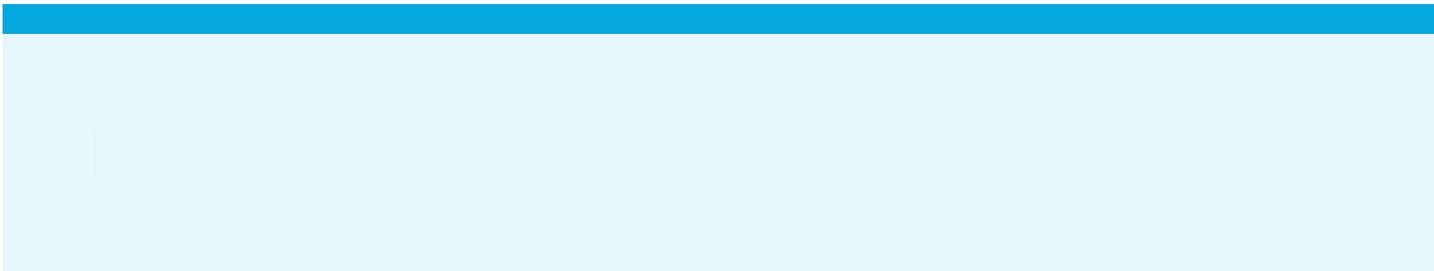


Engagement Summary Report

Public Utilities Rate Change 2025



EXECUTIVE SUMMARY

To support proposed utility rate changes that go into effect on July 1, 2025, Salt Lake City Department of Public Utilities (SLCDPU) launched a comprehensive public engagement effort to inform customers, gather feedback, and build transparency around the rate-setting process. This engagement was part of a nine-month rate study led by FCS Group and guided by a community-based Rate Advisory Committee (RAC) representing residents, businesses, advocacy groups, and regional partners.

The engagement strategy prioritized awareness, equity, and accessibility, using a tailored, multi-channel approach to reach residential, commercial, institutional, and industrial customers within Salt Lake City and neighboring communities. Outreach included direct mail, utility bill inserts, in-person and virtual meetings, social media, multilingual print and digital materials, and de-escalation training for frontline staff.

SLCDPU conducted briefings and presentations beginning in late 2024 and continues to meet with the community, including meetings with the Salt Lake City Council, community councils, business associations, HOAs, school districts, advocacy organizations, and large commercial customers. A dedicated rate change website and social media campaign provides educational videos, FAQs, and interactive content to support customer understanding.

Feedback emphasized the need for clarity, affordability, and continued reinvestment over the next decade in aging critical water infrastructure. Insights from the RAC and the public directly informed the final rate design, which balances long-term financial needs with fairness, affordability, water conservation goals, and customer support tools.

This engagement reflects SLCDPU's commitment to transparency, fiscal responsibility, and community-informed decision-making.

BACKGROUND

Salt Lake City's Department of Public Utilities manages four separate utility services: **water, sewer (wastewater), stormwater, and streetlighting**. These services are funded through customer fees—not taxes—and are managed separately from each other and from the City's general budget. While most of these services are for Salt Lake City residents, the water utility also serves parts of neighboring cities like Millcreek, Holladay, Cottonwood Heights, Murray, Midvale, and South Salt Lake.

These utility services support essential daily needs and rely on complex infrastructure—pipes, pumps, treatment facilities, and more—that must meet local, state, and federal requirements. Many of these systems are aging and need upgrades or replacements. To keep services running safely and reliably, the City needs a long-term financial plan. Utility rates are a major part of that plan.

To make sure rates remain fair and effective, Salt Lake City reviews and updates its utility rate structure approximately every five years. Salt Lake City also reviews and recommends changes to the rates each year to ensure they are aligned with long-range revenue needs. These long-range revenue needs are carefully developed alongside the City's financial advisors to account for current and future infrastructure plans and to meet debt repayments associated with revenue bonds that are used to fund large generational aging infrastructure projects such as treatment plants. The financial planning and infrastructure prioritization is based on best practices and regulatory requirements in the water sector.

This helps the City keep up with changes in infrastructure costs to continue to provide water-related services now and in the future.

In 2024, the City hired a consulting firm, FCS Group, to complete a detailed rate study. This study sets out proposed rate changes beginning in Fiscal Year 2026, with projections through Fiscal Year 2029.

The study looked at three major areas for each of the water-related utilities:

1. **How much revenue is needed** to cover day-to-day operations, maintenance, and long-term infrastructure investments.
2. **How those costs are shared** between different customer groups (like homes, businesses, and schools), based on how much service they use.
3. **How rates should be structured**, for example, using flat fees, usage-based rates, or tiered pricing—to recover costs in a way that is fair, clear, and encourages conservation.

The rate study found that higher revenues will be needed in coming years, mostly due to the cost of maintaining and replacing aging infrastructure. It also recommended some changes in how costs are divided among customer groups to better match actual usage and service costs.

Importantly, the rate study was guided by feedback from a community-based **Rate Advisory Committee (RAC)**. This group helped review options and provide input on fairness, affordability, conservation goals, and other community priorities.

ENGAGEMENT OBJECTIVES

1. **Increase Public Awareness:** Ensure residents and businesses understand why utility rate changes are being proposed, how the process works, and what services are supported by utility fees.
2. **Gather Meaningful Community Input:** Provide multiple opportunities for community members, including residential, commercial, and institutional customers—to share feedback, concerns, and preferences about the proposed rate changes.
3. **Promoting Transparency and Trust:** Build public trust by openly sharing information about rate-setting methods, infrastructure needs, and financial planning, including how input will be used in decision-making.
4. **Support Informed Decision-Making:** Equip City leaders and the Rate Advisory Committee with community insights and priorities to guide policy decisions that reflect public values and fiscal responsibility.

ENGAGEMENT APPROACH

Public Utilities provides service to a wide variety of users as such there has been a tailored approach to the engagement. This effort to inform and educate users as well as our internal and other municipal partners has utilized broad approaches and mediums.

Stakeholders

EXTERNAL (PUBLIC)

Customers	Residential properties <ul style="list-style-type: none"> • Single-family • Duplex and triplex • Multi-family
	Non-residential properties <ul style="list-style-type: none"> • Commercial • Industrial • Institutional

INTERNAL (WITHIN SLC CORP)

Customer Service Teams	Direct Response Departments: <ul style="list-style-type: none"> • Public Utilities • Economic Development
	Related Departments: <ul style="list-style-type: none"> • Public Services • Sustainability • Public Lands

City Advocates	Mayor’s & City Council Office Liaisons
	City Communicators <i>*Communications PIOs, Engagement Specialists, and Social Media Managers</i>

City FYI	Elected SLC Officials
	City Leadership

KEY MESSAGES

New rates for drinking water, wastewater, stormwater, and street light services have been proposed to begin July 1, 2025

The new rate structure will pay for:

- Major investment in the City’s aging water infrastructure, especially treatment plants.
- Repair and replacement of aging water pipes, sewer lines, and storm drains
- Ongoing costs for regulatory compliance.

Rate changes help the City adapt to evolving conditions and continue providing high-quality water, sewer, and stormwater services.

Your payments are directly reinvested into the community to:

- Provide clean drinking water
- Safely treat sewage
- Control stormwater to prevent flooding. Keep local bodies of water clean and protect surrounding areas from contamination

- Light our streets and neighborhoods
- Manage water supply for future generations

You can save money with our [tips and tools](#) that help you reduce water usage and extend our local water supply

SUMMARY OF FEEDBACK

What have we heard?

- On March 27, the Public Utilities Advisory Committee (PUAC) unanimously recommended approval of the proposed 2026 budget, including rates, operations, personnel changes, and the capital program. PUAC Chair Kathryn Floor formally expressed the committee’s support by signing the Public Utilities budget book, indicating the PUAC's concurrence with and endorsement of the proposed budget. As of May 13, 2025, the SLCDPU engagement team has received around 70 emails and voicemail messages from primarily residential customers. This input provided valuable insight into public concerns, suggestions, and areas of support related to the proposed rate adjustments. The following themes emerged:

Affordability and Fixed Incomes

- Many residents, particularly seniors, expressed difficulty managing increasing utility costs on fixed incomes.
- Customers felt discouraged that water conservation efforts were not being reflected in lower bills.

Rate Stabilization Fee

- There was significant concern about the temporary stabilization fee, especially its application to multi-unit properties and fire lines.
- Customers were surprised by the fee's impact during low-use seasons.

Municipal Watering Practices

- Several respondents noted city parks and facilities watering during rainstorms or over-spraying onto sidewalks, raising concerns about public sector efficiency.
- Calls were made for improved irrigation practices and smart controller use on public lands.

Equity in Rate Structure

- Some customers questioned whether the current structure ensures equitable contributions based on actual use and impact on the system.
- Support was expressed for tiered pricing and conservation-based rate models.

Conservation and Landscaping

- Many customers described proactive steps to reduce water use, such as replacing turf and updating irrigation systems.
- There is strong support for SLCDPU's water-saving programs like SLCTurf.

Assistance and Alternatives

- Residents asked about alternatives to using treated drinking water for irrigation.
- There was interest in Project Water Assist and other financial support for vulnerable households.

SUMMARY OF PARTICIPATION / TIMELINE

- May 2024: Rate Advisory Committee (RAC) is formed with representatives from the following groups:
 - Salt Lake City Resident Members
 - SLC Mayor's Office
 - Industrial customers
 - Commercial customers
 - SLC School District
 - Low-income Advocacy Groups
 - Senior Citizen Advocacy Groups
 - Mayor's Office for Access and Belonging
 - Public Utilities Advisory Committee
 - Metropolitan Water District of Salt Lake & Sandy
 - Utah Rivers Council
 - Western Resource Advocates
 - Utah League of Women Voters
 - SLC Chamber
 - The Cities of Millcreek, Cottonwood Heights, and Holladay
- November 19: Laura Briefer meets with Councilmember Darin Mano
- December 4: Laura Briefer meets with Councilmembers Petro, Puy, and Dugan
- December 9: Laura Briefer meets with Councilmember Chris Wharton
- Jan-April: ongoing meetings held with non-residential customers to discuss changes and receive feedback
 1. SLC School District
 2. Northpoint HOA
 3. Harvard Park HOA
 4. SLC HOA
 5. SLC Public Lands
 6. Cottonwood Heights HOA
 7. Belmont Downtown Condominiums Association
 8. SLC Public Services
 9. University of Utah
 10. Sweets Candy
 11. Meadow Gold Dairy
 12. Utah State Fair Park
 13. Uintah Brewery
 14. Fisher Brewery
 15. SLC Golf
 16. SLC Parks & Rec
- January 7, 2025: Laura Briefer meets with Councilmember Sarah Young

- January 7, 2025: Public Utilities/FCS Group update City Council – covered by KSL.com, Salt Lake Tribune, KUTV
- January 23: SLCDPU’s Communications & Engagement Manager, Chloe Morroni presents engagement strategy to Public Utilities Advisory Committee (PUAC)
- February 18: Chloe Morroni reaches out to the cities of Millcreek, Holladay, and Cottonwood Heights to inform them of the new rate structure.
- March 27: Laura Briefer presents budget to PUAC.
- March 31: Laura Briefer sends email to all SLCDPU staff RE: Budget proposal status and information on new rates
- April 1: “Talking About Rates” info session #1 with Customer Service (de-escalation training)
- April 1: Laura Briefer presents budget to Mayor Mendenhall
- April 2: SLCDPU engagement team shares rate change info packet via email with SLC Mayor’s Office; Council Office; SLC Econ Development
- April 2: Laura Briefer does an interview with Ben Winslow/Fox13
- SLCDPU engagement team turns FOX13 interview into nine educational videos- posted on webpage/social
- April 3: “Talking About Rates” info session #2 with Customer Service (de-escalation training)
- April 7: bi-weekly rate strategy meeting SCLDPU staff (non-residential customer communications)
- April 8: rate change website goes-live
- April 10: Citywide comms meeting – Jesse Killinger presented on the new rates, emailed all City PIOs rate information packet
- April 11: “Talking About Rates” info session #3 with Customer Service
- April 11: SLCDPU & Economic Development collaborative social media post #1
 - Economic Development Ambassadors handing out rate flyers
- April 15: SLCDPU budget briefing to SLC Council
- April 15: news release RE: Laura’s Council presentation – covered by KSL.com, KUTV, Telemundo, ABC4
- April 16: SLCDPU rates social post
- April 17: SLCDPU Virtual Townhall on Facebook – shared by Mayor’s Office and Council
- April 21: bi-weekly rate meeting SLCDPU staff (non-residential customer communications)
- Week of April 21: SLCDPU reinvestment social post #1 (videos showing where money goes)
- April 21: first rate strategy meeting with Council and Mayor’s Office liaisons and Citywide comms team
- April 24: engagement team provides update to PUAC
- Week of April 28: postcards mailed to all City & County customers (2 versions – Spanish translation)
- April 28: start “Rate changes coming soon…” banner for online accounts added
- Week of April 28: SLCDPU reinvestment social post #2

- Week of April 28: Holly Lopez follows up with Millcreek, Cottonwood Heights, Holladay; and SL County and provides an information packet
- April 30: rate post cards hit mailboxes
- Week of May 5: flyer distribution begins for Economic Development; SL County; Millcreek, Cottonwood Heights, Holladay; all SLC Community Councils; other organizations – Spanish translation
- Week of May 5: SLCDPU reinvestment social post #3
- Week of May 12: SLCDPU reinvestment social post #4
- May 14: Laura Briefer presents to Economic Development Business Advisory Board
- May 14: Laura Briefer talks rates at Councilmember Dugan’s town hall
- May 15: Laura Briefer presents to Salt Lake Community Network
- May 19: SLCDPU rates social post
- May 20: Laura Briefer presents at Council work session
- May 20: SLC Council public hearing #1
- Week of May 26: SLCDPU reinvestment social post #5
- June 1-30: bill insert about rate changes in all USPS bills and e-statements - Spanish translation
- June 2: SLCDPU rates social post
- June 3: SLC Council possible public hearing #3 (Tentative based on City Council scheduling)
- Week of June 9: SLCDPU reinvestment social post #6
- June 12: Deputy Director Jesse Stewart presents to Yalecrest Neighborhood Council
- Week of June 16: SLCDPU reinvestment social post #7
- July 1: new rates take effect
- July: follow up RE: “Talking About New Rates” info session
- TBD: post professionally produced video explaining rate changes
- TBD: post SLCTV produced video with Laura Briefer talking about rates on website