

City of
FLAGSTAFF

*We are a Utility for the People,
Not for Profit*

WATER, WASTEWATER & STORMWATER RATES AND USER FEES-ORDINANCE

APRIL 19, 2016

Council Direction February 17, 2016

Summary of Council recommendations

Base Monthly Service Charge increase 4.4% for 5 years

Water Fund 4.3% @ ~24% debt

0.1% directed ~\$140k towards Water Conservation

4.4% annual increase for 5 years

- Rate Structure Change-lowered residential tier rate levels

Wastewater *7% annual increase for 5 years*- 20% debt

Stormwater *6% annual increase for 5 years* with no debt
with future discussion of Rio de Flag option

Buy-in Capacity Fees -Water approximate **-2.8% decrease**
Wastewater approximate 19% increase

Rates and Capacity Fees Effective 7-1-2016

AVERAGE RESIDENTIAL CUSTOMER



City of Flagstaff - Utility Billing
 PO Box 22487
 211 W Aspen Ave
 Flagstaff, AZ 86002-2487
 www.flagstaff.az.gov

Contact Inquiries
 Monday-Friday 9:00am-5:00pm
 Summer Hours 7:00am-4:00pm (May 4th - Sept 4th)

Water/Sewer: (928) 213-2231
 Trash/Recycling: (928) 213-2110
 Stormwater: (928) 213-4823
 General Inquiries: utilitybilling@flagstaff.az.gov

Last Bill	Payments (Credits)	Adjustments	Balance Forward	Current Activity	ACCOUNT BALANCE
68.10	-68.10	0.00	0.00	70.81	70.81

METER INFORMATION

Service Period: 04/01/2015 to 05/01/2015 # Days: 30

Meter #	Previous Read	Current Read	Consumption
	473,450	477,440	3,996

IMPORTANT MESSAGE

PLEASE FOLD ON PERFORATION BEFORE TEARING - RETURN BOTTOM PORTION WITH YOUR PAYMENT

ACCOUNT INFORMATION

ACCOUNT: [REDACTED]
 CUSTOMER NAME: [REDACTED]
 SERVICE ADDRESS: [REDACTED]
 RATE CLASS: RESIDENTIAL SINGLE FAMILY
 CYCLE/ROUTE: 01/11
 BILLING DATE: 05/07/2015
 CURRENT ACTIVITY DUE: 05/27/2015

LAST BILL: 68.10
 TOTAL PAID SINCE LAST BILL: -68.10
 ADJUSTMENTS: 0.00
 BALANCE FORWARD: 0.00

CURRENT ACTIVITY	CONSUMPTION	RATE (per 1,000)	AMOUNT
ENVRMT MGMT PRGM FEE			4.00
TRASH 90 GAL RES			17.73
STORMWATER FEE			3.90
BASE CHG: 3/4" METER			13.42
WATER: 0-3,700 GALS	3,700	2.77	10.25
3,701 - 6,400 GALS	298	3.59	1.06
ENERGY SURCHARGE	3,996	0.96	3.84
SEWER: SINGLE FAMILY	3,690	3.80	14.02
AZ WATER QUALITY SF			0.03
SALES TAX: 8.951%			2.56
CURRENT ACTIVITY (DUE 05/27/2015)			70.81
ACCOUNT BALANCE			70.81

CURRENT ACTIVITY	CONSUMPTION	RATE (per 1,000)	AMOUNT
ENVRMT MGMT PRGM FEE			4.00
TRASH 90 GAL RES			17.73
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AZ WATER QUALITY SF			0.03
SALES TAX 8.951%			2.56
CURRENT ACTIVITY (DUE 05/27/2015)			70.81
ACCOUNT BALANCE			70.81



PLEASE DO NOT STAPLE OR TAPE YOUR PAYMENT TO THE REMITTANCE.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

Check Here For Address Change. See Reverse Side.
 Sign Me Up For Paperless Billing! See Reverse Side.

Account Number: [REDACTED]
 Service Address: [REDACTED]

DRAFT DATE: 05/27/2015
 DRAFT AMOUNT: 70.81
 AMOUNT ENCLOSED: Bank Draft - Do Not Pay

MAKE CHECKS PAYABLE TO: CITY OF FLAGSTAFF

4000 GALLON WATER USAGE – Ordinance

- Monthly Base Charge Increase: \$0.59
- Monthly Water Increase: \$1.26/mo
- Monthly Sewer Increase: \$1.00/mo
- Monthly Stormwater Increase: \$0.24mo

*Total Increase = \$3.09 per Month
 or ~\$37 per year*

BIG BOX STORE COMMERCIAL CUSTOMER

City of Flagstaff
211 W Aspen Ave
Flagstaff, AZ 86002
www.flagstaff.az.gov

Customer Service Hours
Summer: 7:00AM to 4:00PM
Winter: 8:00AM to 5:00PM

Contact Information
Customer Service: (928) 213-2231
Trash/Recycling: (928) 213-2110
Water Conservation: (928) 213-4837
General: utilitiesbilling@flagstaff.gov

SPECIAL MESSAGE

ACCOUNT INFORMATION
Account Number: 211131
Customer Name: REALLY BIG BOX STORE
Service Address: 1234 S MILTON RD
Service Period: 09/02/2015 to 03/31/2016
Service Days: 211
Billing Date: 03/31/2016
Due Date: 04/28/2016

ACCOUNT ACTIVITY
Previous Balance: 0.00
Last Payment: 0.00
Adjustments: 0.00
Remaining Balance: 0.00
Current Charges: 935.19

TOTAL AMOUNT DUE: \$935.19

NEW CHARGES

CURRENT ACTIVITY	USAGE	RATE	AMOUNT
Base Meter Charge:			21.75
Water Charge:	75,000	3.78	283.50
Energy Surcharge:	75,000	0.96	72.00
Sewer Charge:			256.28
Env. Mgt. Program Fee:			4.00
Stormwater Fee:			139.10
Fire Protection Fee:			114.54
State and Local Taxes:			44.02
CURRENT CHARGES:			935.19
PAST DUE:			0.00
TOTAL AMOUNT DUE:			\$935.19

METER INFORMATION
WATER CONSUMPTION (In Gallons)

Meter # 31899302 Previous Read 15,674,700 Current Read 15,749,700 Consumption 75,000

PLEASE FOLD ON PERFORATION BEFORE TEARING - RETURN BOTTOM PORTION WITH YOUR PAYMENT

City of Flagstaff
PO Box 80000
Prescott, AZ 86304-8000

ACCOUNT INFORMATION
Account Number: 211131
Service Address: 1234 S MILTON RD
Due Date: 04/28/2016
Total Amount Due: 935.19

AMOUNT ENCLOSED:

MAKE CHECKS PAYABLE TO: CITY OF FLAGSTAFF

NEW CHARGES

CURRENT ACTIVITY	USAGE	RATE	AMOUNT
Base Meter Charge:			21.75
Water Charge:	75,000	3.78	283.50
Energy Surcharge:	75,000	0.96	72.00
Sewer Charge:			256.28
Env. Mgt. Program Fee:			4.00
Stormwater Fee:			139.10
Fire Protection Fee:			114.54
State and Local Taxes:			44.02
CURRENT CHARGES:			935.19
PAST DUE:			0.00
TOTAL AMOUNT DUE:			\$935.19

75,000 GALLON WATER USAGE – Ordinance

- Monthly Base Meter Charge Increase: \$ 0.96
- Monthly Water Increase: \$11.88/mo
- Monthly Sewer Increase: \$21.69/mo
- Monthly Stormwater Increase: \$8.56mo

*Total Increase = \$43.09 per Month
or ~\$517 per year*



RATES-ORDINANCE 2016-23



Fixed Monthly Charge Ordinance 2016-23

Description	Current	7-1-16	1-1-17	1-1-18	1-1-19	1-1-20
Meter Size	<u>Monthly Base Charge by Meter</u>					
3/4"	\$ 13.42	\$ 14.01	\$ 14.63	\$ 15.27	\$ 15.94	\$ 16.64
1"	15.80	16.50	17.22	17.98	18.77	19.60
1 1/2"	21.75	22.71	23.71	24.75	25.84	26.98
2"	28.90	30.17	31.50	32.89	34.33	35.84
3"	45.57	47.58	49.67	51.85	54.14	56.52
4"	69.38	72.43	75.62	78.95	82.42	86.05
6"	128.91	134.58	140.50	146.69	153.14	159.88
8"	200.34	209.15	218.36	227.97	238.00	248.47
10"	283.68	296.16	309.19	322.80	337.00	351.83

Water Rates-Ordinance 2016-23

Flow Charge per 1,000 Gallons-Inside City

Customer Class	Monthly Water Use Tier Range	Current	7-1-16	1-1-17	1-1-18	1-1-19	1-1-20
Residential-SFH	Tier 1 0-3,500 Gal/mo 0-3,700	\$2.77	<u>\$2.89</u>	<u>\$3.02</u>	<u>\$3.15</u>	<u>\$3.29</u>	<u>\$3.44</u>
Residential-SFH	Tier 2 3,501-6,200 Gal/mo 3,701-6,400	\$3.59	<u>\$3.75</u>	<u>\$3.91</u>	<u>\$4.09</u>	<u>\$4.26</u>	<u>\$4.45</u>
Residential-SFH	Tier 3 6,201-11,500 Gal/mo 6,401-11,700	\$5.53	<u>\$5.77</u>	<u>\$6.03</u>	<u>\$6.29</u>	<u>\$6.57</u>	<u>\$6.86</u>
Residential-SFH	Tier 4 Over 11,500 Gal/mo 11,701	\$11.06	<u>\$11.55</u>	<u>\$12.05</u>	<u>\$12.59</u>	<u>\$13.14</u>	<u>\$13.72</u>
Multi-family,Apts,Mobile	All usage	\$3.56	<u>\$3.72</u>	<u>\$3.88</u>	<u>\$4.05</u>	<u>\$4.23</u>	<u>\$4.42</u>
Commercial, Schools	All usage	\$3.78	<u>\$3.95</u>	<u>\$4.12</u>	<u>\$4.30</u>	<u>\$4.49</u>	<u>\$4.69</u>
Northern Arizona University	All usage	\$3.47	<u>\$3.95</u>	<u>\$4.12</u>	<u>\$4.30</u>	<u>\$4.49</u>	<u>\$4.69</u>
Manufacturing	All usage	\$3.78	<u>\$3.89</u>	<u>\$4.07</u>	<u>\$4.24</u>	<u>\$4.43</u>	<u>\$4.63</u>
Lawn Meters	All usage	\$3.73	<u>\$3.95</u>	<u>\$4.12</u>	<u>\$4.30</u>	<u>\$4.49</u>	<u>\$4.69</u>
Standpipe – Water haulers	All usage	\$5.78	<u>\$6.03</u>	<u>\$6.30</u>	<u>\$6.58</u>	<u>\$6.87</u>	<u>\$7.17</u>
Energy Component:	All usage	\$.96					



Sewer Rates-Ordinance 2016-23

Table S-8

Rate Option 2

Sewer

Sewer Rate Structure - Flow Charges

Flow Charge per 1,000 Gallons - Inside City

Rate Code	Customer Class	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
R1	Single Family	\$3.80	\$4.07	\$4.36	\$4.67	\$5.00	\$5.35
R2	Multi-Family	3.80	4.07	4.36	4.67	5.00	5.35
R3	Multi-Family	3.80	4.07	4.36	4.67	5.00	5.35
R4	Single Family	3.80	4.07	4.36	4.67	5.00	5.35
CW	Car Washes	3.82	4.09	4.38	4.69	5.02	5.38
L	Laundromats	3.92	4.20	4.50	4.82	5.16	5.53
C	Commercial	4.02	4.31	4.62	4.95	5.30	5.68
H	Hotels & Motels	5.38	5.76	6.17	6.61	7.08	7.58
RF	Restaurants	6.46	6.92	7.41	7.93	8.49	9.09
IL	Industrial Laundries	5.94	6.36	6.81	7.29	7.81	8.36
MN	Manufacturing	4.32	4.63	4.96	5.31	5.69	6.09
PF	Pet Food Manufacturers	9.48	10.15	10.87	11.64	12.46	13.34
SD	Soft Drink Bottling	7.51	8.04	8.61	9.22	9.87	10.57
IC	Ice Cream Cone Manufacturing	11.73	12.56	13.44	14.39	15.40	16.48
NA	NAU	3.48	3.73	4.00	4.28	4.58	4.91

*Outside City rates 1.10x higher

**Slight percentage differences in rates above from year to year may occur due to rounding.

Stormwater Rates-Ordinance 2016-23

Table SW-6

Option 2

Stormwater
Stormwater Rates per ERU

	Stormwater Rate per ERU					
	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
1 ERU	\$ 1.30	\$ 1.38	\$ 1.47	\$ 1.56	\$ 1.66	\$ 1.76
Avg. Single Family Residential (3 ERUs)	\$ 3.90	\$ 4.14	\$ 4.41	\$ 4.68	\$ 4.98	\$ 5.28
Monthly \$ Change		\$ 0.24	\$ 0.27	\$ 0.27	\$ 0.30	\$ 0.30

**Rates presented in this table could differ slightly from % increases quoted in report due to rounding.



CAPACITY FEES



WATER CAPACITY FEES-NEW GROWTH

Meter Size (inches)	Current Fee	New Fee
¾	\$5,891	\$5,728
1	9,819	9,566
1 ½	19,638	19,074
2	31,420	30,530
3	58,913	57,279
4	98,188	95,484
6	196,376	190,910
8	314,201	305,468
10	451,664	439,157

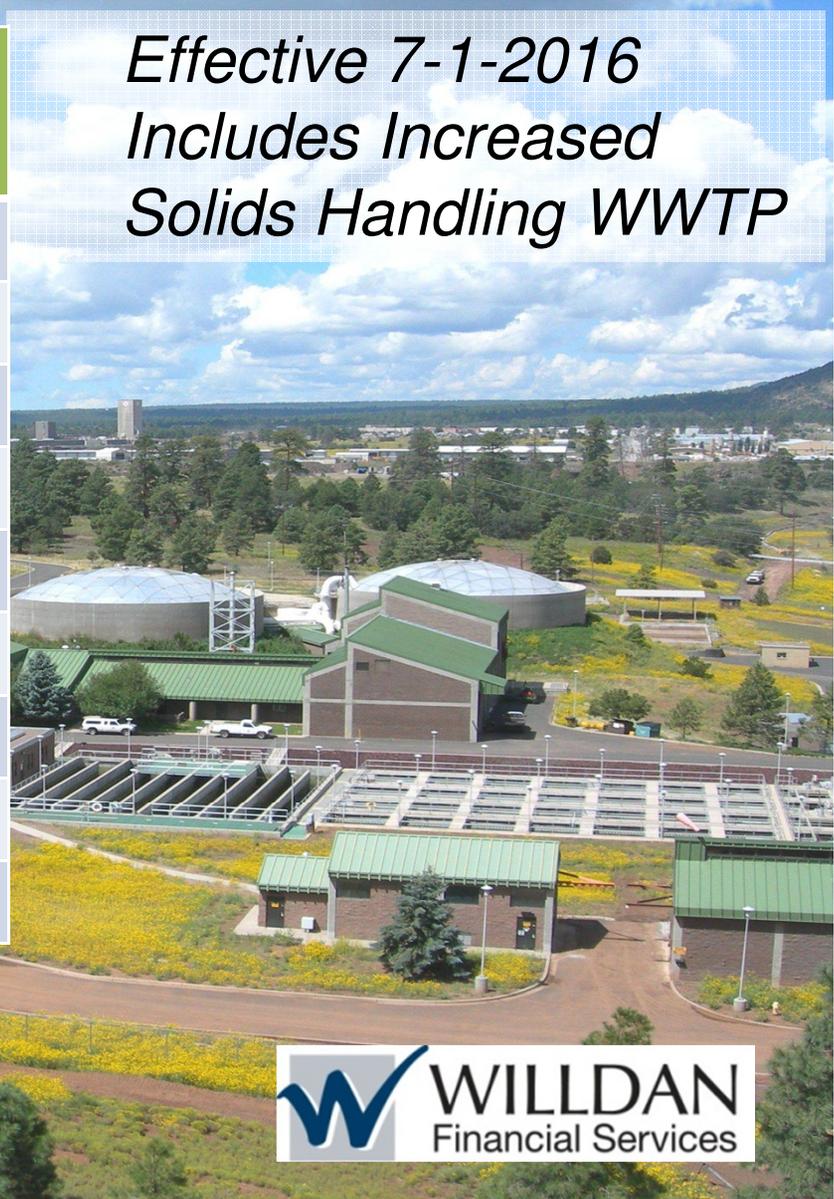
- Effective 7-1-2016
- No Red Gap Ranch Pipeline/Pump Station Design included
- 5 New local wells



SEWER CAPACITY FEES-NEW GROWTH

Meter Size (inches)	Current Fee	New Fee
¾	\$3,126	\$3,723
1	5,210	6,218
1 ½	10,419	12,399
2	16,671	19,845
3	31,257	37,233
4	52,095	62,068
6	104,191	124,099
8	166,705	198,566
10	239,639	285,468

*Effective 7-1-2016
Includes Increased
Solids Handling WWTP*



❖ *Water Commission recommendation*



PROPOSED BUY-IN CAPACITY FEE – IMPACT TO HOME BUILDERS

Single Family Home-1,200 to 3,000 sqft
New ¾ “ Water Meter and Sewer Tap – Ordinance 2016-23

Buy In Capacity Fee for New Development	FY2011-2016 Current Fee	New Fee	Change
Water Capacity Fee	\$5,891	\$5,728	-\$163
Sewer Capacity Fee	\$3,126	\$3,723	+\$597
Total Buy In Fee	\$9,017	\$9,451	\$434



*Total Increase = \$434
One-Time adjustment
Valid 7-1-2016*

Goals Accomplished:



- Financial Stability of Utility Business to maintain high levels of customer service
- Achieving Debt Service Goals
- Achieving Water Conservation funding including rebates
- Lowered residential Tiered rate structure to encourage additional water conservation
- Achieving the replacement of undersized and aging infrastructure



**Working together, we can build a
better future for Flagstaff**



QUESTIONS

