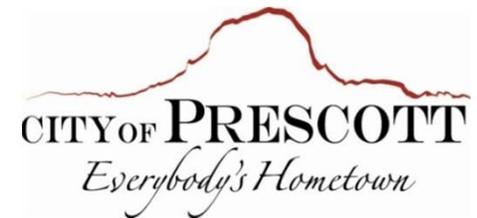


Water and Wastewater Rates

**City Council
Public Hearing**
November 18, 2014



Water Current Rates



Amount of Water Bill = Base Charge + Consumption Charge
 [flat amount] [Gals. Used x Rate]

Base Charge

Meter Size	Current Rates
5/8"	\$12.90
3/4"	13.60
1"	15.40
1 1/2"	19.70
2"	25.00
3"	37.20
4"	54.60
6"	98.10
8"	150.40

Usage by Tier

		Single Family	Multi Family*	5/8" & 3/4"	Non Residential (thousand gallons)						
					1"	1 1/2"	2"	3"	4"	6"	8"
Tier 1	First	3,000	1,700	6	15	30	48	96	150	300	480
Tier 2	Next	7,000	3,300	22	55	110	176	352	550	1,100	1,760
Tier 3	Next	10,000	5,000	32	80	160	256	512	800	1,600	2,560
Tier 4	Over	20,000	10,000	60	150	300	480	960	1,500	3,000	4,800

*Volume Water Usage Allowances per Dwelling Unit

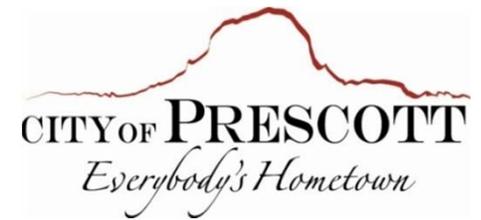
Consumption Rate

	Single Family	Multi Family	Non-Residential
Tier 1	\$3.21	\$2.58	\$2.93
Tier 2	4.83	3.89	4.40
Tier 3	7.25	5.83	6.60
Tier 4	14.49	11.68	13.21

In addition to these rates:

- \$0.85 per 1,000 gallons Alternative Water Fee for all customers
- Surcharge of 39% for customers in unincorporated Yavapai County,
- Surcharge of 30% for those in the Town of Chino Valley

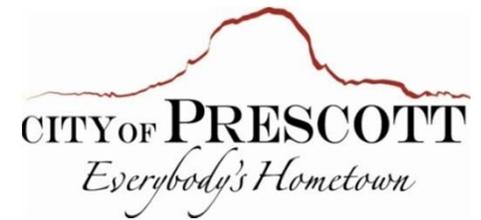
Proposed Water Base Charge



Proposed Water Base Charge (per bill)

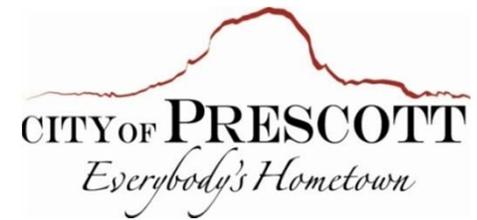
Meter Size	Meters	Current	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019
5/8"	19,098	\$12.90	\$13.16	\$13.42	\$13.69	\$13.96	\$14.24
3/4"	22	13.60	13.87	14.15	14.43	14.72	15.01
1"	1,722	15.40	15.71	16.02	16.34	16.67	17.00
1 1/2"	288	19.70	20.09	20.49	20.90	21.32	21.75
2"	454	25.00	25.50	26.01	26.53	27.06	27.60
3"	50	37.20	37.94	38.70	39.47	40.26	41.07
4"	24	54.60	55.69	56.80	57.94	59.10	60.28
6"	12	98.10	100.06	102.06	104.10	106.18	108.30
8"	3	150.40	153.41	156.48	159.61	162.80	166.06
Percent Change			2%	2%	2%	2%	2%

Water Rate Alternatives



- Both proposed alternatives
 - Transition to cost of service over three-years
 - Proposed monthly service charges are the same
- Proposed – Maintain Current Structure
 - Maintain current water allocations by customer class and tier
 - Tier 1 (47%), Tier 2 (39%), Tier 3 (11%), and Tier 4 (3%)
 - Updated tier pricing

Water Usage Tiers by Customer Class



Usage by Tier

Single Family	Multi Family*	5/8" & 3/4"	Non-Residential (thousand gallons)						
			1"	1 1/2"	2"	3"	4"	6"	8"

Gallons

Current Rates

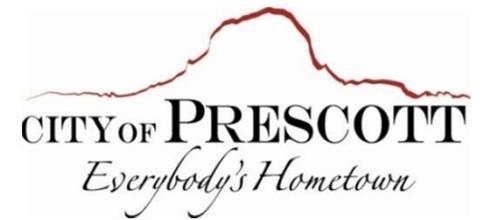
Tier 1	First	3,000	1,700	6	15	30	48	96	150	300	480
Tier 2	Next	7,000	3,300	22	55	110	176	352	550	1,100	1,760
Tier 3	Next	10,000	5,000	32	80	160	256	512	800	1,600	2,560
Tier 4	Over	20,000	10,000	60	150	300	480	960	1,500	3,000	4,800

Proposed Rates

Tier 1	First	3,000	1,700	6	15	30	48	96	150	300	480
Tier 2	Next	7,000	3,300	22	55	110	176	352	550	1,100	1,760
Tier 3	Next	10,000	5,000	32	80	160	256	512	800	1,600	2,560
Tier 4	Over	20,000	10,000	60	150	300	480	960	1,500	3,000	4,800

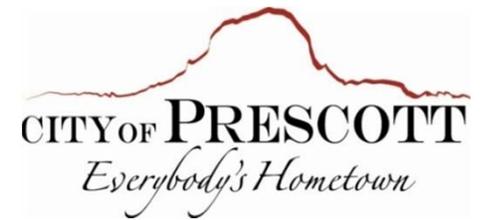
*Volume Water Usage Allowances per Dwelling Unit

Proposed Water Volume Charges



Customer Class	Current FY 2013-14	Proposed				
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019
Annual % Increase in Revenue-Rates		2%	2%	2%	2%	2%
<u>Inside City</u>						
Single Family						
Tier 1	\$3.21	\$3.21	\$3.23	\$3.24	\$3.30	\$3.37
Tier 2	4.83	4.83	4.85	4.86	4.96	5.06
Tier 3	7.25	7.25	7.27	7.29	7.44	7.58
Tier 4	14.49	14.49	14.54	14.58	14.87	15.17
Multi-Family						
Tier 1	\$2.58	\$2.76	\$2.85	\$2.93	\$2.99	\$3.05
Tier 2	3.89	4.14	4.28	4.40	4.48	4.57
Tier 3	5.83	6.21	6.41	6.59	6.72	6.86
Tier 4	11.68	12.42	12.83	13.19	13.45	13.72
Non-Residential						
Tier 1	\$2.93	\$3.15	\$3.39	\$3.54	\$3.61	\$3.68
Tier 2	4.40	4.73	5.09	5.31	5.42	5.52
Tier 3	6.60	7.09	7.63	7.97	8.12	8.29
Tier 4	13.21	14.18	15.26	15.93	16.25	16.57
<u>Misc. Charges</u>						
Alt Water Fee	\$0.85	\$0.87	\$0.88	\$0.89	\$0.91	\$0.93
Construction/Hydrant	2.93	3.87	4.33	4.78	4.88	4.97
Coin Operated Water	2.50	2.97	3.21	3.43	3.50	3.57

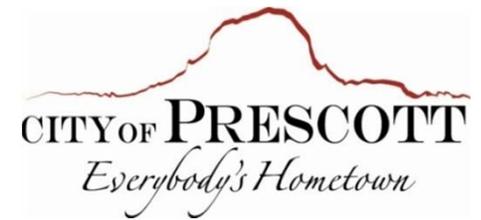
Proposed Aquifer Protection Fee



Aquifer Protection Fee (per bill)

Meter Size	Current	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019
5/8"	\$0.00	\$0.70	\$0.71	\$0.72	\$0.73	\$0.74
3/4"	0.00	1.05	1.07	1.08	1.10	1.11
1"	0.00	1.17	1.18	1.20	1.22	1.23
1 1/2"	0.00	2.33	2.37	2.40	2.43	2.47
2"	0.00	3.73	3.79	3.84	3.89	3.95
3"	0.00	7.00	7.10	7.20	7.30	7.40
4"	0.00	11.67	11.83	12.00	12.17	12.33
6"	0.00	23.33	23.67	24.00	24.33	24.67
8"	0.00	37.33	37.87	38.40	38.93	39.47
Percent Change			2%	2%	2%	2%

Wastewater Current Rates



Amount of Sewer Bill = Base Charge + Volume Charge
 [flat amount] [per 1,000 gals]

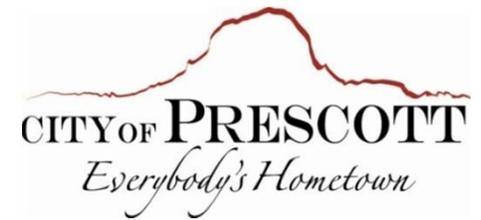
Customer Class	Current Charge
Residential	\$19.07
Non-Residential (General)	20.21

Customer Class	Current Charge
Residential	\$4.13
Non-Residential (General)	5.18
Restaurant	6.28
Market W/Disposal	5.84
Mortuaries	5.84
Septage Hauler	100.00

} \$ per 1,000 gallons

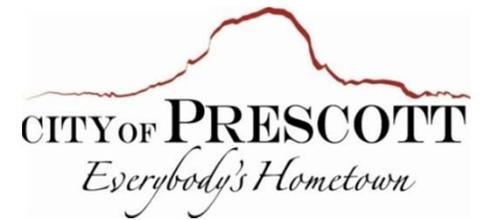
The volume charge is based on average monthly winter consumption.

Proposed Wastewater Rates



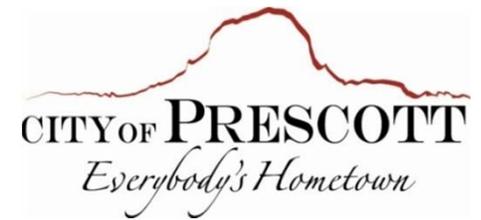
Description	Current	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019
Annual % Increase in Revenue-Rates		9%	5%	5%	1%	1%
Monthly Service Charge						
Residential	\$19.07	\$20.12	\$20.76	\$21.47	\$21.68	\$21.90
Nonresidential (General)	20.21	20.76	21.10	21.47	21.68	21.90
Volume Charge per 1,000 gallons						
Residential	\$4.13	\$4.74	\$5.11	\$5.52	\$5.58	\$5.63
Nonresidential (General)	5.18	5.61	5.88	6.17	6.23	6.29
Restaurant	6.28	6.28	6.28	6.28	6.28	6.29
Market W/Disposal	5.84	5.84	5.88	6.17	6.23	6.29
Mortuaries	5.84	5.84	5.88	6.17	6.23	6.29
Septage Hauler	100.00	100.00	100.00	100.00	100.00	100.00

Sample Combined Water and Wastewater Bill

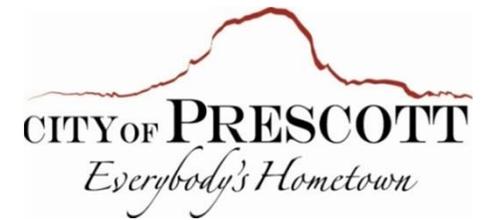


Residential	Usage	Current	Proposed		
			1/1/2015	1/1/2016	1/1/2017
5/8"					
Water	5,000	\$36.44	\$37.50	\$37.92	\$38.30
Wastewater	5,000	39.72	43.81	46.29	49.07
Total		\$76.16	\$81.31	\$84.21	\$87.37
	% Increase		6.8%	3.6%	3.7%
5/8"					
Water	25,000	\$222.54	\$224.00	\$225.17	\$226.20
Wastewater	15,000	81.02	91.19	97.36	104.27
Total		\$303.56	\$315.19	\$322.53	\$330.47
	% Increase		3.8%	2.3%	2.5%

Sample Combined Water and Wastewater Bill



Non-Residential	Usage	Current	Proposed		
			1/1/2015	1/1/2016	1/1/2017
2"					
Water	24,000	\$115.72	\$125.71	\$132.28	\$136.69
Wastewater	15,000	97.91	104.96	109.23	114.02
Total		\$213.63	\$230.67	\$241.51	\$250.71
	% Increase		8.0%	4.7%	3.8%
2"					
Water	65,000	\$295.69	\$317.39	\$336.25	\$348.41
Wastewater	50,000	279.21	301.42	314.88	329.97
Total		\$574.90	\$618.81	\$651.13	\$678.38
	% Increase		7.6%	5.2%	4.2%
4"					
Water	450,000	\$2,196.60	\$2,350.36	\$2,500.13	\$2,594.44
Wastewater	125,000	667.71	722.42	755.55	792.72
Total		\$2,864.31	\$3,072.78	\$3,255.68	\$3,387.16
	% Increase		7.3%	6.0%	4.0%



CITY COUNCIL QUESTIONS AND DISCUSSION



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