

Questions & Answers

February 23, 2017

1. Under Study Objectives (A) there is mention of Impact Fees as a funding source. How much of this study will be spent on reviewing the current fees for needed changes with the new master plan?

Similar to Study Objective (D), it is anticipated that the current fees will need to be assessed as a baseline for comparing recommended changes. However, it is anticipated that this will make up a small portion of the study.

2. Under Study Objectives (B) related to the USU service agreements, will this study assume that these agreements will be open for amendment or only modification to the bulk water rate? Should we assume some time spent working through rate issues with the facilities department at USU?

The City will be open to amendments and/or modifications to the bulk water rate for USU. The consultant should assume significant time spent working with Logan City staff and USU through the negotiations.

3. Related to the implementation of the CIP, do you anticipate modifications to the timing of projects or projects outside of the CIP/Master Plan that will require additional time spent with staff and HAL to modify the spenddown?

Considering that the new water master plan starts in 2018 but it is unknown when the new rate/fee structures will be initiated, it is anticipated that additional time will be needed with Logan City staff and Hansen, Allen & Luce Engineers to modify the CIP plan.

4. Regarding the tiered rate structure, does the council have objectives in mind behind the need for a tiered rate structure other than meeting the requirement by the state? Will we need to include time in our scope to educate the council on the various potential structures and pluses and minuses of each?

It is not believed that the council has any objectives in mind behind the need for a tiered rate structure. However, time will need to be included to educate the council and City financial staff on the various potential structures and pluses and minuses thereof.

5. A major impact to the rate structure will be the Pressurized Irrigation systems. What data will be available to analyze these impacts?

At this time the only secondary irrigation the City manages is a small pilot program. Exact number of connections and estimated water usage will also be provided. Currently a canal company is conducting a feasibility analysis to offer roughly 50-75% of the City secondary irrigation. The study is just beginning and it is not anticipated that enough information will be available during the water rate study to allow the consultant to make any recommendations on rate structures based on the potential secondary irrigation system. With both situations, it is not expected that the consultant will need to provide a large amount of time beyond a brief consideration of the impact of the two systems.

6. What usage data is available to develop rate structures? How detailed is the data and how far back?

Monthly meter data for all meters will be made available for the previous three years.

7. Logan has a lot of multifamily housing including apartments for USU students. How important is evaluating the multifamily rates?

Due to the numerous connections supplying water to multifamily housing and the corresponding revenue, the evaluation of the multifamily rates is very important and is anticipated to play a large role in the rate study.

8. A major potential component of the rates is annexation growth. What data will be available to evaluate the timing of this growth?

Both HAL and JUB Engineering have used the same population growth and anticipated annexation predictions to develop the water and sewer master plans. It is anticipated that this same data will be made available and that the water rate structures will reflect the same predictions.

END OF QUESTIONS