

portion of customer bills will remain fixed regardless of any changes in demand. In discussions with City staff, one issue that was raised involved years where water and sewer rates were increased, but revenues remained flat as compared the prior year because usage had declined sufficiently to offset the increase. Our recommendation involves increasing the fixed charge at a faster pace than the variable charge. This is reflected in **Tables 6.1 and 6.2** below.

For an overall **water** rate revenue increase of 12.25 percent, we are proposing an increase of 24.5 percent to the fixed charge and only 10.1 percent the variable charge. The impact of the increase to the fixed charge for water is **\$1.41 per bill**.

For an overall sewer rate revenue increase of 25 percent, we are proposing a 50 percent increase to the fixed charge and only a 23.2 percent increase to the commodity charge. The impact of the increase to the fixed charge for water is **\$2.50 per bill**.

Table 6.1: Recommended Water Rates

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fixed Charge (per Month)						
5/8	\$ 5.76	\$ 7.17	\$ 8.93	\$ 11.12	\$ 13.84	\$ 17.23
3/4	5.76	7.17	8.93	11.12	13.84	17.23
1	10.76	13.40	16.68	20.76	25.85	32.19
1 1/2	10.76	13.40	16.68	20.76	25.85	32.19
2	29.76	37.05	46.13	57.43	71.50	89.02
3	51.76	64.44	80.23	99.89	124.36	154.82
4	76.76	95.57	118.98	148.13	184.42	229.61
6	151.76	188.94	235.23	292.86	364.62	453.95
8	201.76	251.19	312.73	389.35	484.74	603.51
10	336.76	419.27	521.99	649.87	809.09	1,007.32
% Δ	0.0%	24.5%	24.5%	24.5%	24.5%	24.5%
Water Charge Per 1,000 Gallons						
General	\$ 6.68	\$ 7.35	\$ 8.10	\$ 8.88	\$ 9.72	\$ 10.58
Commercial/Industrial	6.68	7.35	8.10	8.88	9.72	10.58
Public Authority	6.68	7.35	8.10	8.88	9.72	10.58
Tax Exempt	7.29	8.09	8.90	9.77	10.69	11.64
City Departments	6.68	7.35	8.10	8.88	9.72	10.58
% Δ	0.0%	10.1%	10.1%	9.8%	9.4%	8.9%

Table 6.2: Recommended Sewer Rates

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fixed Charge (per Month)	\$ 5.00	\$ 7.50	\$ 9.23	\$ 11.35	\$ 13.96	\$ 17.03
% Δ	0.0%	50.0%	23.0%	23.0%	23.0%	22.0%
Sewer Charge Per 1,000 Gallons						
<i>General</i>	\$ 10.29	\$ 12.68	\$ 14.00	\$ 15.45	\$ 17.01	\$ 18.64
<i>Commercial/Industrial</i>	10.29	12.68	14.00	15.45	17.01	18.64
<i>Public Authority</i>	10.29	12.68	14.00	15.45	17.01	18.64
<i>Tax Exempt</i>	10.29	12.68	14.00	15.45	17.01	18.64
<i>City Departments</i>	10.29	12.68	14.00	15.45	17.01	18.64
% Δ	0.0%	23.2%	10.5%	10.3%	10.2%	9.5%

Table 6.3: Recommended Stormwater Rates

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Residential (per Month)						
<i>1/5 acre or less</i>	\$ 4.15	\$ 4.78	\$ 5.51	\$ 6.35	\$ 7.32	\$ 8.44
<i>1/5 to 1 acre</i>	7.05	8.13	9.36	10.79	12.44	14.33
<i>1 - 2 acres</i>	11.20	12.91	14.88	17.15	19.76	22.77
<i>2 - 6 acres</i>	21.35	24.61	28.36	32.68	37.67	43.41
% Δ	0.0%	15.3%	15.3%	15.3%	15.3%	15.3%
Non-Residential (Per EHA/Mo)						
	\$ 82.00	\$ 94.51	\$ 108.92	\$ 125.53	\$ 144.67	\$ 166.73
% Δ	0.0%	15.3%	15.3%	15.3%	15.3%	15.3%

6.2. Bill Impacts

Figures 6.1 and 6.2 indicate the impact on the average City water, sewer and stormwater customer. Figure 6.1 indicates the combined water, sewer and stormwater bill for the average customer, both currently and over the next 5 fiscal years. In FY 2019, the bill would rise from \$82.79 currently, to \$99.57, an increase of \$16.78 per month for the average customer. Figure 6.2 indicates the combined bills at various levels of customer volumes in FY 2019.

The impacts, based on volume are as follows:

- Low usage customer increase of \$7 per month, an average of **\$2.33 per utility**.
- The average customer would see an increase of \$16.78 per month, an average of **\$5.60 per utility**.
- A higher usage customer would see an increase of \$35 per month, an average of **\$11.67 per utility**.