



# Proposed Water, Wastewater, Sanitation and Stormwater rates

## Public Hearing

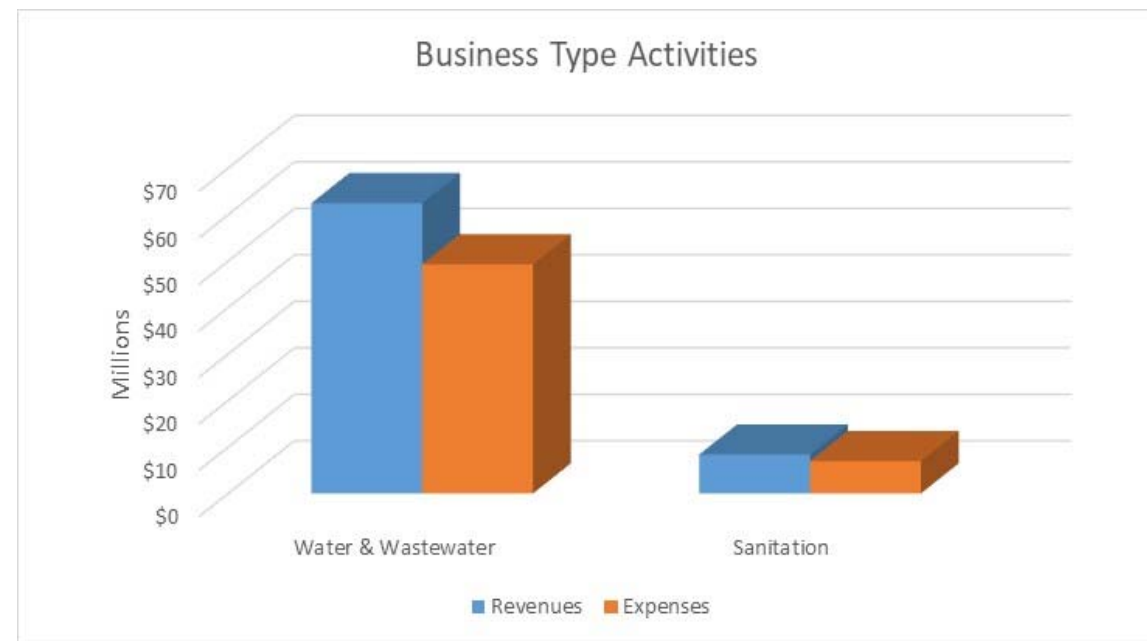
January 4, 2021

# Enterprise Funds



## BUSINESS TYPE FUNDS

- Water, Wastewater, Sanitation & Stormwater
- Costs paid from fees for service
  - Self supporting
  - No tax revenues



# Rate Setting Process



- ▶ Developed Operational & Capital Strategies
- ▶ Assessed Costs: Self Sufficient Enterprises
- ▶ Public Participation/Input
- ▶ Discussions with Council
- ▶ Approval & Implementation

# Operational Strategies



## WATER AND WASTEWATER

- System Growth
- Surface Water Treatment Plant
- Water Quality Matters
  - Brine Disposal
  - Reverse Osmosis
- CAP costs - recharge
- High Energy Use (Rate Increases)

# Capital Strategies



## 5-YEAR RATE FUNDED CAPITAL PROJECTS - \$143.7 MILLION

### WATER CIP Projects

Adaman Well #3	\$	2,195,000
CAP Subcontract Capital Charges		4,323,000
Differential Impact Fee Credits		5,943,400
Historic Goodyear Water Replacements		6,365,000
Potable Storage Reservoir Rehabilitation		3,557,000
Treatment Improvements at Site 18		3,264,000
Booster Station Rehabilitation & Replacement Program		2,100,000
Distribution Valve Replacement		2,500,000
Water Meter Replacement		3,890,000

### WASTEWATER CIP Projects

Collection System Rehabilitation or Replacements	\$	8,048,000
Corgett WRF Rehabilitation and Replacement		3,377,000
Differential Impact Fee Credits		2,828,700
Goodyear WRF Rehabilitation and Replacement		4,755,000
Alternative to SAT Site		26,400,000
Brine Disposal		46,995,000
Future Projects		10,578,400

- Does not include \$152 million of growth related capital

# Proposed Rate - Water



Water Rates		Current	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25
<b>CAP Water Charge</b>		\$ 0.95	\$ 1.10	\$ 1.25	\$ 1.40	\$ 1.55	\$ 1.70
<b>Monthly Minimum Charge</b>	3/4"	\$ 18.54	\$ 19.28	\$ 19.86	\$ 20.46	\$ 21.07	\$ 21.70
	1"	25.64	26.67	27.47	28.29	29.14	30.01
	1 1/2"	41.46	43.12	44.41	45.74	47.12	48.53
	2"	67.11	69.79	71.89	74.04	76.27	78.55
	3"	77.67	80.78	83.20	85.70	88.27	90.92
	4"	126.65	131.72	135.67	139.74	143.93	148.25
<b>Volume Rate Per 1,000 Gal</b>							
<b><u>Residential - City</u></b>							
-	6,000	2.15	2.24	2.30	2.37	2.44	2.52
6,001	12,000	4.27	4.44	4.57	4.71	4.85	5.00
12,001	30,000	6.42	6.68	6.88	7.08	7.30	7.51
30,001	Above	10.31	10.72	11.04	11.38	11.72	12.07
<b><u>Non-Residential</u></b>							
-	40,000	5.06	5.26	5.42	5.58	5.75	5.92
40,001	100,000	8.10	8.42	8.68	8.94	9.21	9.48
100,001	Above	10.50	10.92	11.25	11.59	11.93	12.29
<b><u>Irrigation</u></b>							
-	80,000	7.57	7.87	8.11	8.35	8.60	8.86
80,001	Above	8.71	9.06	9.33	9.61	9.90	10.20

# Proposed Rates - Wastewater



Wastewater Rates		Current	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25
Monthly Minimum Charge	3/4"	\$ 23.78	\$ 24.49	\$ 25.23	\$ 25.99	\$ 27.02	\$ 28.11
	1"	36.49	37.58	38.71	39.87	41.47	43.13
	1 1/2"	44.96	46.31	47.70	49.13	51.09	53.14
	2"	87.35	89.97	92.67	95.45	99.27	103.24
	3"	115.22	118.68	122.24	125.90	130.94	136.18
	4"	152.86	157.45	162.17	167.03	173.72	180.66
Volume Rate/1,000 Gal		6.51	6.71	6.91	7.11	7.40	7.69

# Sanitation



REDUCED CONTRACT COST = REDUCED RATE

- Contained Pick-up
- Uncontained Pick-up (Bulk Trash)
- Recycling Market Instability



# Proposed Rates - Sanitation



				Monthly Charge					
	Current		Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	
<b>Residential</b>									
Total Monthly	\$ 22.80	\$	22.80	\$ 19.80	\$ 20.55	\$ 21.40	\$ 22.25	\$ 23.15	
Inc/(Dec) -- Dollars			-	(3.00)	0.75	0.85	0.85	0.90	
Inc/(Dec) -- Percent				-13.0%	4.0%	4.0%	4.0%	4.0%	
<b>Residential -- Additional</b>									
Residential -- Additional Container	6.26		6.26	7.50	7.80	8.11	8.43	8.77	
Inc/(Dec) -- Dollars			-	1.24	0.30	0.31	0.32	0.34	
Inc/(Dec) -- Percent				20.0%	4.0%	4.0%	4.0%	4.0%	

# Stormwater



- Currently funded through the general fund
- Increasing Regulatory Requirements
- Dedicated funding
  - operational, regulatory, asset management, and capital improvement needs

# Proposed Rates - Stormwater



	Current	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25
<b>STORMWATER Utility Monthly Charge</b>						
<b>Residential</b> Per Account	0.00	\$ 1.00	\$ 2.00	\$ 2.50	\$ 2.50	\$ 3.50
<b>Commercial</b> Per Account	0.00	4.00	8.00	10.00	10.00	14.00

# Proposed Non-Rate Fees – All Services



## DISCONNECT FEE HELD FLAT

### Non-Rate Fees

	Current	Proposed
Late Payment Fee	1.50%	1.50%
Returned Payment Fee	\$ 50.00	\$ 52.50
Security Deposit - Residential	\$ 200.00	\$ 200.00
Security Deposit - Non Residential	\$ 250.00	\$ 375.00
Security Deposit - Solid Waste/Stormwater	\$ -	\$ 50.00
Cross Connection-Backflow	\$ 9.00	\$ 13.50
Cross Connection-Backflow (County)	\$ 11.25	\$ 16.88
Same Day New Account (additional charge)	\$ 50.00	\$ 75.00
Activation Fee - Next Day	\$ 60.00	\$ 75.00
Activation Fee - Next Day (Sanitation/Stormwater Only)	\$ 50.00	\$ 50.00
Container Replacement Fee	\$ 50.00	\$ 50.00
<b>Disconnect Notice</b>	<b>\$ 18.00</b>	<b>\$ 18.00</b>
Administration Fee (Shut off/Disconnect Service)	\$ 50.00	\$ 50.00
Same Day Reinstatement	\$ 50.00	\$ 75.00
Water Audit Fee	\$ 54.00	\$ 81.00
Field Visit	\$ 55.00	\$ 82.50
Hydrant Connection	\$ 150.00	\$ 150.00
Meter Tampering	\$ 65.00	\$ 97.50

# Proposed Rates - Impact



## LIBERTY WATER CUSTOMERS

	<b>Current</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
sanitation	22.80	19.80	20.55	21.40	22.25	23.15
stormwater	0.00	1.00	2.00	2.50	2.50	3.50
Typical Monthly Bill	22.80	20.80	22.55	23.90	24.75	26.65
change		(2.00)	1.75	1.35	0.85	1.90
		-8.8%	8.4%	6.0%	3.6%	7.7%

# Proposed Rates - Impact



RESIDENTIAL – ¾" METER; 7,000 GALLONS WATER; 5,000 GALLONS WW

	<b>Current</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
water	42.36	44.84	47.00	49.20	51.43	53.70
wastewater	56.33	58.02	59.76	61.55	64.02	66.58
sanitation	22.80	19.80	20.55	21.40	22.25	23.15
stormwater	0.00	1.00	2.00	2.50	2.50	3.50
Typical Monthly Bill	121.49	123.66	129.31	134.65	140.20	146.93
change		2.17	5.65	5.34	5.54	6.73
		1.8%	4.6%	4.1%	4.1%	4.8%

# Public Process



[WWW.GOODYEARAZ.GOV/UTILITYRATESTUDY](http://WWW.GOODYEARAZ.GOV/UTILITYRATESTUDY)

Public Outreach	Dates
Citizens Rate Committee	March 2020 – September 2020
Council Work Session	October 19, 2020
Council adoption of Notice of Intent	October 26, 2020
Notice of Intent Posted to Webpage	October 27, 2020
Postcards to all Goodyear mailing addresses (38,370)	December 09, 2020
Email to all registered businesses (3,171)	December 10, 2020
Notice of Intent published in Newspaper	December 13, 2020
Virtual Open House	December 28, 2020
Public Hearing	January 04, 2021
Consideration to Adopt 5-Year Rate Plan	January 25, 2021

# Public Process



## CITIZEN RATE COMMITTEE

- Citizen Rate Committee
  - Lessen Impact in Year 1
  - Smooth rate increases in years 2-5
  - Establish a Stormwater Utility
- Virtual Open House



# Public Process



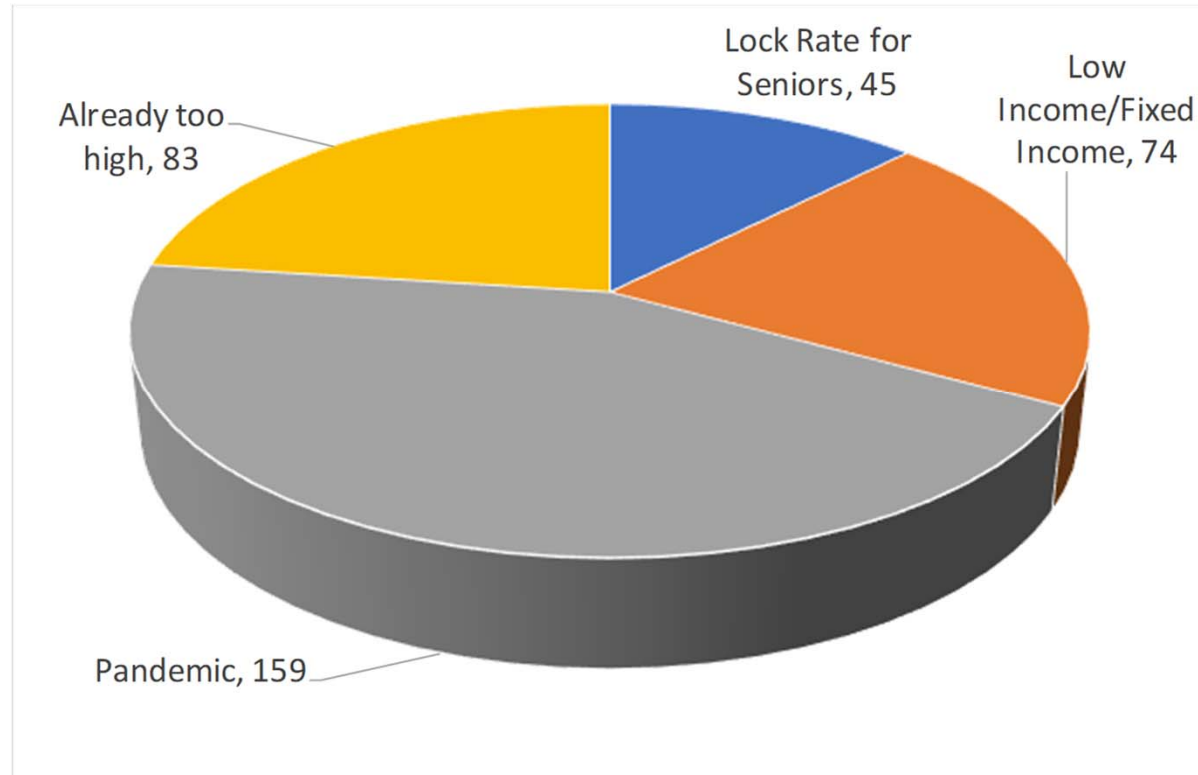
## POSTCARDS - EMAIL RESPONSES

- Postcards were sent to
  - 38,870 physical addresses
  - 3,171 business emails
- Website created
- Just under 300 responses received

# Public Process



## PUBLIC INPUT



# Next Steps



- Public Comment
- Council Discussion
- Revised 5-year rate proposal for consideration on January 25, 2021