



Water and Wastewater Utility Rates

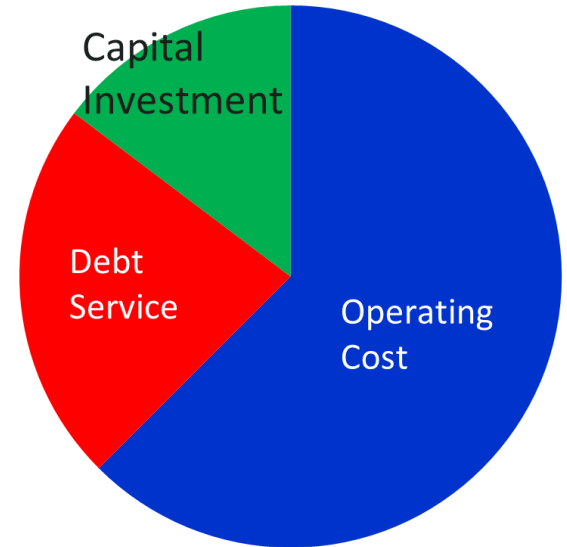


Diana Langley, Public Works Director
May 22, 2018

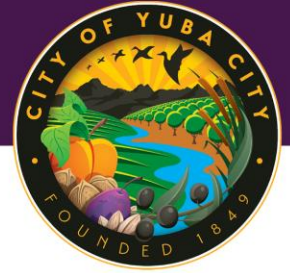
Purpose of Rates



- To ensure adequate revenues in the Water and Wastewater Enterprise Funds for:
 - Operation and Maintenance
 - Debt Service Coverage
 - Capital Projects

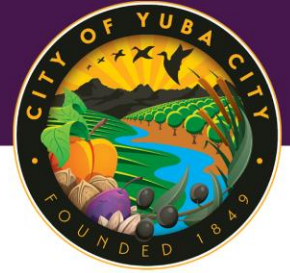


Background



- 4/5/16- Council adopted the Water and Wastewater Rate Study
 - Proposed adjustments to the City’s water and wastewater rates over the next 5 years

Background



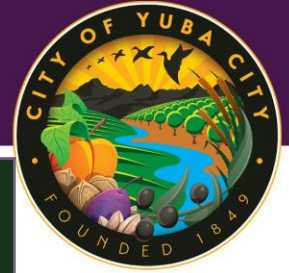
- 6/21/16 – Council adopted Water and Wastewater Ordinances
 - Provides for Council review of rates on an annual basis as part of the fiscal year budget review process, prior to July 1 implementation of the increases for each year
 - Council retains authority to set rates by resolution

FY 17/18 Projections



- Water Sales
 - Increased 26% as compared to 17% rate increase
- Wastewater Service Charges
 - Increased 10.3% as compared to 10% rate increase

Proposed Water Rates



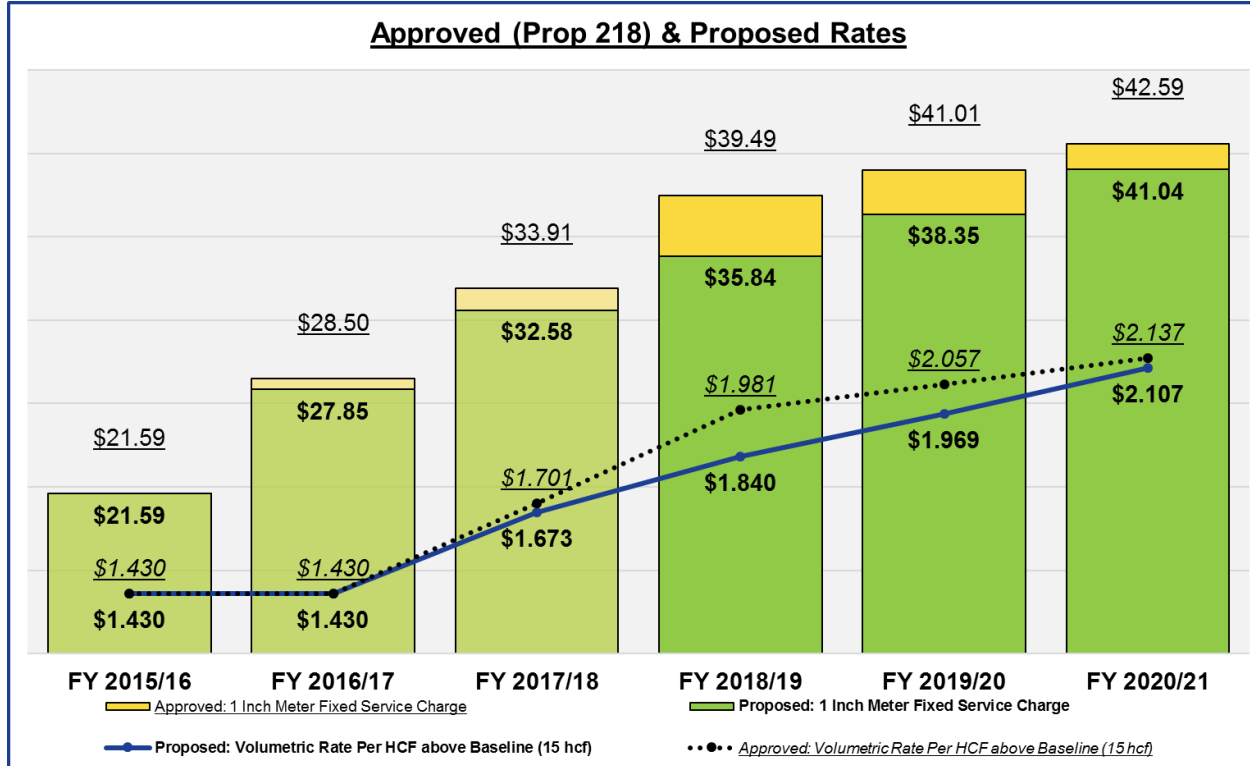
Meter Size	Baseline HCF's*	Current Rate	FY 18/19	FY 19/20	FY 20/21
1"	15	\$32.58	\$35.84	\$38.35	\$41.04
1-1/2"	30	\$65.17	\$71.69	\$76.70	\$82.07
2"	60	\$130.36	\$143.40	\$153.44	\$164.18
3"	240	\$521.42	\$573.56	\$613.71	\$656.67
4"	480	\$1,042.86	\$1,147.14	\$1,227.44	\$1,313.36
6"	900	\$1,955.33	\$2,150.86	\$2,301.42	\$2,462.52
8"	2,100	\$4,562.45	\$5,018.70	\$5,370.00	\$5,745.90
Flow Rate Per Excess HCF		\$1.673	\$1.840	\$1.969	\$2.107

*1HCF=748 Gallons

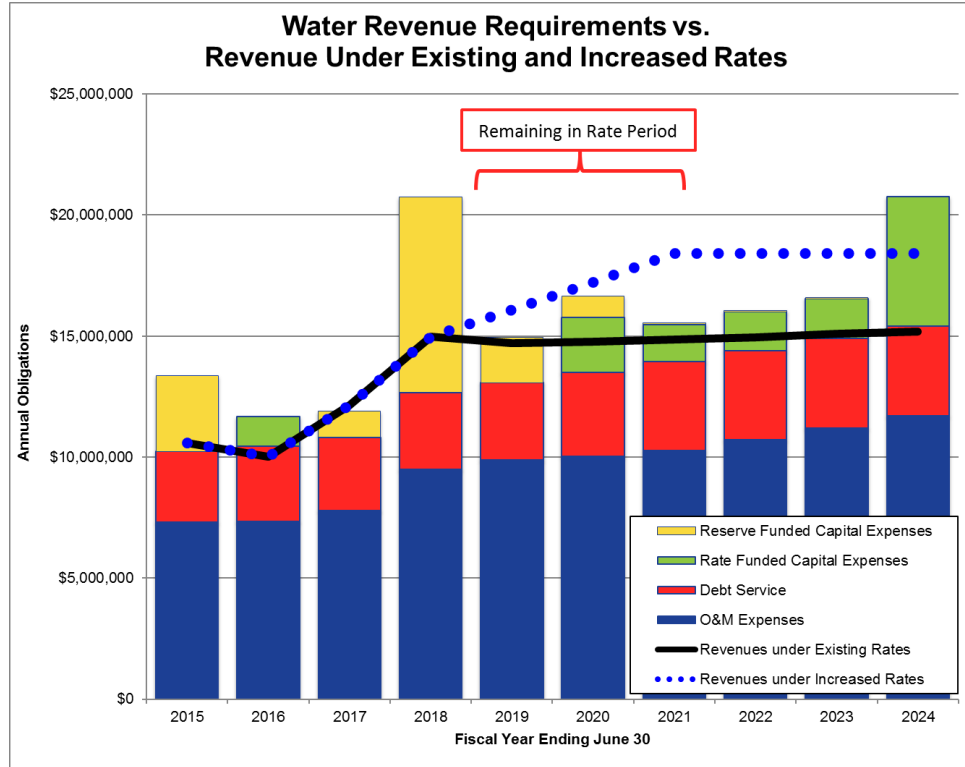
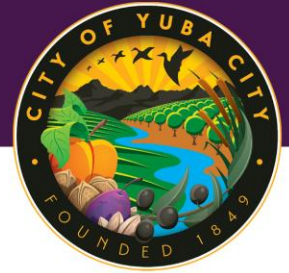
Proposed Water Rates



Approved (Prop 218) & Proposed Rates

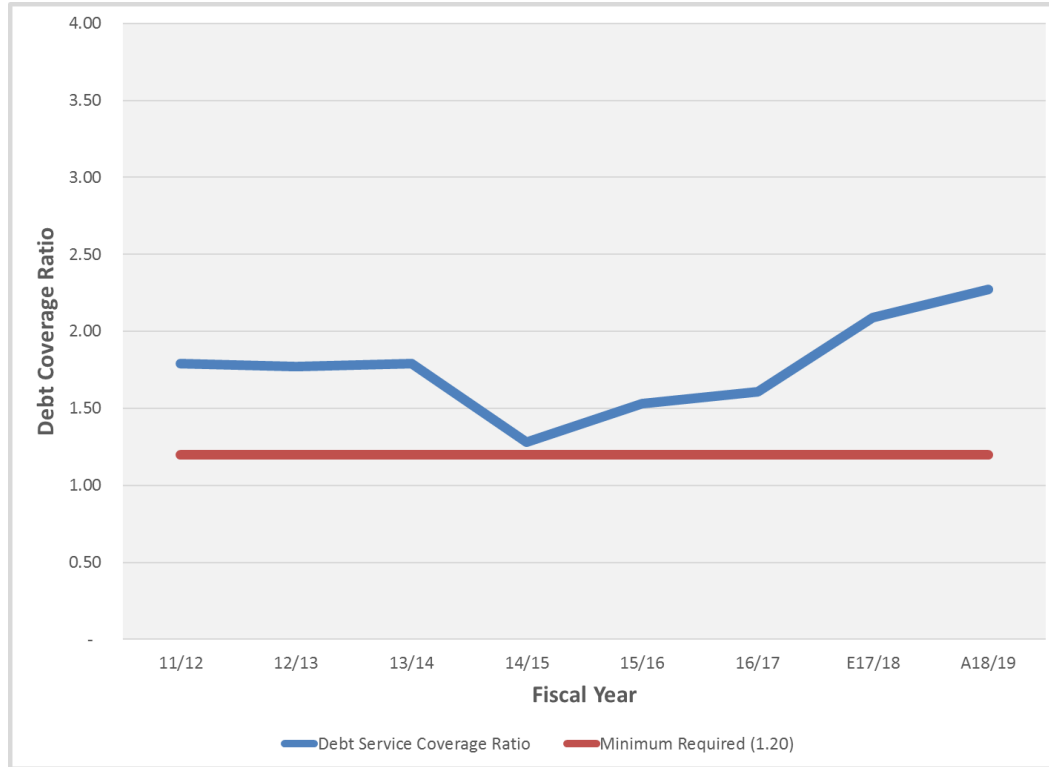


Proposed Water Rates

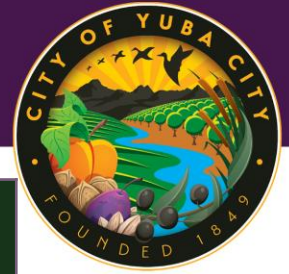


Debt Service Coverage Ratio

Water



Proposed Wastewater Rates



Sewer Rate Schedule	Current Rate	FY 18/19	FY 19/20	FY 20/21
Single Family	\$49.04	\$52.96	\$57.20	\$61.78
Multi-Family	\$39.24	\$42.38	\$45.77	\$49.43
Commercial – C1	\$49.04	\$57.20	\$57.20	\$61.78
Commercial – C2	\$55.18	\$64.36	\$64.36	\$69.51
Commercial – C3	\$66.83	\$77.95	\$77.95	\$84.18
Commercial Volumetric Charge (HCF)	\$1.93	\$2.09	\$2.25	\$2.43
Schools – Per Student/Year	\$22.52	\$24.32	\$26.27	\$28.37

Proposed Wastewater Rates

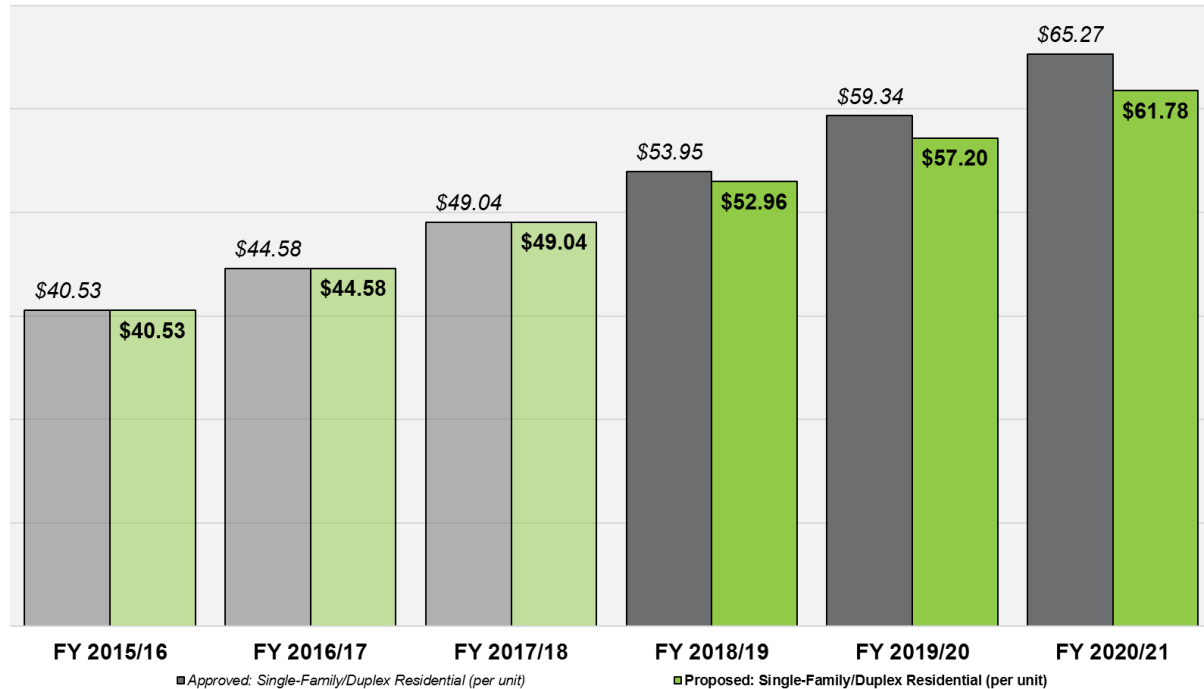


Sewer Rate Schedule	Current Rate	FY 18/19	FY 19/20	FY 20/21
Industrial				
Volume (MG)	\$2,827.67	\$3,053.89	\$3,298.20	\$3,562.05
TSS (lbs)	\$0.218	\$0.235	\$0.254	\$0.274
BOD (lbs)	\$0.290	\$0.313	\$0.338	\$0.365
Septage Hauler				
\$/Gallon	\$0.378	\$0.408	\$0.440	\$0.476
Min. Charge 400 Gallons/ Dump	\$151.01	\$163.09	\$176.14	\$190.23

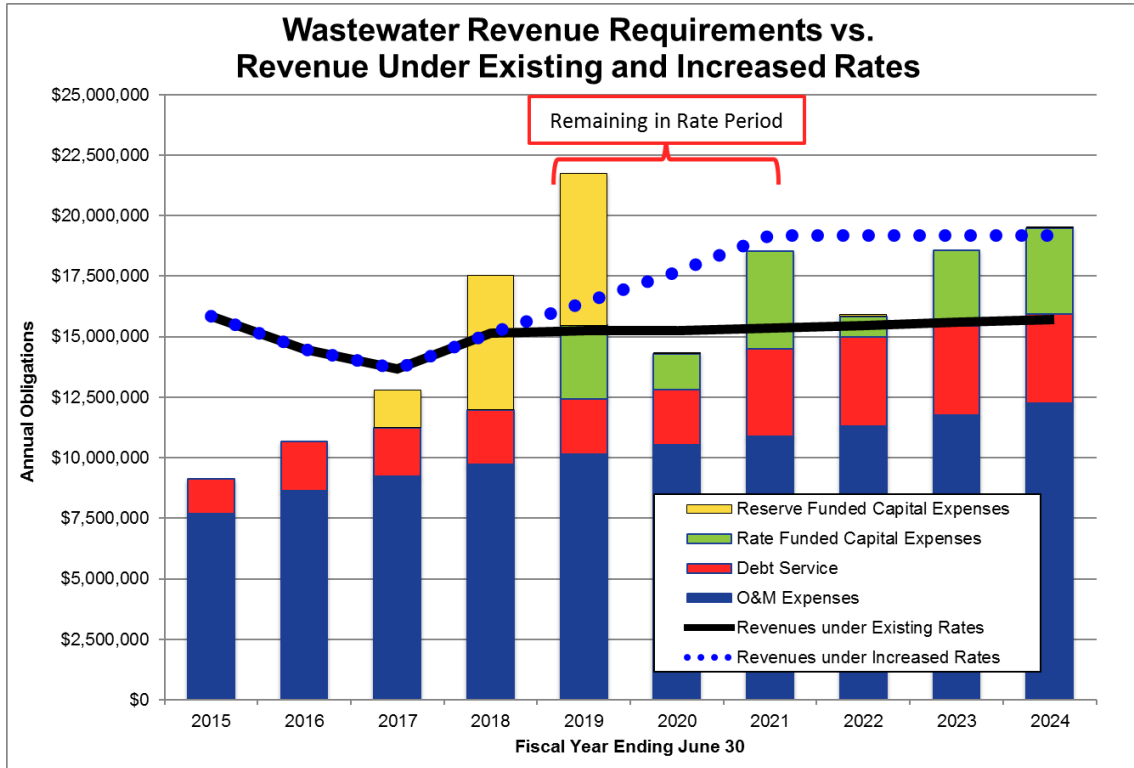
Proposed Wastewater Rates



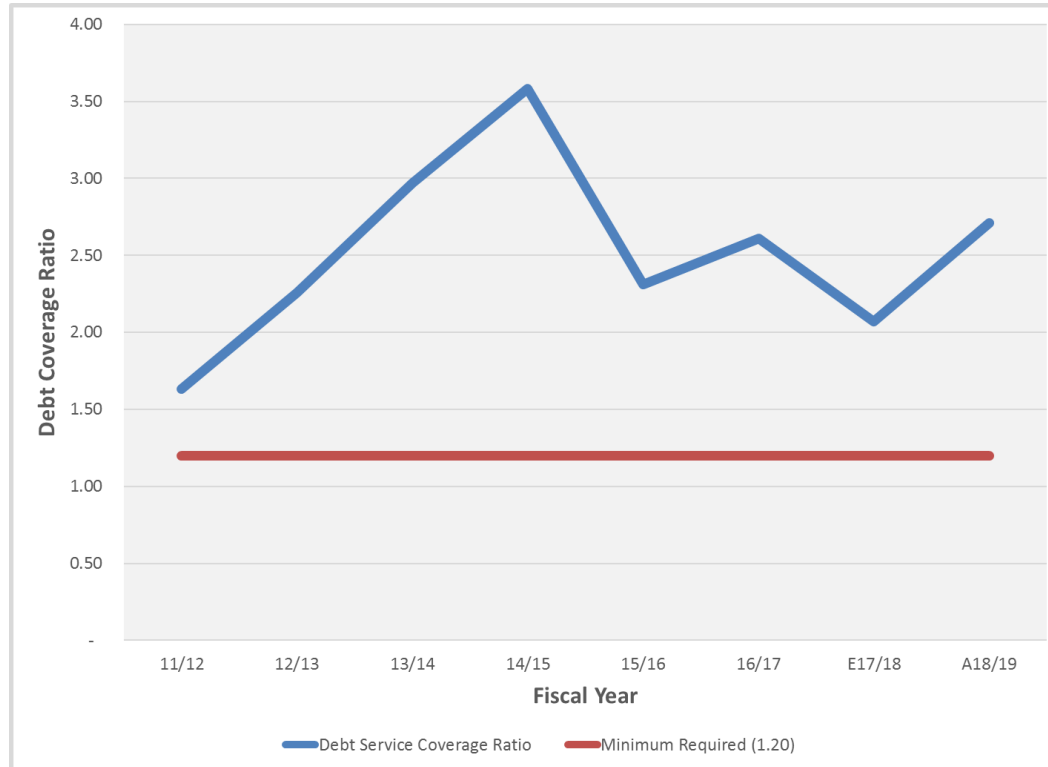
Approved (Prop 218) vs. Proposed Rates



Proposed Wastewater Rates



Debt Service Coverage Ratio Wastewater



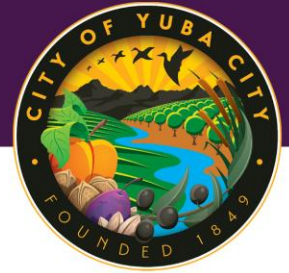
Bill Comparison for Single Family Dwelling (1" Service)



Average Consumption	Proposed Water Bill	Proposed Sewer Bill
Winter (7 HCF)	\$35.84	\$52.96
Annual (15 HCF)	\$35.84	\$52.96
Summer (24 HCF)	\$52.40	\$52.96

Average Consumption	Current Total Bill	Total Proposed Bill	Prop. 218 Bill
Winter (7 HCF)	\$81.62	\$88.80	\$93.44
Annual (15 HCF)	\$81.62	\$88.80	\$93.44
Summer (24 HCF)	\$96.68	\$105.36	\$111.27

Next Steps



- Resolutions to Council 6/5/18 for adoption
- Rates Become Effective 7/1/18
 - Rates will be reflected in bill that is mailed in late July and will apply to June consumption

Questions?

