

# Sanitary Sewer Warranty Program Potential Revenue

## 1. Licensing Fee

The proposal from USP includes payment of \$36,069.25 to the City in the form of a licensing fee. This fee is paid as follows:

Year	Amount
Year 1	\$18,034.63
Year 2	\$9,017.31
Year 3	\$9,017.31

## 2. Royalties

### Options

Royalty Option	Royalty Amount - (per month per enrolled property)	Campaign Monthly Rate	Standard Monthly Rate
1	\$0.50	\$6.75	\$7.50
2	\$0.75	\$7.00	\$7.75
3	\$1.00	\$7.25	\$8.00
4	\$0.00	\$6.25	\$7.00

### Projected 3 Year Royalty Revenue for Option 1

Projected # of Participants	2013	2014	2015
3,854	\$ 11,562	\$ 17,343	
5,408		\$ 8,112	\$ 24,336
5,696			\$ 8,544
<b>TOTAL</b>	\$ 11,562	\$ 25,455	\$ 32,880

### Staff Recommendation

- Royalty Option #4 - \$0.00
- Savings passed onto savings on to citizen.