



# ***Wastewater Rates Follow-up***

Citizen Rate Review Committee Meeting

January 7, 2016

# *Agenda*

- Rate Structure Options
  - Increase fixed charge % (40,45) from 33%
- Reduced CIP Option
  - Reduce overall annual rate increase to 3.25%
- Discussion

# Comparison of Current and Revised Rates - Preliminary

Customer Class	Current 2015/16	Proposed 2016/17	Proposed 2017/18
<b>Service Charge (\$/Month)</b>	\$20.66	\$21.95	\$23.76
Multifamily Unit Charge	\$18.24	\$19.33	\$21.06
<b>Volume Charge (\$/ccf)</b>			
Single Family	\$8.19	\$8.67	\$9.08
Multifamily	\$8.19	\$8.67	\$9.08
Commercial - 1	\$8.19	\$8.67	\$9.08
Commercial - 2	\$10.02	\$10.61	\$11.10
Commercial - 3	\$16.37	\$17.29	\$18.08
Industrial	\$10.02	\$10.61	\$11.10
Outside City	\$8.19	\$8.67	\$9.08

Ccf = hundred cubic feet (748 gallons)



# Comparison of Current and Revised Rates – Other Options

Customer Class	Current 2015/16	Preliminary 2016/17	Option -40% 2016/17	Option -45% 2016/17
<b>Service Charge (\$/Month)</b>	\$20.66	\$21.95	\$26.58	\$30.86
Multifamily Unit Charge	\$18.24	\$19.33	\$22.91	\$23.52
<b>Volume Charge (\$/ccf)</b>				
Single Family	\$8.19	\$8.67	\$7.82	\$7.19
Multifamily	\$8.19	\$8.67	\$7.82	\$7.19
Commercial - 1	\$8.19	\$8.67	\$7.82	\$7.19
Commercial - 2	\$10.02	\$10.61	\$9.52	\$8.78
Commercial - 3	\$16.37	\$17.29	\$15.35	\$14.29
Industrial	\$10.02	\$10.61	\$9.51	\$8.78
Outside City	\$8.19	\$8.67	\$7.82	\$7.19
Average Residential Bill	\$61.61	\$65.30	\$65.70	66.79
Difference from Current		\$3.69	\$4.09	\$5.18
% Difference		6.0%	6.6%	8.4%

Ccf = hundred cubic feet (748 gallons)

# Reduced CIP Option

PROJECT	TOTAL	Cut
2nd St. Parking Lot Rehab	\$50,000	
S. Springbrook (Bypass)	\$50,000	
Inflow & Infiltration Projects	\$3,450,000	\$750,000
Dayton Avenue PS	\$4,300,000	
WWTP Sawdust Bays	\$0	\$350,000
WWTP Hypochlorite Generation	\$720,000	
Compost Facility	\$155,000	
Roofing Replacement	\$450,000	
WWTP Sewer Line (to and thru)	\$0	\$2,000,000
Coating for PS; Fernwood & Creekside	\$200,000	
Wastewater Master Plan	\$300,000	
Hess Creek	\$0	\$3,500,000
Structural Improvements to Ex. Oxidation Digester	\$2,200,000	
I & I Report	\$200,000	
520 W. 3rd Property Purchase	\$15,625	
N. Springbrook Trunkline	\$1,664,000	
<b>MULTI FUNDED PROJECTS (Wastewater S</b>	\$0	
Maintenance Facility - Fleet	\$187,500	
Maintenance Facility - Administration	\$250,000	
Maintenance Facility - Site Work	\$100,000	
<b>Total CIP</b>	<b>\$14,292,125</b>	<b>\$6,600,000</b>



# Summary

- Increase fixed charge % or revenue
  - Increases bills for small customers; reduces bills for larger customers
- 3.25% revenue increase option
  - Capital projects cuts of \$6.6 million from current planning period
  - Reduces future reserves to \$1.5 million
  - Reduces debt service coverage to minimum required
  - Potential for more significant increases later to meet coverage or capital needs

# *Discussion*