



PUBLIC UTILITIES

MEMORANDUM

To: Sandy City Council

From: Don Milne, Chairman
Public Utilities Advisory Board

Date: April 21, 2016

Re: Recommendation for Public Utilities Budget 2016–2017 &
Proposed Water Rate Base Increase

In the months of February, March and April the Public Utilities Advisory Board carefully reviewed the FY 2016-2017 Public Utilities Budgets (covering Water, Storm Water, and Street Lighting). We again reviewed the proposed budget, including modifications incorporated after our March meeting. All of the Board's questions or concerns have been addressed.

During the February and March meetings, the Public Utilities Advisory Board also reviewed changes and recommendations to the water base rate. The Board recommends the proposed \$2.00 increase to the base rate. This increase will amount to an overall 3% increase in revenues to the water fund. Rate increases will be necessary for the next few years in order to purchase the necessary water, address ongoing operations and maintenance and complete necessary capital improvements outlined in the current Water Master Plan.

At our meeting on April 21, 2016, the Board unanimously approved a motion to recommend the FY 2016-2017 Public Utilities Budgets along with the water base rate increase to the Sandy City Council for approval. The Board believes the proposed budgets and related expenditures are reasonable and we hope you will accept our recommendation.

If you have any questions, please feel free to contact me directly at 801-576-1628.

Thank you.

A handwritten signature in cursive script that reads "Don Milne".