



TOWN OF PARADISE VALLEY, ARIZONA

SEWER RATE STUDY

JUNE 9, 2016

Presented by Kevin Burnett



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- Introduction
- Review proposed revenue increases
- Proposed rates
- Distribution of flows and bills
- Next steps

REVENUE RECOMMENDATIONS

Annual Revenue Increases	
Fiscal Year	Revenue Increase
2016-17	10%
2017-18	10%
2018-19	0%
2019-20	0%
2020-21	0%

CURRENT RATES

Basis: 90% of average of lowest 3 months winter water usage

Residential:

- Minimum monthly charge of \$63.26 (first 15,000 gallons)
- Volume based rate of \$0.87 per 1,000 gallons above monthly flows of 15,000

Commercial:

- Schools, churches, public buildings: \$3.88 per 1,000 gallons
- Commercial building with dining: \$4.69 per 1,000 gallons
- Medical facilities: \$4.12 per 1,000 gallons

SEWER RATES

Class/Use	Current	Proposed
Residential		
First 15,000 gallons	\$63.26	\$69.58
Over 15,000 gallons (per 1,000 gallons)	0.87	0.95
Commercial (per 1,000 gallons)		
Schools, Churches, Public Buildings	\$3.88	\$4.26
Commercial Buildings	4.69	5.15
Medical Facilities	4.12	4.53

BREAKDOWN OF CURRENT CUSTOMER FLOWS

Customer Type	Total Customer Count	Min. 0-15K	16K – 172K	Maximum > 172K	% Billed Minimum	% Billed Maximum
Berneil Residential	410	77	332	1	19%	0%
Epcor Residential	511	131	371	9	26%	2%
Phoenix Residential	1,238	382	855	1	31%	0%
Total Residential	2,159	590	1,558	11	27%	1%
Berneil Commercial	1	0	1	0	0%	0%
Epcor Commercial	7	1	5	1	14%	14%
Phoenix Commercial	3	0	3	0	0%	0%
Total Commercial	11	1	9	1	9%	9%
Grand Total	2,170	591	1,567	12	27%	1%

RESIDENTIAL BILLS UNDER PROPOSED RATES

Monthly Bill Amount	Monthly Water Average	Customer Count	Customer Count by Dollar Range	% by Dollar Range
\$69.59	0-5K	145	946	43.82 %
\$69.59	6-10K	174		
\$69.59	11-15K	271		
\$70.54 - \$76.29	16-22K	356	793	36.73 %
\$77.24 - \$87.77	23-34K	483		
\$88.73 - \$98.30	35-45K	310		

RESIDENTIAL BILLS UNDER PROPOSED

RATES

Monthly Bill Amount	Monthly Water Average	Customer Count	Customer Count by Dollar Range	% by Dollar Range
\$99.25 - \$109.78	46-57K	196	409	18.94%
\$110.74 - 120.31	58-68K	85		
\$121.81 - \$131.79	69-80K	60		
\$134.66 - \$142.32	83-91K	24		
\$143.28 - \$153.80	92-103K	16		
\$154.76 - \$161.46	104-111K	9		
\$169.11 - \$175.81	119-126K	5		
\$181.56 - \$183.47	132-134K	2		
\$187.30 - \$197.82	138-149K	5		
\$198.78 - 204.52	150-156K	2		
\$209.31 - \$219.84	161-172K	5		
\$220	177-531K	11	11	0.51%

NEXT STEPS

- June 9, 2016 - Public Hearing/Updated Sewer Rates Reviewed with Town Council
- June 9, 2016 - Adopt resolution to increase sewer rates
- July 11, 2016 - New rates effective



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QUESTIONS & DISCUSSION