

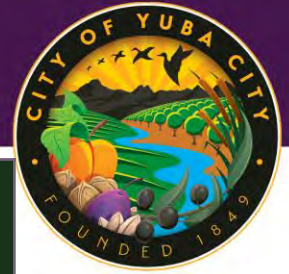


Water and Wastewater Utility Rates



Diana Langley, Public Works Director
June 5, 2018

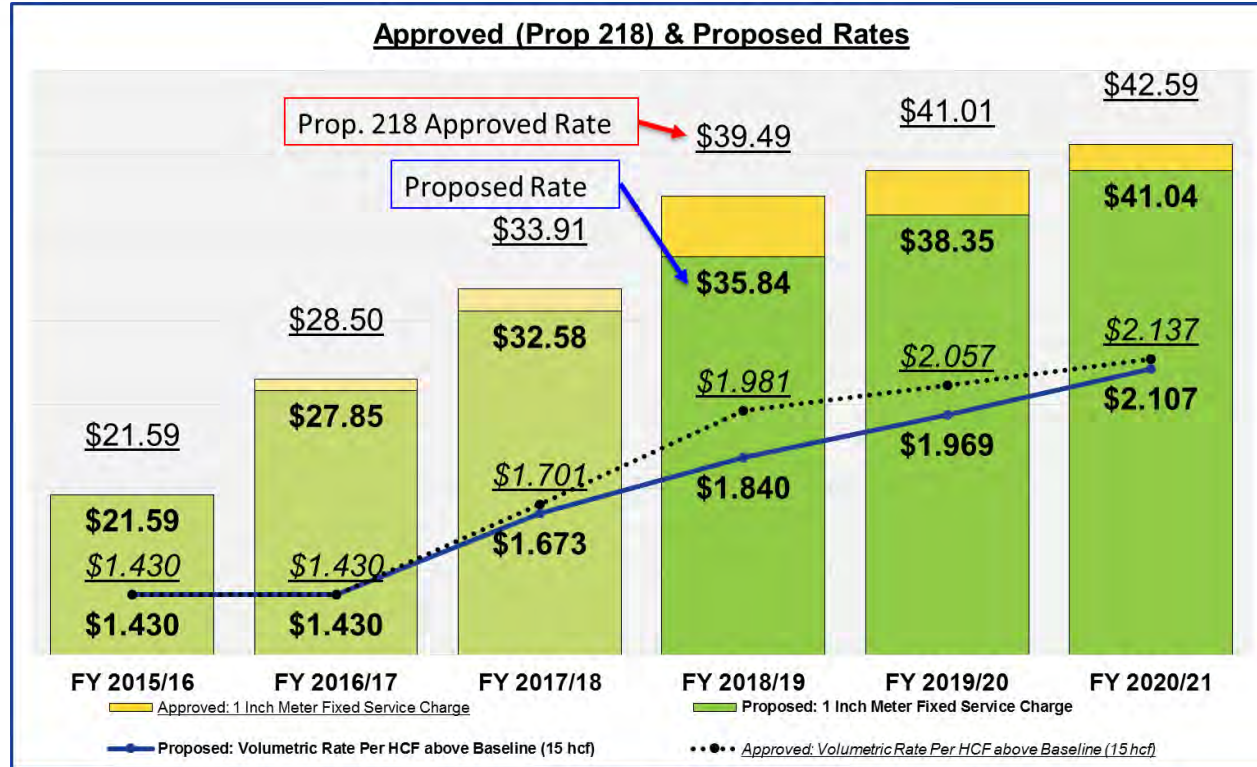
Proposed Water Rates



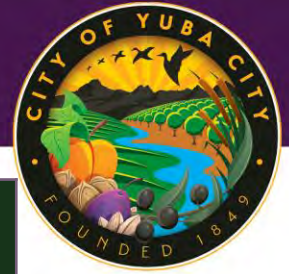
Meter Size	Baseline HCF's*	Current Rate	FY 18/19	FY 19/20	FY 20/21
1"	15	\$32.58	\$35.84	\$38.35	\$41.04
1-1/2"	30	\$65.17	\$71.69	\$76.70	\$82.07
2"	60	\$130.36	\$143.40	\$153.44	\$164.18
3"	240	\$521.42	\$573.56	\$613.71	\$656.67
4"	480	\$1,042.86	\$1,147.14	\$1,227.44	\$1,313.36
6"	900	\$1,955.33	\$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



Proposed Wastewater Rates



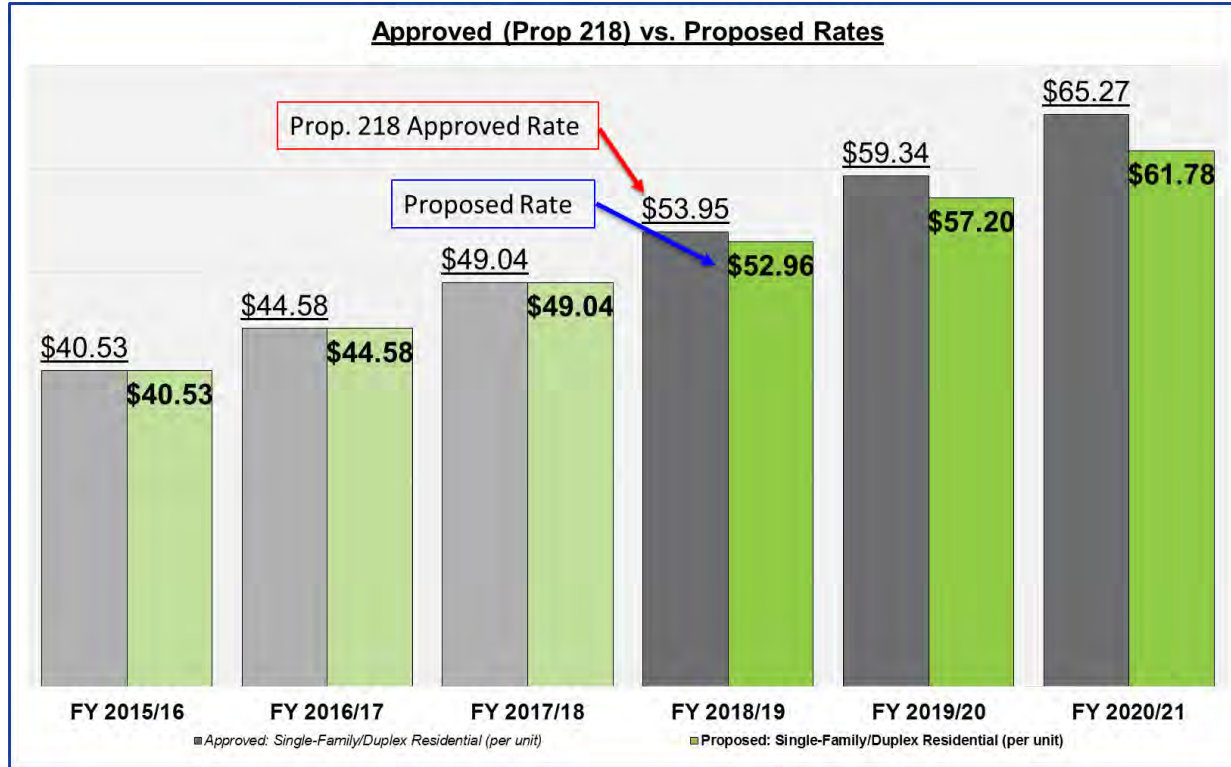
Sewer Rate Schedule	Current Rate	FY 18/19	FY 19/20	FY 20/21
Single Family	\$49.04	\$52.96	\$57.20	\$61.78
Multi-Family	\$39.24	\$42.38	\$45.77	\$49.43
Commercial – C1	\$49.04	\$52.96	\$57.20	\$61.78
Commercial – C2	\$55.18	\$59.59	\$64.36	\$69.51
Commercial – C3	\$66.83	\$72.17	\$77.95	\$84.18
Commercial 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



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

Recommendation



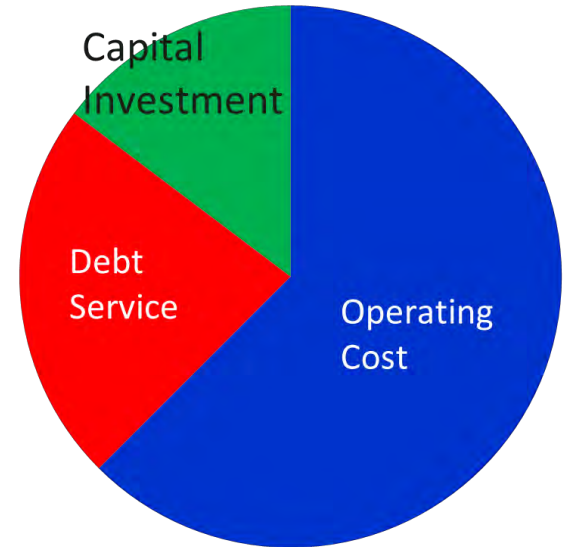
- Conduct a public hearing
- Adopt a Resolution setting the water rates at a rate less than the Proposition 218 approved rates effective July 1, 2018
- Adopt a Resolution setting the wastewater rates at a rate less than the Proposition 218 approved rates effective July 1, 2018



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



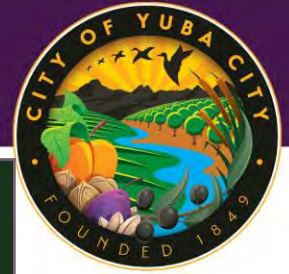
- Water Sales
 - Increased 26% as compared to 17% rate increase
- Wastewater Service Charges
 - Increased 10.3% as compared to 10% rate increase

Water Conservation (Compared to 2013)



Month	2016	2017
July	29.7%	17.0%
August	20.8%	13.3%
September	17.2%	8.0%
October	24.0%	6.1%
November	30.2%	24.0%
December	22.4%	12.8%
January	11.4%	10.4%
February	24.5%	4.6%
March	28.7%	29.9%
April	35.8%	29.9%
Average:	24.5%	15.6%

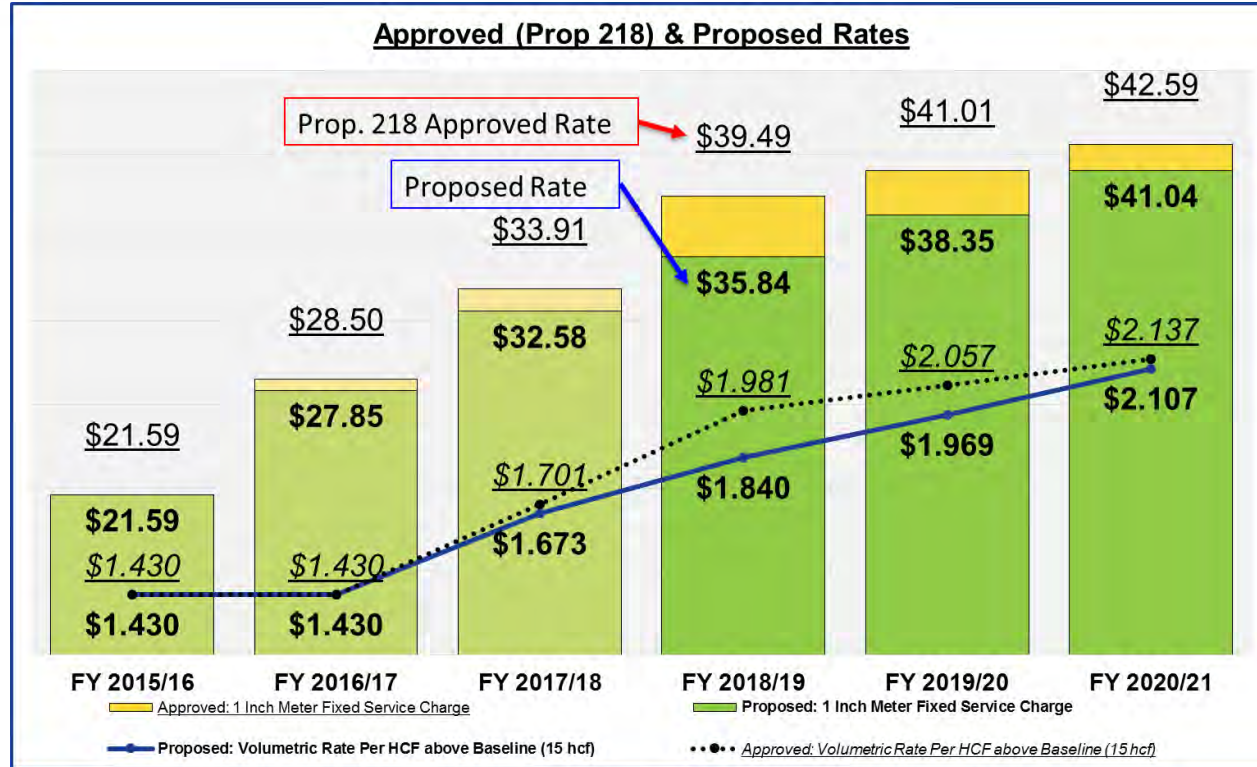
Proposed Water Rates



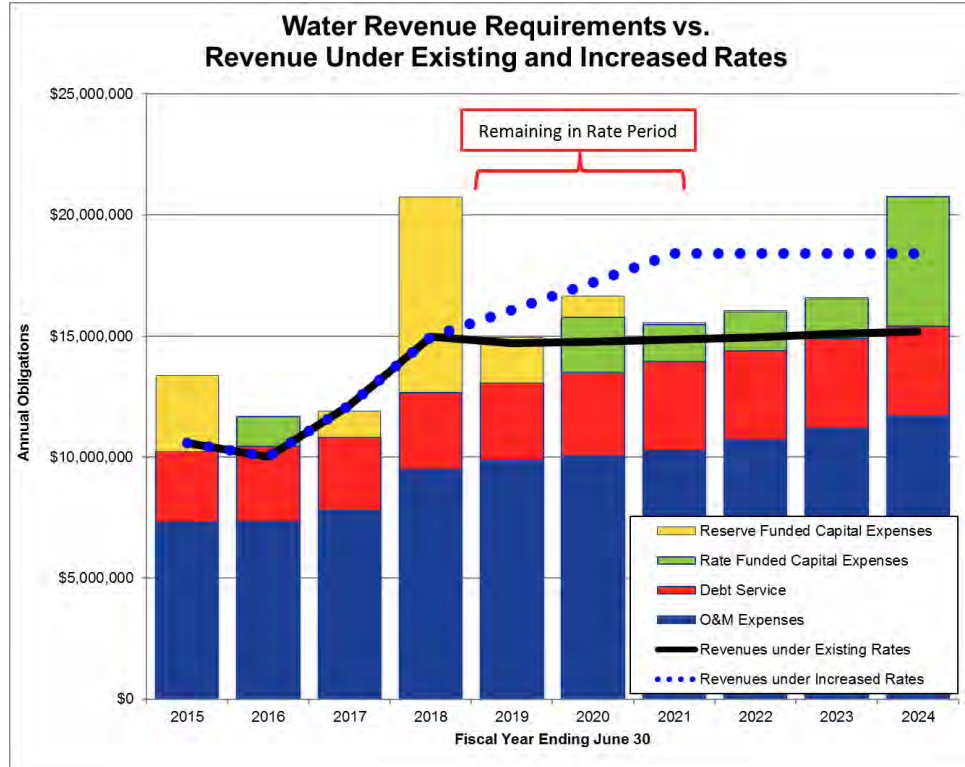
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Proposed Water Rates

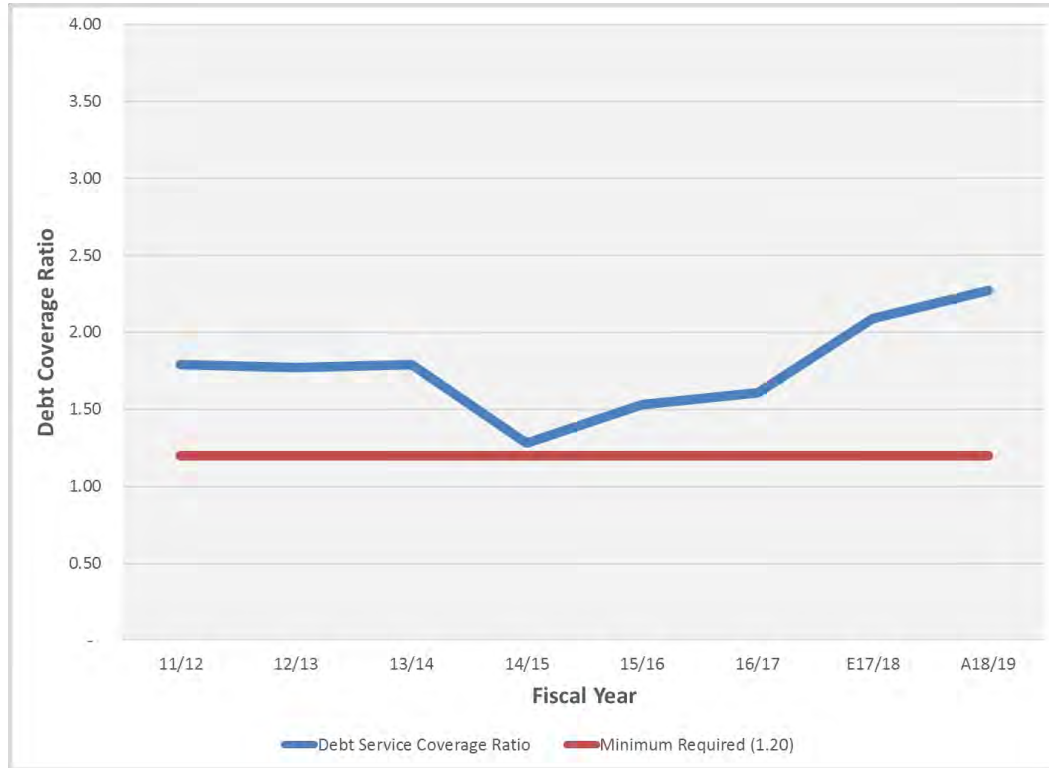


Proposed Water Rates

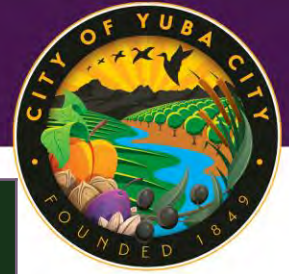


Debt Service Coverage Ratio

Water



Proposed Wastewater Rates



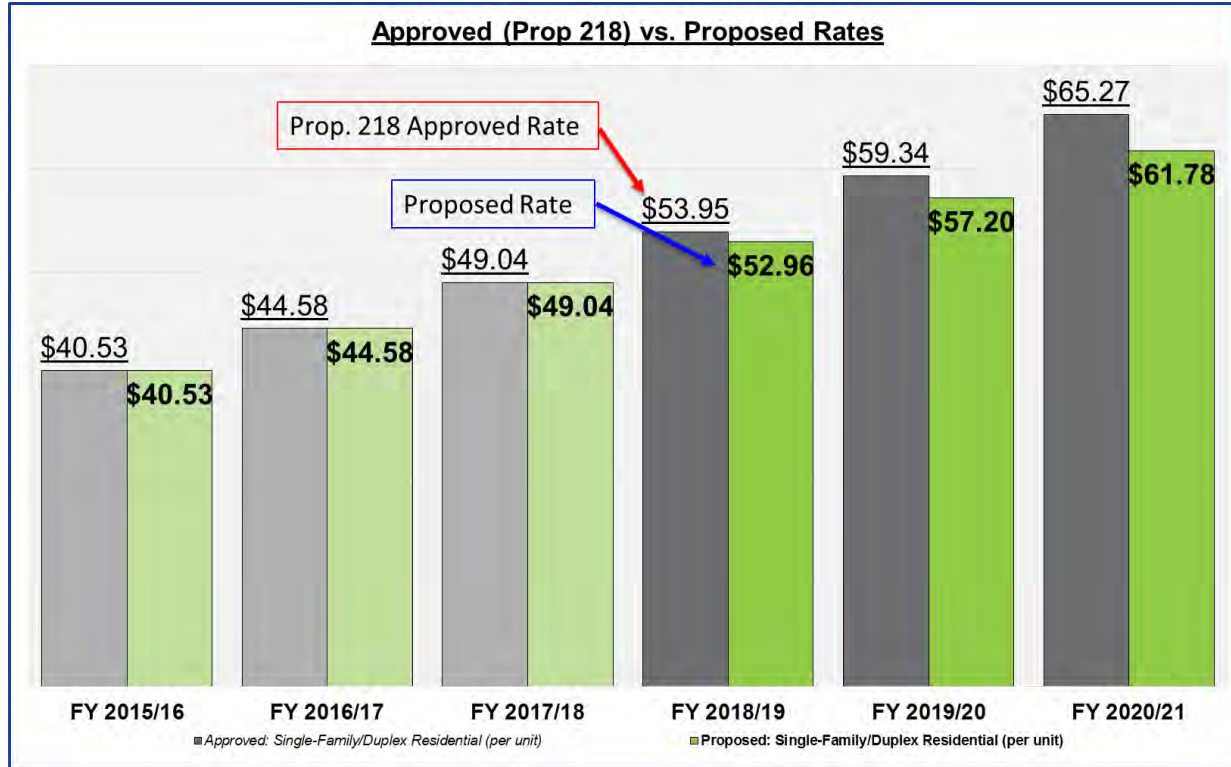
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Proposed Wastewater Rates

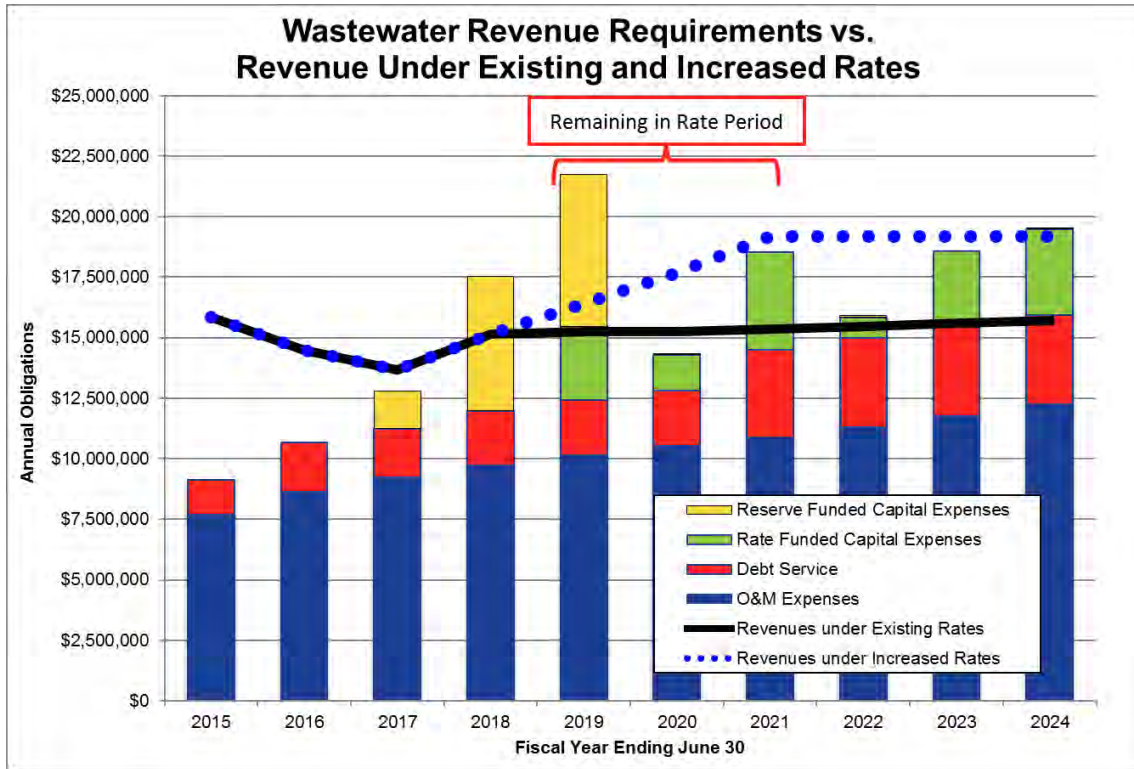


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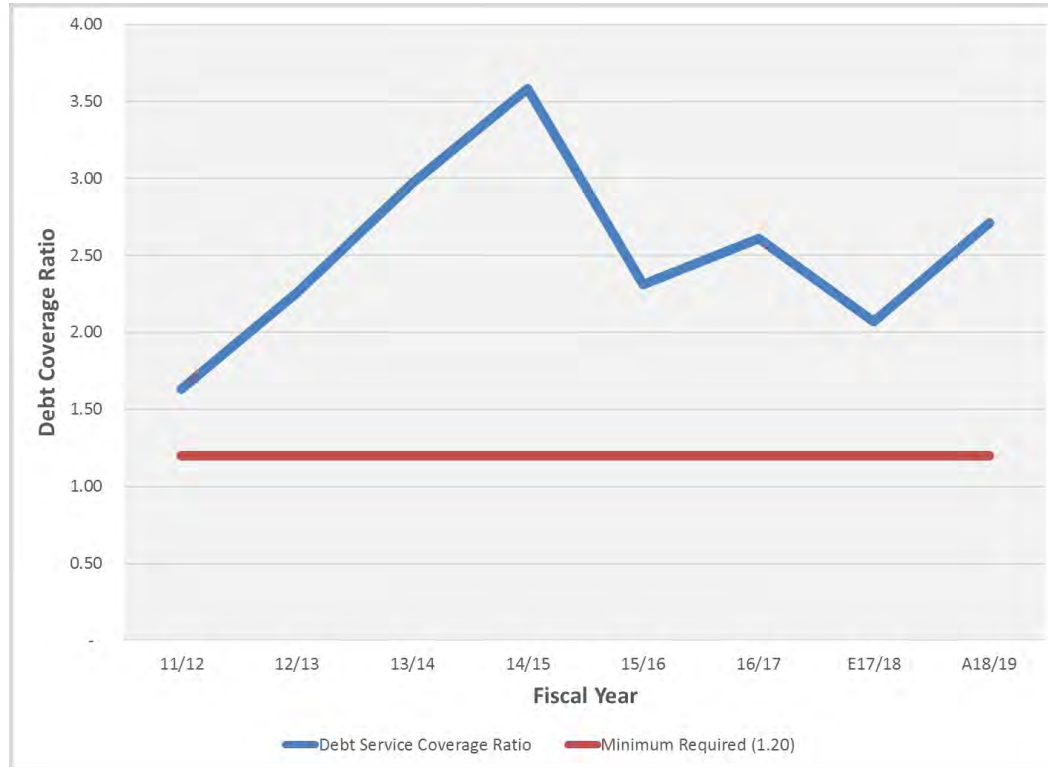
Proposed Wastewater Rates



Proposed Wastewater Rates



Debt Service Coverage Ratio Wastewater



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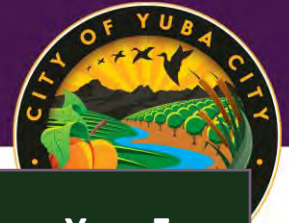
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Recommendation



- Conduct a public hearing
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- Adopt a Resolution setting the wastewater rates at a rate less than the Proposition 218 approved rates effective July 1, 2018

Proposition 218 Approved Rates - Water



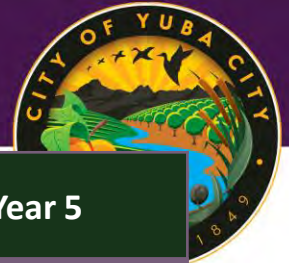
Meter Size	Baseline HCF's*	Year 1	Year 2	Year 3	Year 4	Year 5
1"	11	\$28.50	\$33.91	\$39.49	\$41.01	\$42.59
1-1/2"	22	\$57.00	\$67.83	\$78.98	\$82.03	\$85.18
2"	44	\$114.01	\$135.67	\$157.99	\$164.07	\$170.39
3"	176	\$456.02	\$542.66	\$631.93	\$656.26	\$681.53
4"	352	\$912.05	\$1,085.34	\$1,263.88	\$1,312.54	\$1,363.08
6"	660	\$1,710.09	\$2,035.00	\$2,369.76	\$2,461.00	\$2,555.74
8"	1,540	\$3,990.21	\$4,748.36	\$5,529.46	\$5,742.34	\$5,963.42
Flow Rate Per Excess HCF		\$1.430	\$1.701	\$1.981	\$2.057	\$2.137

Proposition 218 Approved Rates - Wastewater



Sewer Rate Schedule	Year 1	Year 2	Year 3	Year 4	Year 5
Single Family	\$44.58	\$49.04	\$53.95	\$59.34	\$65.27
Multi-Family	\$35.67	\$39.24	\$43.16	\$47.48	\$52.23
Commercial – C1	\$44.58	\$49.04	\$53.95	\$59.34	\$65.27
Commercial – C2	\$50.16	\$55.18	\$60.69	\$66.76	\$73.44
Commercial – C3	\$60.75	\$66.83	\$73.51	\$80.86	\$88.95
Commercial Volumetric Charge (HCF)	\$1.76	\$1.93	\$2.13	\$2.34	\$2.57
Schools – Per Student/Year	\$20.47	\$22.52	\$24.77	\$27.25	\$29.97

Proposition 218 Approved Rates - Wastewater



Sewer Rate Schedule	Year 1	Year 2	Year 3	Year 4	Year 5
Industrial					
Volume (MG)	\$2,570.61	\$2,827.67	\$3,110.44	\$3,421.48	\$3,763.63
TSS (lbs)	\$0.198	\$0.218	\$0.240	\$0.264	\$0.290
BOD (lbs)	\$0.263	\$0.290	\$0.319	\$0.350	\$0.385
Septage Hauler					
\$/Gallon	\$0.343	\$0.378	\$0.415	\$0.457	\$0.502
400 Gallons	\$137.28	\$151.01	\$166.11	\$182.72	\$200.99
1,000 Gallon	\$343.20	\$377.52	\$415.27	\$456.80	\$502.48
1,500 Gallon	\$514.80	\$566.28	\$622.91	\$685.20	\$753.72

FY 18/19 Budget Summary



- Water Operations Fund
 - \$10,747,713
 - Salaries & Benefits – 27.3%
 - Supplies & Services – 41.7%
 - Contributions to Other Funds – 31.0%

FY 18/19 Budget Summary



- Wastewater Operations Fund
 - \$12,354,057
 - Salaries & Benefits – 33.2%
 - Supplies & Services – 39.0%
 - Contributions to Other Funds – 27.8%