



To: Sandy City Council

From: Don Milne, Chair
Public Utilities Advisory Board

Date: June 26, 2019

Re: Recommendation to preserve dedicated Street Light Utility fee

The Public Utilities Advisory Board (PUAB or Board) has reviewed the City Council fiscal year budget 2019/20 proposal to remove the dedicated Street Light utility fee and replace that funding with a portion of the proposed property tax increase.

The Board recommends that the Street Light Utility remain a separate utility fee with dedicated funding. The Board recognizes its advisory role to the Council and Mayor, and that the decision is a matter of public policy and legislative funding. Below are several of the issues discussed and observations by the PUAB in support of the recommendation to maintain a Street Light fee.

- The Street Light fee provides transparency where public funds are being spent.
- The creation of the Street Light utility fee was done largely to address a City funding need that was historically difficult to support under the general fund.
- The Board is concerned that the City will underfund the street light utility to a point where a fee needs to be reinstated.
- The PUAB is concerned that street light capital program funding needs will be less likely to be addressed under the general fund. Current capital funding of \$104,000 is inadequate.
- The consultants for the city's utility master plan and PUAB have recommended increasing funding by an additional \$1M per year to complete recommended capital improvements within the coming 20 years. This funding increase would require a fee or tax increase of roughly double our current monthly rate of \$2.98 per equivalent residence.
- Unfunded Street Light capital needs exceed \$20M.
- \$10M capital funding is needed for about 1400 light poles on arterial streets and neighborhoods that have no lights or inadequate street lighting.
- \$10M capital funding is needed to retrofit the remaining 7600 old high watt lights with high efficient LED lights that would result in a \$180,000 per year reduction in the power bill. This is also a significant reduction the City's greenhouse gas emissions as a clean and efficient city.

If you have any questions, please feel free to contact me directly at 801-652-6308.

Thank you.

Don Milne, Chair
Public Utilities Advisory Board