



2013 – 2018 Proposed Utility Rates Public Hearing

City Council

November 19, 2012



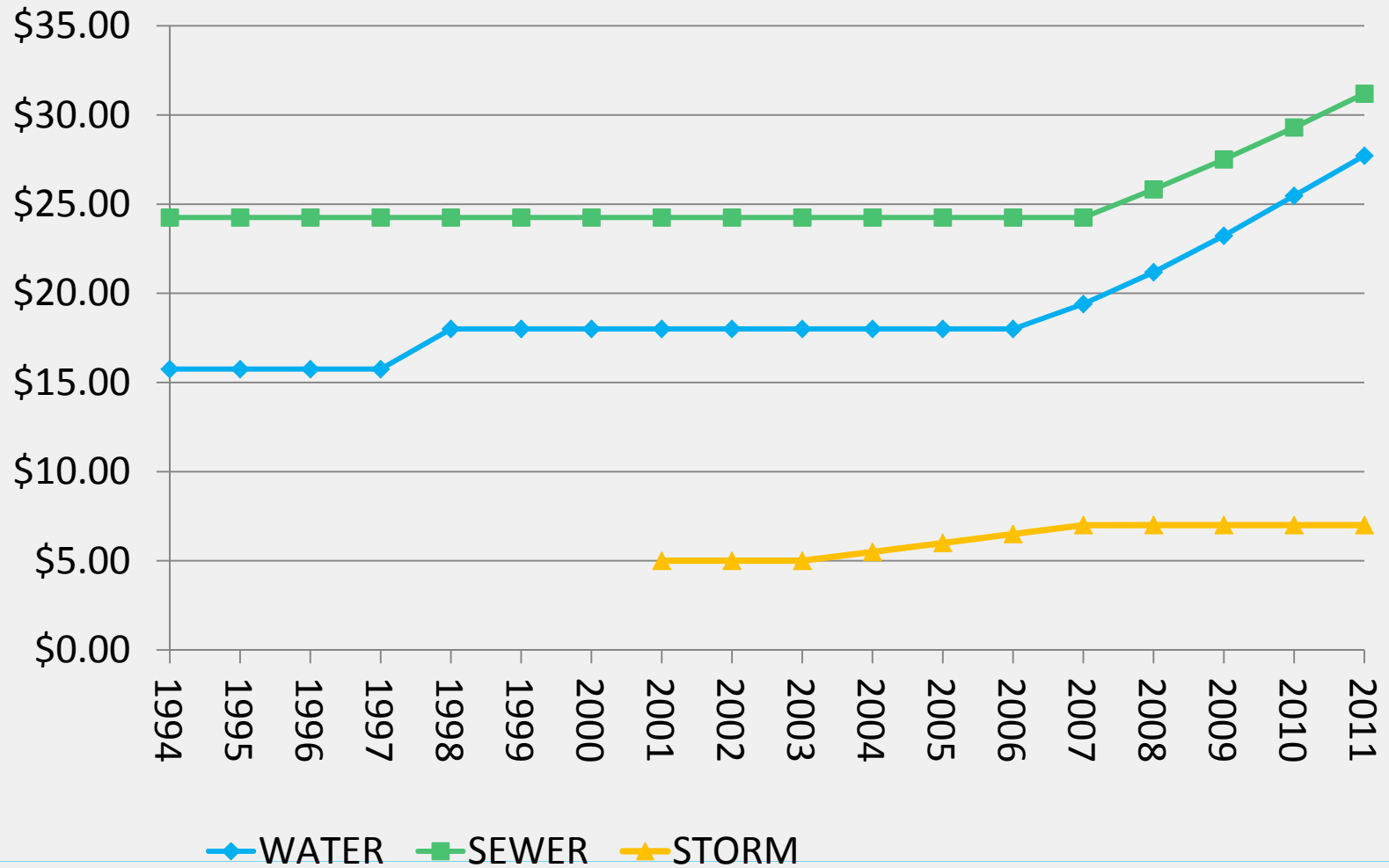
City of
Bellingham

Public Works

Public Meetings and Work Sessions

- 3/26/12 - Council briefing
- 4/2/12 – Special Council Work Session
- 9/4/12 – Council Committee Briefing
- 9/11/12 – Public Works Advisory Board
- 9/24/12 – Council Committee Briefing
- 10/29/12 – Council Work Session
- 11/5/12 – Council Evening Session
- 11/19/12 – Public Hearing

Bellingham Single Family Utility Rates



Background – Current Challenges

- More stringent permitting and regulatory requirements
 - Lake Whatcom, NPDES, Post Point, Muni-Water Law
- Increasing operation and maintenance needs
- Growing need for capital improvements and reinvestment in aging infrastructure
- Predictability in Rates
- Creating Greater Equity amongst users—”pay for your impact”

Council Policy Direction

- Capital Facilities Task Force, Nov. 2010
- Financial Management Guidelines, Resolution #2010-17
- Water and Sewer Comprehensive Plans
- Policy Inputs for Rates Study – Council Work Session March - 2012

Utility Rate Major Drivers

- Capital projects and associated debt service
- Lake Whatcom Watershed
- Reinvestment in system for aging infrastructure
- Reserves for operating and rate stabilization

Water Rate Structure Revisions

- Reflects cost of service, phased over 3 years
- Introduction of “transitional” SFR class
- Separate class for water districts
- Untreated water rates set to 80% of non-residential water rates

Sewer Rate Structure Revisions

- Reflects cost of service, phased over 3 years
- Creation of “domestic-strength” class for single family and most users
- Higher strength classes for industrial and heavy commercial users --food processors,

Stormwater Rate Structure

- No change in structure
- Rates increase uniformly across the existing structure

Total Monthly Charge – Water, Sewer, Stormwater

Unmetered Single-Family Residence (metered in 2016)	2012	2013	2014	2015	2016
Water Bill	\$29.96	\$32.66	\$35.27	\$38.09	\$41.14
Watershed Surcharge	12.00	12.30	12.56	12.84	13.23
Total Water Bill	\$41.96	\$44.96	\$47.83	\$50.93	\$54.37
Sewer Bill	33.23	33.97	35.07	37.24	39.47
Stormwater Bill (Medium)	7.00	8.47	8.98	9.52	10.09
Total Water/Sewer/Stormwater Bill	\$82.19	\$87.40	\$91.88	\$97.69	\$103.93
Change From Prior Year		\$5.21	\$4.48	\$5.81	\$6.24
% Change From Prior Year		6.3%	5.1%	6.3%	6.4%

Metered Single-Family Residence (5/8" Meter, Monthly Usage: 6 ccf)	2012	2013	2014	2015	2016	2017	2018
Water Bill	\$20.79	\$22.58	\$23.99	\$25.44	\$29.67	\$31.25	\$33.10
Watershed Surcharge	8.84	9.09	9.25	9.43	9.77	10.05	10.34
Total Water Bill	\$29.63	\$31.67	\$33.24	\$34.87	\$39.44	\$41.30	\$43.44
Sewer Bill	33.23	33.97	35.07	37.24	39.47	41.66	43.16
Stormwater Bill (Medium)	7.00	8.47	8.98	9.52	10.09	10.69	11.01
Total Water/Sewer/Stormwater Bill	\$69.86	\$74.11	\$77.29	\$81.63	\$89.00	\$93.65	\$97.61
Change From Prior Year		\$4.25	\$3.18	\$4.34	\$7.37	\$4.66	\$3.96
% Change From Prior Year		6.1%	4.3%	5.6%	9.0%	5.2%	4.2%

Total Monthly Charge – Water, Sewer, Stormwater

Apartment Building - 29,000 imp. sf (1" Meter, Monthly Usage: 25 ccf)	2012	2013	2014	2015	2016	2017	2018
Water Bill	\$82.70	\$88.60	\$93.80	\$99.26	\$106.72	\$113.03	\$119.57
Watershed Surcharge	21.00	21.63	21.98	22.35	23.26	23.92	24.59
Total Water Bill	\$103.70	\$110.23	\$115.78	\$121.61	\$129.98	\$136.95	\$144.16
Sewer Bill	92.56	103.50	114.29	122.07	131.78	140.26	146.35
Stormwater	67.57	81.76	86.67	91.87	97.38	103.22	106.32
Total Water/Sewer/Stormwater Bill	\$263.83	\$295.49	\$316.74	\$335.55	\$359.14	\$380.43	\$396.83
Change From Prior Year		\$31.66	\$21.25	\$18.81	\$23.59	\$21.29	\$16.40
% Change From Prior Year		12.0%	7.2%	5.9%	7.0%	5.9%	4.3%

Commercial - 29,000 imp. sf (2" Meter, Monthly Usage: 80 ccf)	2012	2013	2014	2015	2016	2017	2018
Water Bill	\$258.29	\$276.68	\$293.09	\$310.34	\$333.20	\$352.47	\$372.57
Watershed Surcharge	56.20	57.93	58.83	59.75	62.31	64.07	65.84
Total Water Bill	\$314.49	\$334.61	\$351.92	\$370.09	\$395.51	\$416.54	\$438.41
Sewer Bill	309.01	328.45	370.59	396.52	430.43	459.26	480.20
Stormwater	67.57	81.76	86.67	91.87	97.38	103.22	106.32
Total Water/Sewer/Stormwater Bill	\$691.07	\$744.82	\$809.18	\$858.48	\$923.32	\$979.02	\$1,024.93
Change From Prior Year		\$53.75	\$64.36	\$49.30	\$64.84	\$55.70	\$45.91
% Change From Prior Year		7.8%	8.6%	6.1%	7.6%	6.0%	4.7%

Combined Utility Rate Comparison

(Monthly, billed at 8 CCF, medium footprint, 5/8"x3/4" meter)

Jurisdiction	Water	Sewer	Stormwater	Total Bill	Tax Included
City of Seattle (Summer)	\$50.40	\$85.44	\$12.44	\$148.28	\$19.52
City of Seattle (Winter)	\$45.57	\$85.44	\$12.44	\$143.45	\$18.77
City of Blaine	\$19.75	\$99.00	\$4.37	\$123.12	\$11.08
City of Arlington	\$46.85	\$68.15	\$5.82	\$120.82	\$6.04
City of Stanwood	\$25.29	\$75.97	\$12.25	\$113.51	\$8.00
Lake Whatcom Water & Sewer District	\$47.67	\$65.66	n/a	\$113.32	\$0.00
City of Renton	\$36.73	\$62.34	\$11.51	\$110.58	\$7.19
City of Kent (Summer)	\$44.45	\$52.71	\$10.56	\$107.72	\$6.46
City of Kent (Winter)	\$36.91	\$52.71	\$10.56	\$100.18	\$6.01
City of Mount Vernon	\$39.80	\$52.60	\$6.05	\$98.45	\$3.68
City of Ferndale	\$32.17	\$52.06	\$10.00	\$94.22	\$6.12
City of Tacoma (Summer)	\$28.73	\$46.41	\$17.82	\$92.96	\$6.01
City of Lynden	\$34.84	\$45.15	\$6.45	\$92.32	\$5.88
City of Tacoma (Winter)	\$27.70	\$46.41	\$17.82	\$91.93	\$5.93
Mukilteo WSD	\$27.35	\$54.14	\$8.32	\$89.81	\$0.50
City of Nooksack	\$30.25	\$45.22	n/a	\$75.47	\$4.53
<i>City of Bellingham - Unmetered, Proposed (2013)</i>	\$32.66	\$33.97	\$8.47	\$75.10	\$10.84
City of Anacortes	\$16.87	\$47.49	\$5.00	\$74.22	\$4.86
City of Marysville	\$25.11	\$38.26	\$10.40	\$73.77	\$6.27
<i>City of Bellingham - Unmetered, Existing (2012)</i>	\$29.96	\$33.23	\$7.00	\$70.19	\$10.09
City of Everson	\$25.56	\$43.00	n/a	\$68.56	\$4.11
<i>City of Bellingham - Metered, Proposed (2013)</i>	\$25.74	\$33.97	\$8.47	\$68.18	\$9.58
City of Everett	\$21.36	\$33.90	\$12.80	\$68.06	\$4.08
City of Sumas	\$12.06	\$53.93	\$1.50	\$67.49	\$5.94
<i>City of Bellingham - Metered, Existing (2012)</i>	\$23.85	\$33.23	\$7.00	\$64.08	\$8.98
City of Lynnwood	\$19.21	\$35.38	\$7.52	\$62.11	\$3.73
Birch Bay Water & Sewer District	\$24.90	\$30.20	n/a	\$55.10	\$0.00

***Excludes watershed surcharges**

Recommendations

- Adopt by ordinance proposed water, sewer and stormwater rates
- Increase low income credit threshold to \$35,000

Next Steps

- Conduct Public Hearing Nov. 19, 2012
- Consider ordinances on Dec. 3, 2012
- Consider for final passage on Dec. 10
- System development charge revisions in 2nd quarter of 2013



2013 – 2018 Proposed Utility Rates Public Hearing

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