.00 - 2.50	1,000		45.33	84.09	362.64	336.36		699.00
7	WEST JORDAN CITY (11)	20.00	0	2.25 - 3.85	1,000		37.50	98.35	300.02	393.41		693.43
8	SALT LAKE CITY - OUTSIDE OF CITY	13.54	0	2.00 - 3.78	748		33.54	95.70	268.32	382.80		651.12
9	RIVERTON CITY - GRADUATED RATES (5)	3.50	0	3.76 - 3.91	1,000		32.00	96.34	255.97	385.36		641.33
10	MAGNA - GRADUATED RATES (10)	18.10	6,000	2.08 - 2.65	1,000	1.02	22.20	57.91	177.59	231.64	207.29	616.52
11	KEARNS IMPROVEMENT DIST-GRADUATED RATES (9)	12.08	0	2.42 - 3.04	1,000		30.18	78.65	241.45	314.58	45.23	601.27
12	SANDY CITY - OUTSIDE OF CITY (8)	19.95	0	1.80 - 2.75	1,000		34.82	80.07	278.56	320.30		598.86
13	OGDEN CITY - GRADUATED RATES (7)	16.02	0	1.81 - 7.24	1,000		31.04	86.72	248.31	346.87		595.18
14	SALT LAKE CITY - INSIDE OF CITY (Proposed)	11.53	0	1.71 - 3.22	748		28.55	81.68	229.12	326.72	31.79	587.63
15	SANDY CITY - INSIDE OF CITY (12)	14.43	0	1.64 - 2.53	1,000		28.01	69.65	224.12	278.59	32.67	535.38
16	SALT LAKE CITY - INSIDE OF CITY (13)	10.03	0	1.48 - 2.80	748		24.83	70.83	198.64	283.32	31.79	513.75
17	GRANGER - HUNTER IMPROVEMENT DISTRICT (14)	13.00	0	1.77 - 2.20	1,000		26.30	60.25	210.42	241.00	24.75	476.16
18	BOUNTIFUL CITY - RESIDENTIAL HIGH ELEVATION	23.57	5,000	1.98	1,000		28.48	61.06	227.84	244.25		472.10
19	CITY OF SOUTH SALT LAKE	21.00	5,000	2.25	1,000		26.58	63.61	212.64	254.42		467.06
20	PROVO	18.59	0	1.01 - 1.67	1,000		26.14	58.56	209.16	234.25		443.41
21	MURRAY CITY - GRADUATED RATES (16)	12.51	0	1.19 - 1.75	748		24.91	58.76	199.28	235.04		434.32
22	BOUNTIFUL CITY - RESIDENTIAL LOW ELEVATION	21.39	5,000	1.79	1,000		25.83	55.29	206.63	221.14		427.78
23	OREM - GRADUATED RATES (17)	20.20	0	0.83 - 1.46	1,000		26.41	48.22	211.27	192.87		404.13
24	TAYLORSVILLE/BENNION IMPROVEMENT DISTRICT (15)	9.00	0	1.43 - 1.87	1,000		20.35	51.12	162.78	204.48	6.16	373.42
25	JVWCD (18)	3.00	0	1.51 - 3.36	1,000		14.29	52.77	114.36	211.10	40.26	365.72

Districts may also receive property taxes, therefore the total cost to a resident may not be reflected in the annual / monthly fee listed above.

Water Rate Comparison – Local (February 2022)

Sewer Rate Comparison with Nearby States

RANKING	COMPARISON OF RECOGNIZABLE CITIES IN WESTERN STATES CITY, STATE	AVERAGE MONTHLY CHARGES
1	RENO, NV	\$50.26
2	SALT LAKE CITY, UT (PROPOSED)	47.21
3	BOISE, ID **	46.72
4	SALT LAKE CITY, UT (CURRENT)	41.05
5	PLEASANT GROVE, UT	40.43
6	CHEYENNE, WY **	32.37
7	FLAGSTAFF, AZ	21.50
8	DENVER, CO	32.01
9	HENDERSON, NV	26.30
10	PHOENIX, AZ	25.18
11	LAS VEGAS, NV ***	21.50

* ANNUAL COST BASED ON 12 MONTHS @ 5,984 GALLONS PER MONTH AVERAGE WINTER WATER CONSUMPTION.

** INCLUDES MONTHLY BASE RATE

*** \$4.66 MONTHLY BASE FEE, \$16.84/0-5000 GALLONS, \$16.00/5,000+ GALLONS

Sewer Rates Compared with Local Cities/Districts

RANKING	CITY OR DISTRICT	RATE MONTHLY	RATE PER 1,000 GALS	ANNUAL FEES SEWER *
1	CITY OF SOUTH SALT LAKE	0.00	9.00	\$646.27
2	MURRAY CITY	9.73	6.86	609.36
3	SALT LAKE CITY, UT (PROPOSED)	0.00	7.89	566.57
4	SALT LAKE CITY, UT (CURRENT)	0.00	6.86	492.60
5	WEST JORDAN CITY	22.00	2.05	411.21
6	ODGEN CITY	32.78	0.00	393.36
7	KEARNS IMPROVEMENT DISTRICT	25.59	1.20	393.25
8	MAGNA CITY ****	29.81	0.00	357.72
9	SOUTH VALLEY SEWER DISTRICT	25.00	0.00	300.00
10	MIDVALLEY IMPROVEMENT DISTRICT	24.50	0.00	294.00
11	GRANGER - HUNTER IMPROVEMENT DISTRICT	15.50	1.50	293.71
12	MT OLYMPUS IMPROVEMENT DISTRICT	22.00	0.00	264.00
13	COTTONWOOD IMPROVEMENT DISTRICT	20.00	0.00	240.00
14	SOUTH DAVIS SEWER DISTRICT	19.00	0.00	228.00
15	TAYLORSVILLE - BENNION IMPROVEMENT DISTRICT	11.15	0.00	133.80

* ANNUAL COST BASED ON 12 MONTHS @ 5,984 GALLONS PER MONTH AVERAGE WINTER WATER CONSUMPTION.

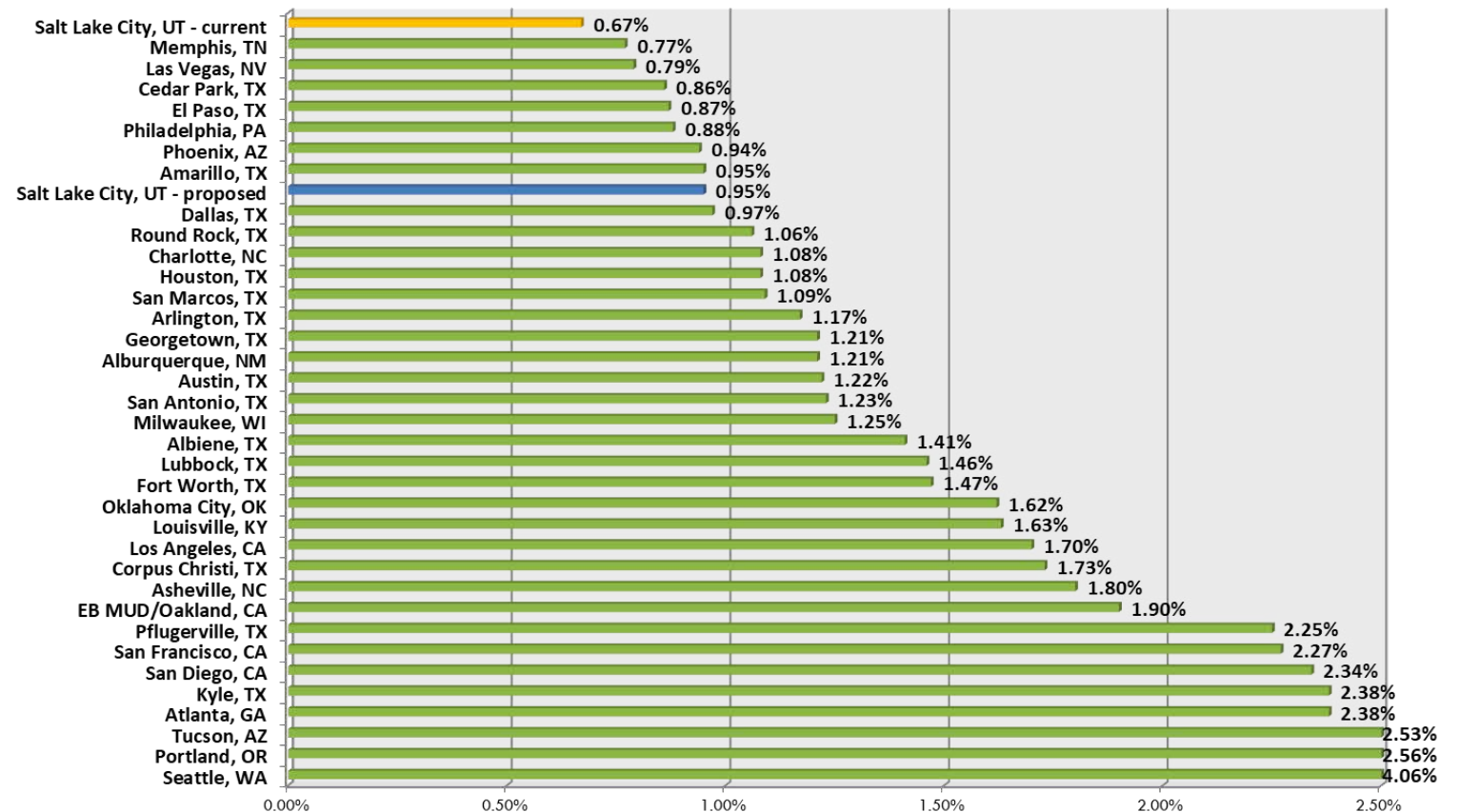
** INCLUDES MONTHLY BASE RATE

*** \$4.66 MONTHLY BASE FEE, \$16.84/0-5000 GALLONS, \$16.00/5,000+ GALLONS

**** \$29.81 MONTHLY MIN, INCLUDES - 0 to 8,009 AVERAGE GALLONS

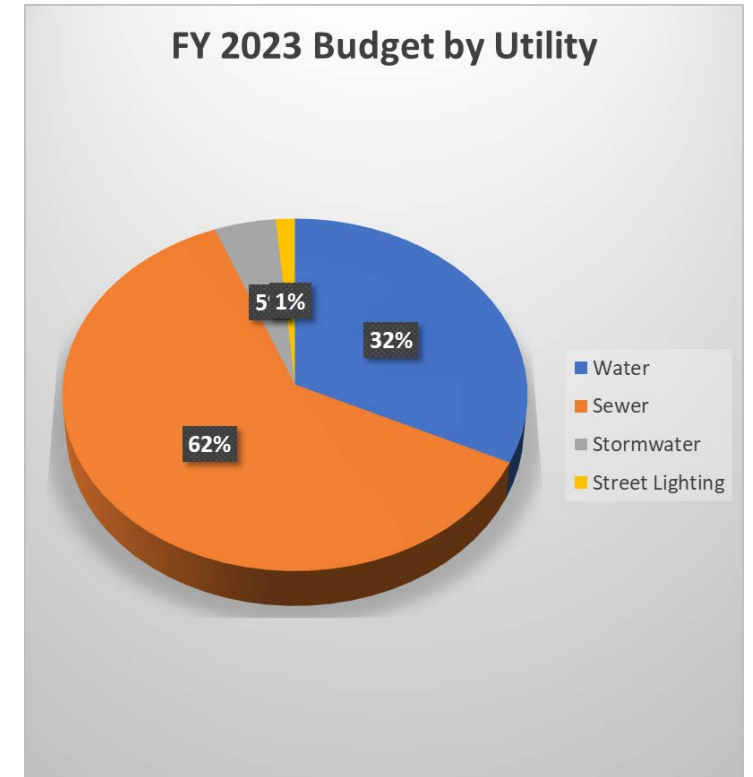
Districts may also receive property taxes, therefore the total cost to a resident may not be reflected in the annual / monthly fee listed above.

Residential Water and Wastewater Cost % Median Household Income



Stormwater Rates Compared with Local Cities

RANKING	CITY NAME	CURRENT RATE
1	PLEASANT GROVE	\$14.41
2	PROVO	10.75
3	DRAPER CITY	9.00
4	OGDEN CITY	8.47
5	TAYLORSVILLE CITY *	7.60
6	OREM	7.35
7	SOUTH JORDAN CITY	7.15
8	BOUNTIFUL CITY	7.00
9	MURRAY CITY	6.30
10	SALT LAKE CITY (PROPOSED)	6.24
11	WEST JORDAN CITY	6.04
12	AMERICAN FORK	6.00
13	SANDY CITY	6.00
14	SALT LAKE CITY (CURRENT)	5.43



Thank you!