



# FISCAL YEAR 2026-27 BUDGET

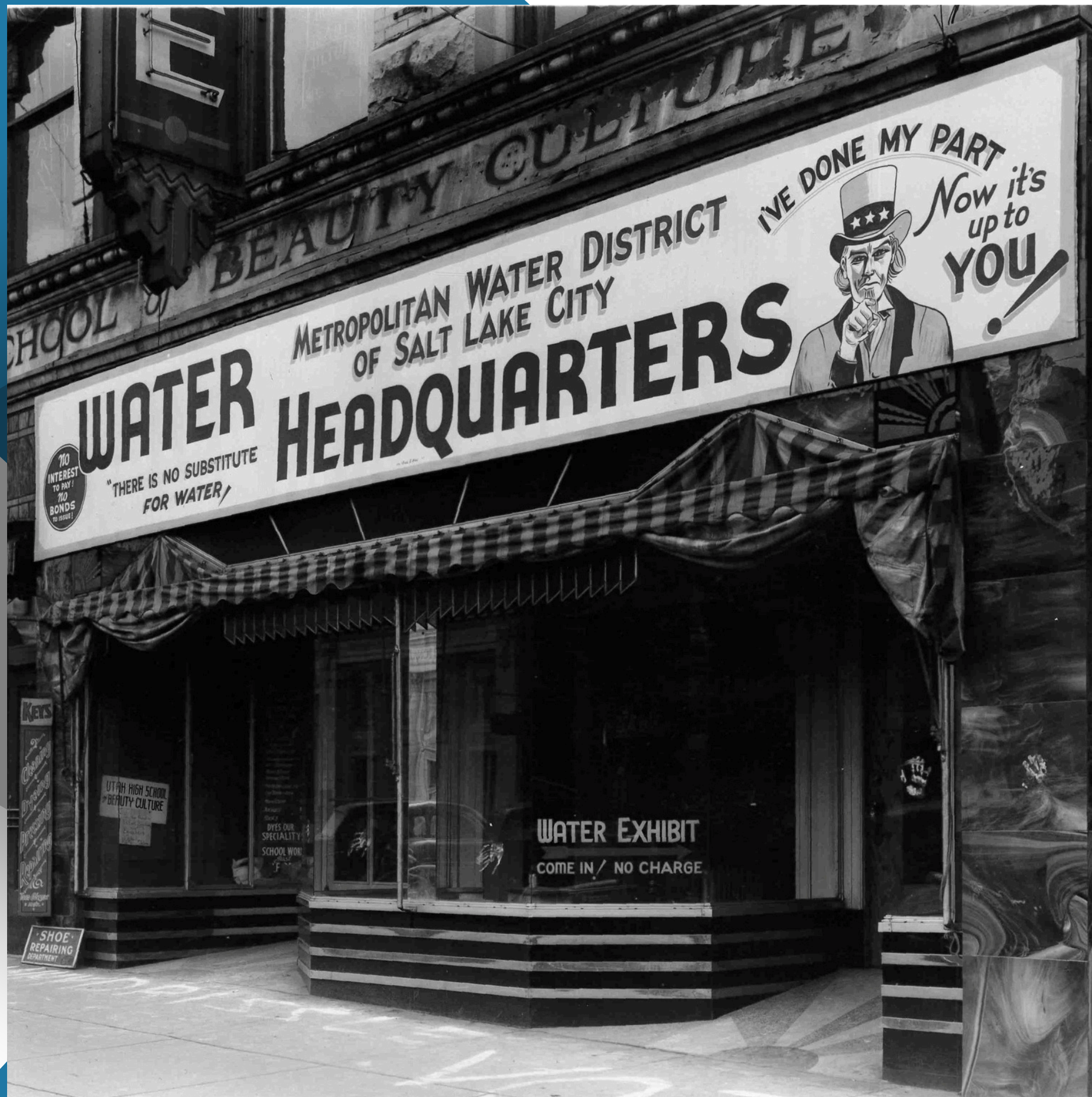
**SANDY CITY COUNCIL**  
Tuesday, May 26, 2026





# Outline

- Overview of Metro Water
- FY27 Tentative Budget
- Sources of Funds
- Uses of Funds



## Metropolitan Water District of Salt Lake City

*Established in August 1935  
Salt Lake City founding member*

Sandy City annexed into the company in 1990, hence changing the name to

## Metropolitan Water District of Salt Lake & Sandy

# Board of Trustees

Board members appointed by city councils:

Salt Lake City - 5 Trustees

Sandy City - 2 Trustees



# Metro Water Supply



PROVO RIVER PROJECT  
Deer Creek Reservoir  
61,900 AF



LITTLE COTTONWOOD CREEK  
Salt Lake City and Sandy City Rights  
20,000 AF



CENTRAL UTAH PROJECT  
Jordanelle Reservoir  
20,000 AF

Other Water Sources: CUP/Utah Lake System, Ontario Drain Tunnel, Bell Canyon

Total Acre Feet **108,700**

# KEY INFRASTRUCTURE



## WATER TREATMENT

- Little Cottonwood Water Treatment Plant
- Point of the Mountain Water Treatment Plant
- Jordan Valley Water Treatment Plant (2/7<sup>th</sup> owner)

## WATER CONVEYANCE

- Salt Lake Aqueduct
- Point of the Mountain Aqueduct
- Jordan Aqueduct (2/7<sup>th</sup> owner)

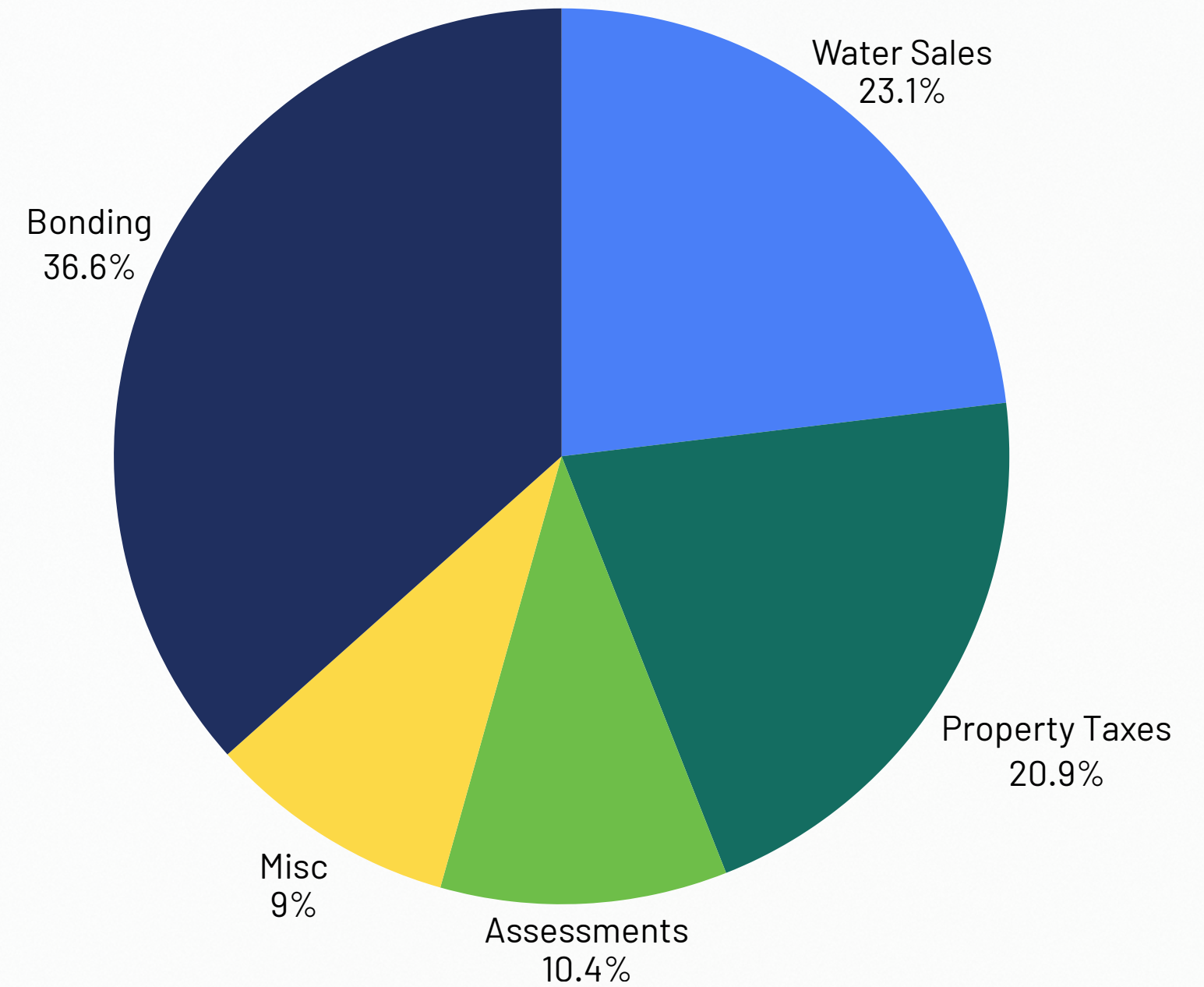
## WATER STORAGE

- Terminal Reservoir
- JA Terminal Reservoir (2/7<sup>th</sup> owner)



# Sources of Funds Tentative FY27

| Sources of Funds                     | Budget<br>2026        | Tentative<br>2027     |
|--------------------------------------|-----------------------|-----------------------|
| Water Sales                          |                       |                       |
| Member Cities                        | \$ 25,718,025         | \$ 27,261,110         |
| Others                               | 955,191               | 1,299,344             |
| Total Water Sales                    | 26,673,216            | 28,560,454            |
| Property Taxes                       | 22,686,248            | 25,880,255            |
| Assessments                          | 12,986,790            | 12,807,908            |
| Miscellaneous                        |                       |                       |
| Interest                             | 3,963,199             | 3,915,226             |
| Other                                | 5,347,668             | 272,325               |
| Salt Lake City SLAR-CC Reimbursement | 9,356,897             | 7,000,000             |
| Total Miscellaneous                  | 18,667,764            | 11,187,551            |
| Bond Proceeds                        | 30,390,000            | 45,261,530            |
| <b>Total Sources of Funds</b>        | <b>\$ 111,404,018</b> | <b>\$ 123,697,698</b> |

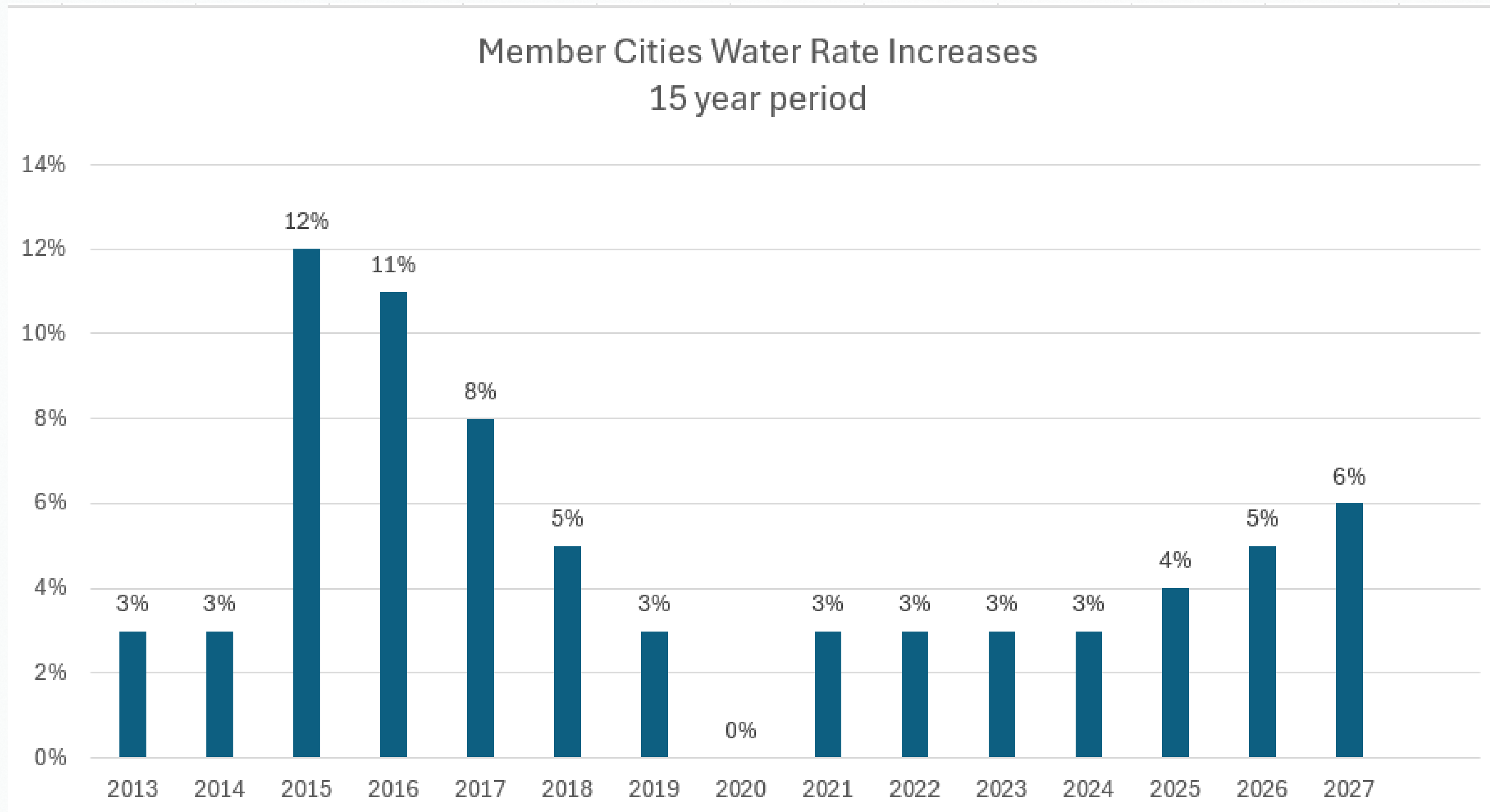


# Revenue Source - Water Rates

## Proposed FY27 Water Rate Increase

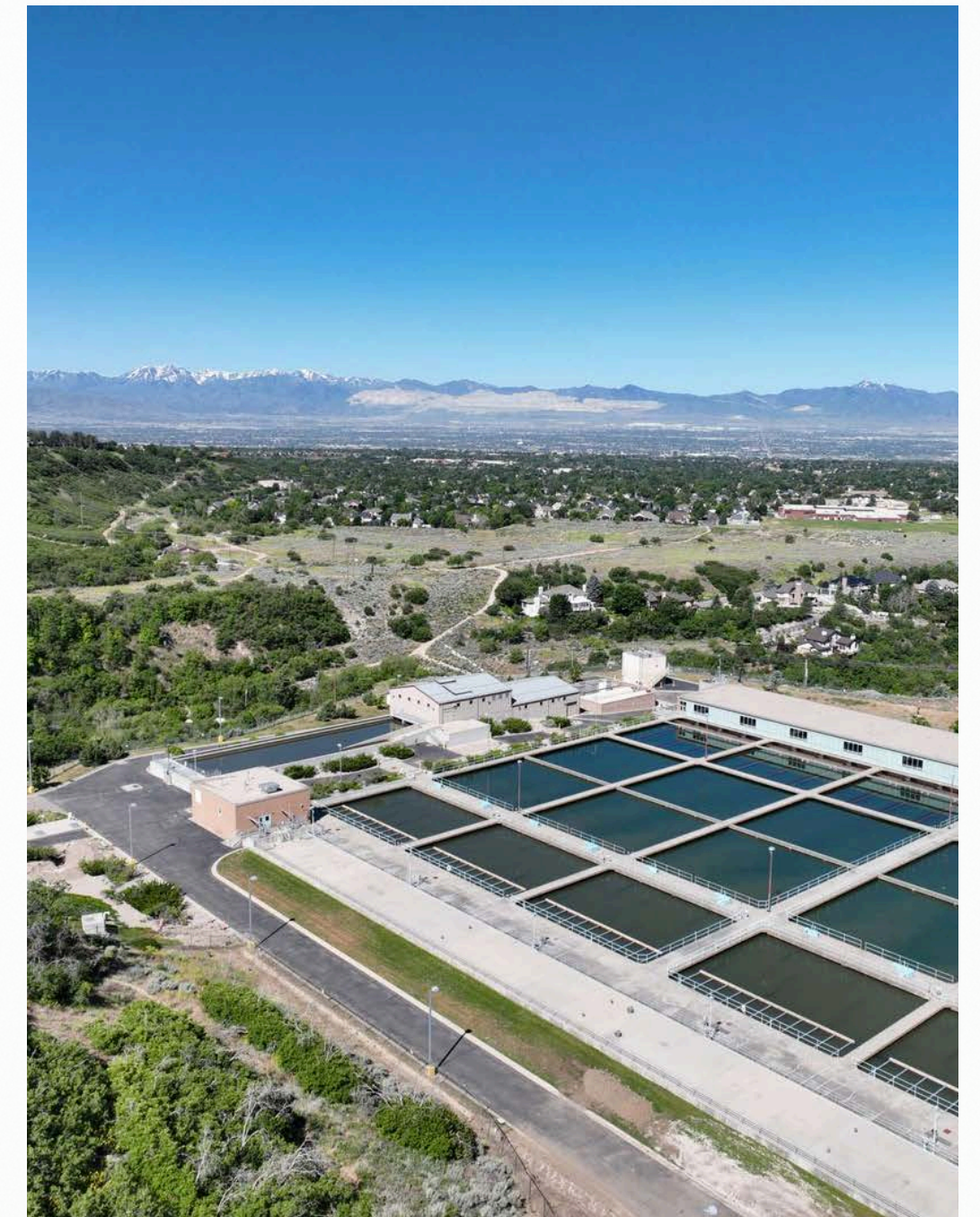
| City                               | FY26 Water Sales Revenue | Percent Increase | Estimated FY27 Water Sales Revenue | Net Revenue Increase |
|------------------------------------|--------------------------|------------------|------------------------------------|----------------------|
| Sandy City                         | \$ 7,201,047             | 6%               | \$ 7,633,111                       | \$ 432,064           |
| Salt Lake City                     | \$18,516,978             | 6%               | \$19,627,999                       | \$ 1,111,021         |
| Total Water Sales to Member Cities | \$25,718,025             | 6%               | \$27,261,110                       | \$1,543,085          |

# History of Water Rate Increases



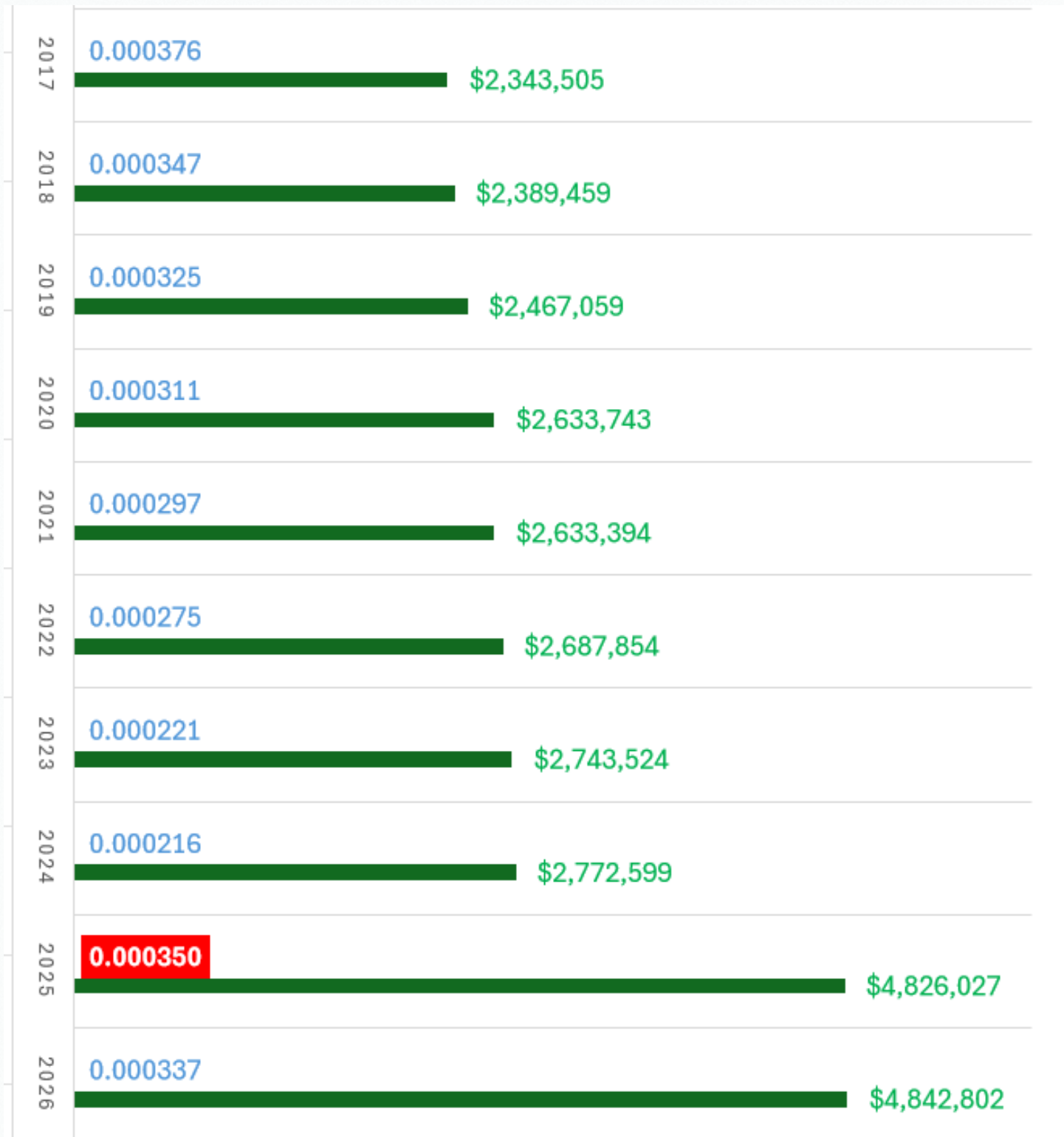
# Revenue Source - Property Taxes

| City                                  | FY26 Property Tax Revenue<br>(2025 tax year) |
|---------------------------------------|--|
| Sandy City                            | \$ 4,842,802                                 |
| Salt Lake City                        | \$ 17,324,133                                |
| Total Property Taxes to Member Cities | \$22,166,935                                 |



# Property Tax History

## 10 year period for Sandy City



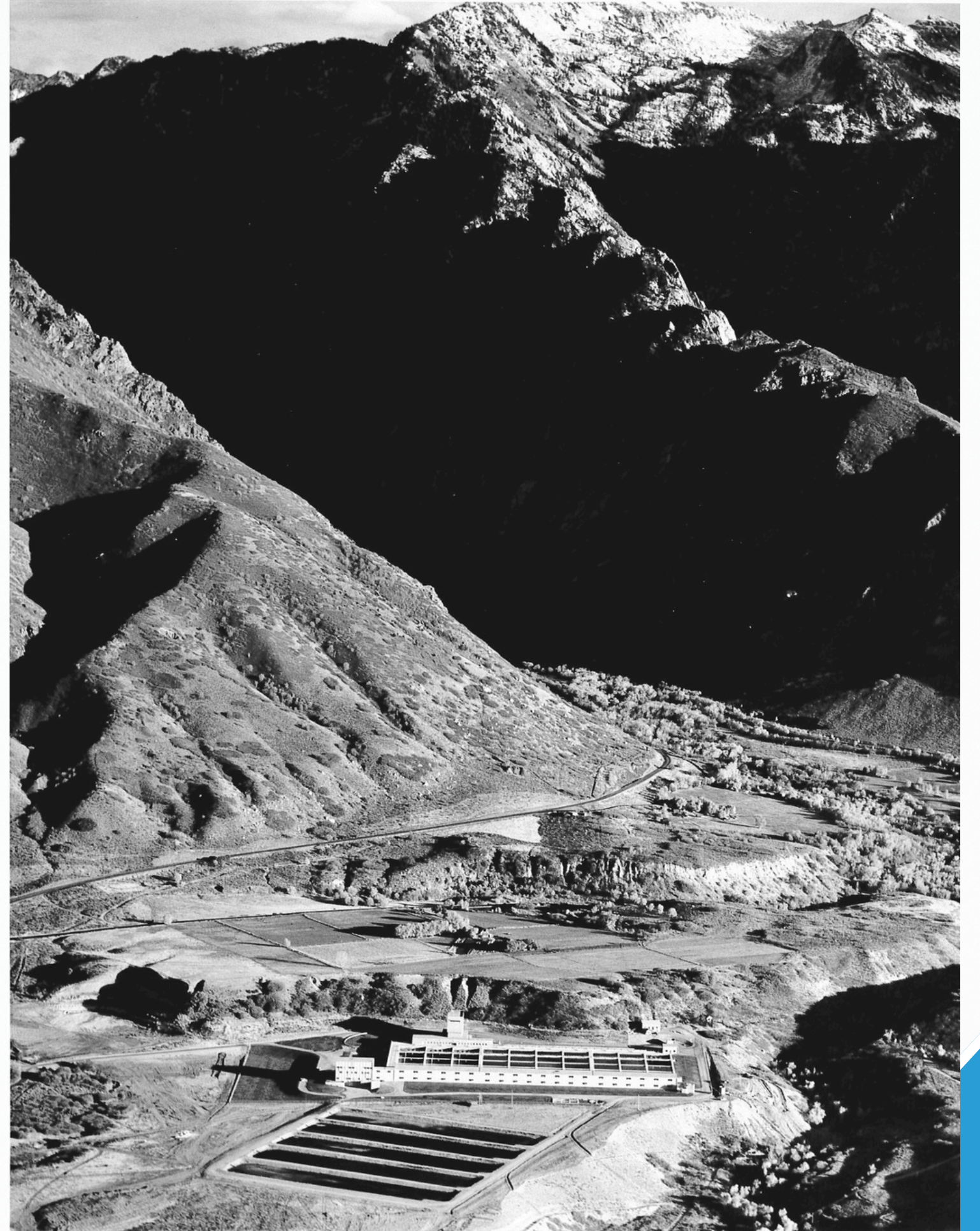
- Certified Tax Rate increased in FY25 (2024 tax year) to 0.00035.
- No proposed increase to the certified tax rate in FY27 (2026 tax year).
- Proposing increase of the certified tax rate in FY28 for capital costs related to aging infrastructure repair and replacement.

# Bonding

No bonding in FY26 due to change in completion date of Cottonwoods Connection project.

Anticipate issuance of bonds in FY2027 for:

- Completion of Cottonwoods Connection project (\$20.5M)
- Little Cottonwood Conduit Replacement and Intake Modifications project (\$20M)
- LCWTP Rebuild Project design (\$36M)



# Operations & Maintenance Key Components

| Budget Items  | Budget FY26  | Tentative Budget FY27 | % increase from FY26 budget | \$ increase from FY26 budget |
|---|--------------|-----------------------|-----------------------------|------------------------------|
| Total O&M<br>(excludes Salt Lake City-CC Reimbursement) | \$49,616,182 | \$48,530,450          | -2.19%                      | \$(1,085,732)                |
| Salary & Wages  | \$8,131,704  | \$8,390,069           | 3.18%                       | \$ 258,365                   |
| Interest Expense  | \$7,662,384  | \$5,452,193           | -28.84%                     | \$(2,210,191)                |
| Provo River Water Users Association                     | \$4,791,024  | \$5,044,451           | 5.29%                       | \$ 253,427                   |
| Employee Benefits                                       | \$3,319,551  | \$3,405,408           | 2.59%                       | \$ 85,857                    |
| Contract Services                                       | \$2,920,084  | \$2,992,761           | 2.49%                       | \$ 72,677                    |
| Utilities   | \$2,610,249  | \$2,713,250           | 3.96%                       | \$ 103,001                   |
| Chemicals   | \$2,608,176  | \$2,523,541           | -3.24%                      | \$ (84,635)                  |

# FY27 Capital Improvement Projects



## Routine Non-Capacity Improvement Projects

|  |           |                   |
|--|-----------|-------------------|
| Salt Lake Aqueduct Replacement Reach 1   | \$        | 20,539,506        |
| Finished Water Strategic Conveyance Plan | \$        | 634,060           |
| LCWTP Administration Campus Improvements | \$        | 507,607           |
| Little Cottonwood Rebuild                | \$        | 15,000,000        |
| LCC Replacement and Intake Modifications | \$        | 7,395,000         |
| Fleet Replacement Program                | \$        | 470,000           |
| Little Dell Dam Improvements             | \$        | 600,000           |
| Repair and Replace                       | \$        | 650,000           |
| <b>Subtotal</b>                          | <b>\$</b> | <b>45,796,173</b> |

## Capacity Improvement Projects

\$0

## Other Capital Improvement Projects

|   |           |                  |
|---|-----------|------------------|
| Jordan Aqueduct System and 150th South Pipeline | \$        | 3,776,739        |
| Central Utah Project (CUP) Capital              | \$        | 3,815,423        |
| <b>Subtotal</b>                                 | <b>\$</b> | <b>7,592,162</b> |

## Total Projects

**\$ 53,388,335**

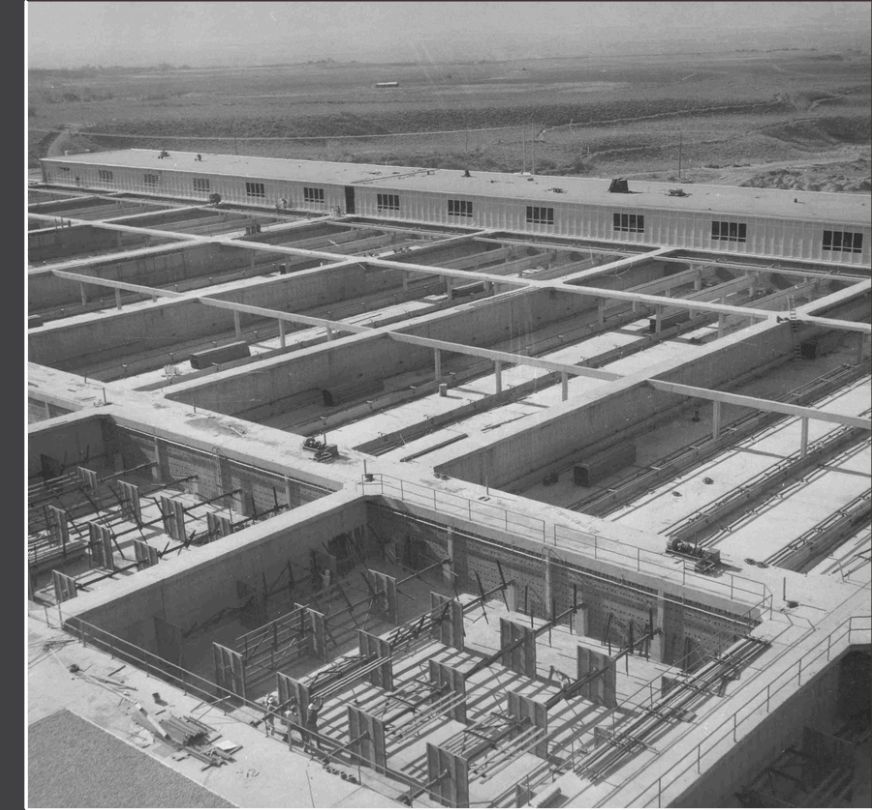
# Aging Infrastructure



SALT LAKE AQUEDUCT  
Placed in service 1950



Raw Water LITTLE COTTONWOOD  
CONDUIT  
Placed in service 1931



LITTLE COTTONWOOD WATER  
TREATMENT PLANT  
Placed in service 1960

## Project Benefits

- Resiliency against seismic disasters and landslides.
- Redundancy.
- Regional water supply solution.

- Resiliency against seismic disasters and landslides.
- Increased flow capacity.
- Operational independence from Murray Penstock.

- Resiliency against seismic disasters.
- Process improvements.
- Secure and reliable clean drinking water.

# Costs from Other Agencies

- Central Utah Water Conservancy District
  - Total annual CUWCD cost is approximately **\$5.7M**
  - 20,000 acre feet M&I and 3,100 acre feet ULS
- Jordan Valley Water Conservancy District
  - O&M costs will decrease by approximately 8.4%
  - Annual capital costs relate to the Jordan Valley Water Treatment Plant seismic upgrades
  - Capital Projects total **\$3.8M**, an 32% increase
- Provo River Water Users Association
  - Total annual PRWUA cost is **\$5M**
  - Deer Creek Intake Project complete
  - 30,950 acre feet (initial 50% allotment) and holdover



# QUESTIONS?

Thank you!

