



North Ogden City

Memorandum

To: Mayor and City Council
From: Bryan Steele, Finance Director *BRS*
Date: November 21, 2012
Subject: Public Hearing for utility rate increase in the Silver Springs Subdivision and updated Consolidated Fee Schedule to be adopted by resolution

Letters have been sent to the residents in the Silver Springs subdivision notifying them of the rate increase and of the public hearing being held tonight. We have also advertised the public hearing in the newspaper.

Most of what follows was in the memo when the public hearing was set at the last council meeting. We have asked a representative from Ogden City to be at the meeting tonight should any questions for the reasons of the increase arise.

In 1998 an agreement between Ogden City and North Ogden City was completed allowing homes in the Silver Springs subdivision to connect to Ogden City's sanitary sewer and storm water outfall lines. This was done because of the location of the subdivision and Ogden City's outfall lines were a logical tie in for that subdivision. (It is in the southeast part of the city. From 875 East to Mountain Road and 1510 North to 1525 North and sits on the North Ogden City and Ogden City border).

In the agreement it states North Ogden City will collect from the residences in the subdivision 72% of Ogden City's utility rates for sanitary sewer and storm water which North Ogden will then pay to Ogden City. The agreement also states that Ogden City is to notify North Ogden City if their rates change. Ogden City has notified us that their rates have changed so we need to update the billing amounts for sanitary sewer and storm water for the homes in the Silver Spring Subdivision.

Currently, those homes in the Silver Springs subdivision (58 homes) pay \$16.34 per month for sanitary sewer and \$1.84 for storm water. When I met with Ogden City representatives, they notified me of their new rates, which would increase the rates to \$19.80 per month for sanitary sewer and \$5.12 for storm water. The total increase would be \$6.74. It appears the last time the rates for these 2 services were increased in the subdivision was 2006. The new rates will go into effect as of January 2013.

I have attached a copy of the Consolidated Fee Schedule with the changes in the storm water and sanitary sewer sections. The updated Consolidated Fee Schedule will need to be adopted by resolution.