

MEMO

To: [Trixie Jones, tbehr@utah.gov](mailto:tbehr@utah.gov)  
From: Sherwood Water Company  
Date: August 14, 2009  
RE: Request for Rate Increase

Sherwood Water Company is requesting a rate increase as outlined below:

Description	Old Rate	New Rate
First 8,000 gallons	\$15.00	\$35.00
Usage per 1,000 gallons over 8,000	\$0.50	\$2.50
Standby Fees	\$15.00	\$25.00
Disconnect fees	\$25.00	\$100.00
Re-connect fees	\$25.00	\$100.00
First time service connection fee	\$2,200.00	\$3,000.00
Interest rate on bills past due by 30 days or more	None	18% per annum or 1.5% per month
Fee for unwarranted service call:	None	Actual cost
Transfer of ownership fee	None	\$500.00

Reasons we need the rate increase:

1.A larger tank was required by the city or county (I'm not sure which) before more connections could be sold. This included not only new customers buying new lots in the area, but it also included customers that wanted to upgrade. So over the period of a couple of years, a 136,000. gallon tank has been built along with a new pump house
2.Costs have continually risen since purchase of the company 12+ years ago. We have not raised the rates since we have purchased the company
3.The president of the company has passed away 12/31/2008 and it is now necessary to hire the repairs, maintenance etc. out
4.The president of the company owned 2 business, this water company and also a backhoe service. Since his death the two companies are run separately. Sherwood is now paying for services that used to be covered by the backhoe service. (Office, utilities, supplies, repairs, etc.)

Sincerely,

Peggey Bryner  
Secretary/Treasurer  
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