



Memo 09-63

Date: May 4, 2009

To: City Council

Thru: Walt Wrede
City Manager

W. Wrede

From: *Regina*
Regina Harville
Finance Director

Subject: Water / Sewer Rates

As per request of Council Member Dennis Novak, the rate structure has been changed to have the customer charge the same for each user group. The consumption charge has always been listed as "Per 1,000 gallons"; Council Member Novak also requested that rates be changed to "Rate per Gallon".

⚡ Water Rates:

- Monthly Customer Charge: \$25
- Consumption Charge per gallon: .00442 Residential
.01140 Commercial
.01269 Bulk

⚡ Sewer Rates:

- Monthly Customer Charge: \$20
- Consumption Charge per gallon: .00997 Residential
.01264 Commercial

Water Rate - Bucket Approach

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Residential Users = 1,035



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Commerical Users = 422



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Bulk Users = 4

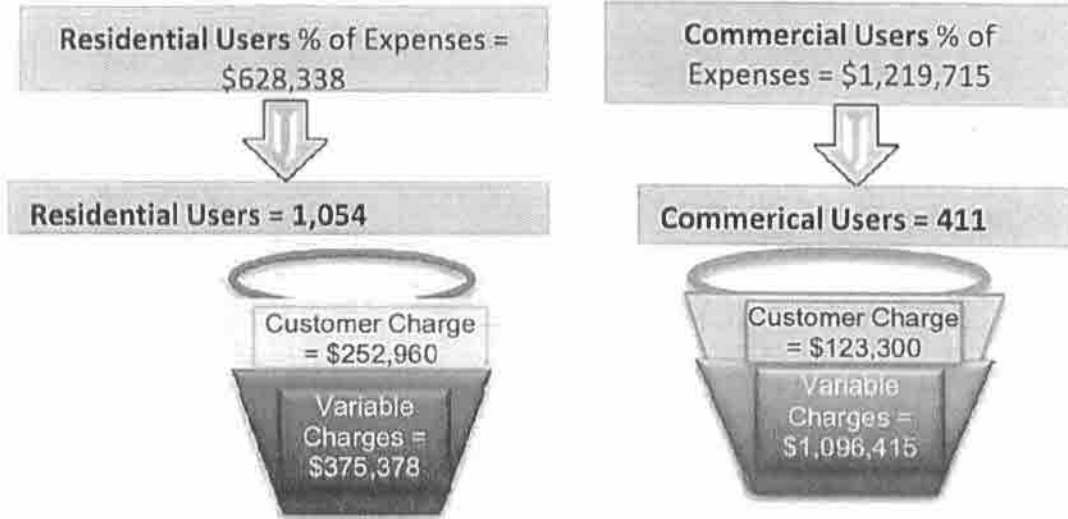


Expenses	476,931	1,137,297	220,122
Monthly Charge per customer			
Customer Charges	\$ 25	\$ 25	\$ 25
	310,500	126,600	1,200
Balance to cover through Gallonage Usage:	166,431	1,010,697	218,922
Gallonage Usage: (Per 1,000 gallons)	37,651,450 37,651	88,668,461 88,668	17,249,236 17,249
Flat Rate per 1,000 gallons	\$ 4.42	\$ 11.40	\$ 12.69
Rate per Gallon	\$ 0.00442	\$ 0.01140	\$ 0.01269

Residential	Bucket
1,000 gallon user	29.42
2,000 gallon user	33.84
3,000 gallon user	38.26
4,000 gallon user	42.68
5,000 gallon user	47.10
6,000 gallon user	51.52
7,000 gallon user	55.94
10,000 gallon user	69.20
20,000 gallon user	113.41
30,000 gallon user	--
50,000 gallon user	--
75,000 gallon user	--
100,000 gallon user	--
285,000 gallon user	--

Commerical	Bucket
1,000 gallon user	36.40
2,000 gallon user	47.80
3,000 gallon user	59.20
4,000 gallon user	70.59
5,000 gallon user	81.99
6,000 gallon user	93.39
7,000 gallon user	104.79
10,000 gallon user	138.99
20,000 gallon user	252.97
30,000 gallon user	366.96
50,000 gallon user	594.93
75,000 gallon user	879.90
100,000 gallon user	1,164.86
285,000 gallon user	3,273.60

Sewer Rate - Bucket Approach



Expenses	628,338	1,219,715
Monthly Charge per customer	\$ 20	\$ 20
Customer Charges	252,960	98,640
Balance to cover through Gallage Usage:	375,378	1,121,075
Gallage Usage:	37,651,450	88,668,461
(Per 1,000 gallons)	37,651	88,668
Flat Rate per 1,000 gallons	9.97	12.64
Per Gallon	0.00997	0.01264

	Residential	Commerical
	Bucket	Bucket
1,000 gallon user	29.97	32.64
2,000 gallon user	39.94	45.29
3,000 gallon user	49.91	57.93
4,000 gallon user	59.88	70.57
5,000 gallon user	69.85	83.22
6,000 gallon user	79.82	95.86
7,000 gallon user	89.79	108.50
10,000 gallon user	119.70	146.43
20,000 gallon user	--	272.87
30,000 gallon user	--	399.30
50,000 gallon user	--	652.17
75,000 gallon user	--	968.26
100,000 gallon user	--	1,284.35
285,000 gallon user	--	3,623.38

Water -Comparison to Current Rates

	Residential			Commercial		
	Bucket	2008 Rates	Dif	Bucket	2008 Rates	Dif
1,000 gallon user	29.42	30.00	(0.58)	36.40	30.00	6.40
2,000 gallon user	33.84	30.00	3.84	47.80	30.00	17.80
3,000 gallon user	38.26	34.00	4.26	59.20	54.00	5.20
4,000 gallon user	42.68	38.00	4.68	70.59	58.00	12.59
5,000 gallon user	47.10	42.00	5.10	81.99	71.50	10.49
6,000 gallon user	51.52	47.00	4.52	93.39	97.00	(3.61)
7,000 gallon user	55.94	52.00	3.94	104.79	110.00	(5.21)
10,000 gallon user	69.20	67.00	2.20	138.99	117.00	21.99
20,000 gallon user	113.41	132.00	(18.59)	252.97	212.00	40.97
30,000 gallon user	--	--		366.96	302.00	64.96
50,000 gallon user	--	--		594.93	482.00	112.93
75,000 gallon user	--	--		879.90	719.50	160.40
100,000 gallon user	--	--		1,164.86	957.00	207.86
285,000 gallon user	--	--		3,273.60	2,714.50	559.10

Sewer -Comparison to Current Rates

	Residential			Commercial		
	Bucket	2008 Rates	Dif	Bucket	2008 Rates	Dif
1,000 gallon user	29.97	32.00	(2.03)	32.64	42.00	(9.36)
2,000 gallon user	39.94	32.00	7.94	45.29	42.00	3.29
3,000 gallon user	49.91	39.00	10.91	57.93	69.00	(11.07)
4,000 gallon user	59.88	46.00	13.88	70.57	76.00	(5.43)
5,000 gallon user	69.85	53.00	16.85	83.22	83.00	0.22
6,000 gallon user	79.82	61.00	18.82	95.86	116.00	(20.14)
7,000 gallon user	89.79	69.00	20.79	108.50	124.00	(15.50)
10,000 gallon user	119.70	93.00	26.70	146.43	148.00	(1.57)
20,000 gallon user	--	--		272.87	280.50	(7.63)
30,000 gallon user	--	--		399.30	415.50	(16.20)
50,000 gallon user	--	--		652.17	585.50	66.67
75,000 gallon user	--	--		968.26	810.50	157.76
100,000 gallon user	--	--		1,284.35	1,035.50	248.85
285,000 gallon user	--	--		3,623.38	2,793.00	830.38