

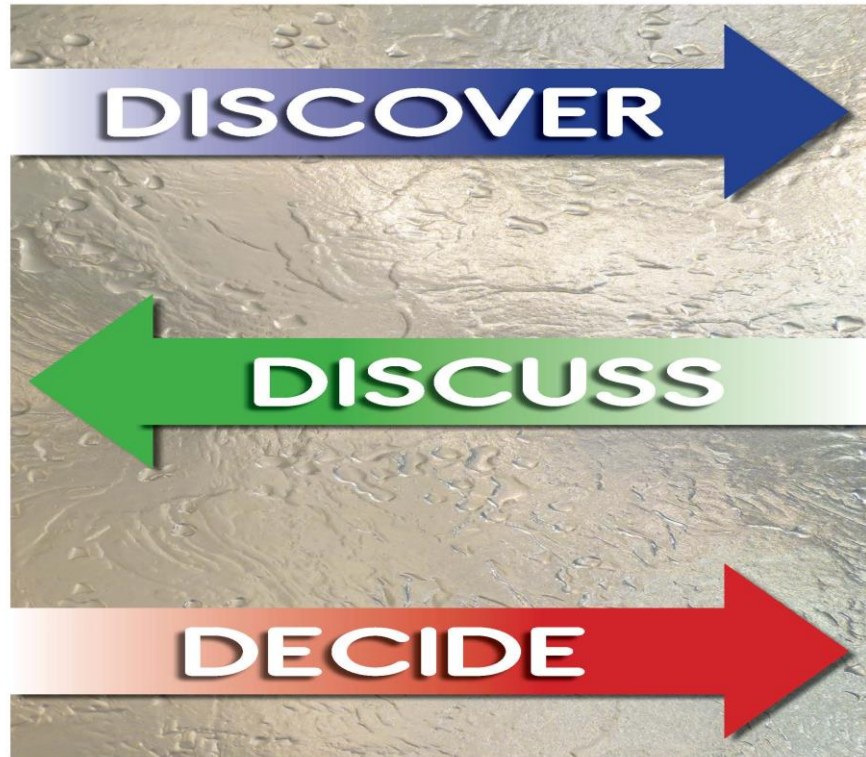
Water Rate – Discussion



Council Presentation
June 9, 2015



Discover, Discuss, Decide





Rate Review Schedule

Date	Topic
March 10, 2015	Projected Rate Water System Components Utility Bill Breakdown Costs – Operation and Maintenance (O&M)
March 24, 2015	Costs - Current and Future Debt
March 31, 2015	Consumption Trends Customer Trends Inclined Block Rate
April 21, 2015	Adjustments Rate Calculations
April 28, 2015	Rate Calculations
May 12, 2015	Additional Week of Discovery
June 9, 2015	Alternatives to Evaluate
June 23, 2015	Rate Impacts
July 14, 2015	Additional Alternatives Evaluated 2
July 21, 2015	First Reading Proposed Rate
July 28, 2015	Adoption of New Rate



Discussion

- Increase Minimums
 - Create program to assist lower income customers
- Increase first increment of block rates to 100%
- Adopt rates in May or June
 - Effective date for new rates will be January 1
- Adopt rates every two years
- Establish Separate Storm Water Rate
 - First step show Storm Water portion of Water rate on Utility bill.



Discussion

- Increase Minimum
 - Create program to assist lower income customers
- Reduce impact due to changes in volume
- Recover costs associated with production and delivery of the first 2,000 gallons



Discussion

- Increase first increment of block rates to 100%
- Currently 80% of cost to produce and deliver
- Reduce impacts due to change in volume
- Reduce the number of blocks
 - Two or three, not seven



Discussion

- Adopt rates in May or June
 - Effective date for new rates will be January 1

- More predictable budgeting for us and our customers.



Discussion

- Adopt rates every two years
 - More predictable budgeting for us and our customers
 - Adopt two rates with effective dates one year apart or one rate that is effective for two years.



Discussion

- Establish Separate Storm Water Rate
 - Begin systematic review in the November/December timeframe
 - Allows staff time to benchmark against other communities and develop alternatives



Questions?