



# CITY *of* BRISBANE

## Infrastructure, Utilities & Franchise Subcommittee Agenda

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**Monday, March 14<sup>th</sup>, 2022 at 12:00 PM • Virtual Meeting**

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This meeting is compliant with the Ralph M. Brown act as amended by California Assembly Bill No. 361 effective September 16, 2021 providing for a public health emergency exception to the standard teleconference rules required by the Brown Act. The purpose of this is to provide a safe environment for the public, staff, and the Subcommittee, while allowing for public participation. The public may address the Subcommittee using exclusively remote public comment options. The Subcommittee may take action on any item listed in the agenda.

### **TO ADDRESS THE SUBCOMMITTEE**

The meeting will be an exclusively virtual meeting. The agenda materials may be viewed online at [www.brisbaneca.org](http://www.brisbaneca.org) at least 72 hours prior to the meeting.

### **REMOTE PUBLIC COMMENTS**

Meeting participants are encouraged to submit public comments in writing in advance of the meeting. Aside from commenting while in the Zoom meeting, the following email and text line will be monitored during the meeting, and public comments received will be noted for the record during Public Comment or during an Item.

**Email:** [aibarra@brisbaneca.org](mailto:aibarra@brisbaneca.org)

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### **JOINING MEETING**

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<https://us06web.zoom.us/j/89328472114?pwd=MXpWeFhVOGNzVGNhYXU2SXVBOS9jZz09>

Meeting ID: 893 2847 2114

Passcode: 123456

### **SPECIAL ASSISTANCE**

If you need special assistance to participate in this meeting, please contact Angel Ibarra at (415) 508-2109. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**SUBCOMMITTEE MEMBERS:**

Mayor Mackin, Mayor Pro-tem Lentz

**PRESENTATIONS AND DISCUSSION ITEMS**

A. Review Projected Water and Sewer Rate Increases

**PUBLIC COMMENT**

**ADJOURNMENT**

A.

**File Attachments for Item:**

A. Review Projected Water and Sewer Rate Increases



## CITY COUNCIL INFRASTRUCTURE SUBCOMMITTEE AGENDA REPORT

**Meeting Date:** 3/14/2022

**From:** Stuart Schillinger, Assistant City Manager

**Subject:** Review projected water and sewer rate increases

### **Community Goal/Result**

Community Prudent

Safe Community

Ecological Sustainability

### **Purpose**

Ensure the City's water and sewer rates reflect the full cost of providing clean water and effective wastewater disposal to the various users while encouraging conservation of resources.

### **Recommendation**

Provide feedback regarding potential rate increases for operations and capital projects.

### **Background**

On August 13, 2001, the City Council discussed Ordinance No. 458, which set the process for determining future water and sewer rate increases.

Subsequent to passing Ordinance No. 458, the California Supreme Court ruled that water and sewer charges are property related and subject to Proposition 218, the Right to Vote on Taxes Act. As such, we are required to notify property owners regarding any increase and hold a public hearing at least 45 days later to allow time for community input. As a courtesy to our customers, we also notify renters of the forthcoming change in rates.

The last rate study the City had performed was in 2000. The City hired FCSG and Carollo Engineers to complete a rate structure study and Capital Improvement Plan. The City has been working from this rate study for the last twenty years. The City has taken the rates recommended in the Plan and adopted them based on need. The last operational rate increase went into effect in 2012. Additionally, the City has implemented its first capital improvement charge to pay for bonds issued in 2015. This was the first of an anticipated series of Capital Rate Charges in order to pay for the water and wastewater Capital Improvement Plan. The plan is to sell bonds approximately every five years over 20 years. The bonds would have a duration

Review projected water and sewer rate increases

of 20 years so after 20 years there will be a set Capital Charge that will only be reviewed to ensure it can continue to pay for the necessary Capital Improvements.

A drought reserve charge was implemented in 2019. This would ensure that during a drought the City would not need to raise rates as customers lowered their water usage as other water providers do.

Since 2012 the amount we have paid for water has increased from \$2.69 per unit to \$4.50 per unit, an increase of 67%. Wastewater treatment has gone from \$4.81 per unit to 11.63 per unit, an increase of 242%. The City has been able to keep operational rates constant due to an increase in usage among users and the use of one-time revenue sources (i.e. Connection fees).

In April 2021 the City retained the firm Lechowicz and Tseng to review the City's operational water and sewer rates.

## Discussion

### Water and Sewer rates to pay for the operations of the system

Currently the City's water and sewer bill has a number of lines:

- Water Service Charge – This is the charge for having a meter connected to the system and for the City to ensure that we have enough treated water available to provide the full capacity of that meter and all other meters at any given time.
- Water Usage – This is based on the number of units of water used during the billing period (Billing is every two months). 1 unit equals 100 cubic ft. of water or approximately 748 gallons
- Sewer Charge – For residential customers it is based on the average water usage from October through January. It changes every April. For commercial customers it is based on the actual water used during the billing period.
- Capital Project Charge – This is to pay for capital projects. The current charge is for the repayment of the 2015 water and sewer bonds. It is anticipated that this charge will be increased every 5 years between 2015 and 2035. City Council previously approved a plan to create a 20 year capital project plan paid for by the Capital Project Charge. Overtime the Capital Project Charge will get to a rate which will provide a source of funding for Capital Projects without a need for large increases. The charge is based on the amount of water used between February and June.
- Drought Contingency Fund – This charge was adopted on February 1, 2018. It was set to create a reserve fund to cover loss of revenue during a drought. Traditionally, utilities have increased rates during droughts since lower water usage, due to customers conserving water, results in lower revenues but often not as large of a decrease in costs. The reason for this is approximately 70% of our costs are fixed but 70% of revenue is

dependent on water usage. The City anticipates that the Drought Reserve will be fully funded by 2025 if a drought does not occur.

Lechowicz and Tseng reviewed the City's Water Service Charge, Water Usage, and Sewer Charge. The firm reviewed the City's rates, usage and revenue produced from the rates. Their analysis showed that for FY 2020/21 and FY 2021/22 the Utility Fund was operating at a loss. The City used fund balance to cover these losses. However, in the long term the Utility Fund should be able to operate at least at a breakeven and possibly at net positive.

There are two reasons the Utility Fund has operated at a net loss over the past two years. First, there has been a decrease of water usage among our commercial accounts due to COVID. Many of our main users had a reduction in their water usage. Six of largest 25 users in 2018/19 reduced their water usage by 12,300 units during 2019/20. Additionally, the cost wastewater treatment has increased. For wastewater treatment the cost per unit has increased from \$7.26 per unit in 2019/20 to \$11.63 in 2021/22. This is an increase of 60% in two years.

This means it is time for the City to look at increasing its rates for both water and wastewater. One proposal from our consultant is to increase the base charge for water service from \$22.67 to \$33.52 for 5/8<sup>th</sup> inch meters (the prevalent meter for residential and small business use). This will help the City move from a variable rate for water usage to a fixed so that we will not be as impacted by reduced water usage in the future. This is an increase of 50% in the first year and the proposal is 8% each year thereafter through 2026/27. In 2026/27 the charge would be \$46.38.

The proposal is also to reduce the number of tiers of charges for water users. The reason for this is to ensure that users are not subsidizing other users. State law over the past 20 years has been interpreted by the courts to be more strict on the use of tier rates and using them to allow smaller users to pay less of the cost of the overall system. Therefore, the proposal is to reduce the number of tiers from 6 to 2. By reducing the number of tiers the cost for lower water users will increase.

Since the cost of wastewater treatment has increased so dramatically over the years the increase needed for sewer is higher. The proposal is to decrease the flat charge in the first year by 8% but increase it by 23% each year through 2026/27. The proposal for the variable charge is to combine both tiers into one and increase the variable charge to \$9.90 for each unit used and then increase it by 23% for each year through 2026/27. The flat charge would range from \$53.69 in FY 2022/23 to \$147.60 in FY 2026/27. The Variable Charge would range from \$9.90 in 2022/23 to \$22.42 in 2026/27.

If this proposal is approved by City Council, we would probably still reduce our cash reserves for fiscal years 2022/23 and 2023/24. We would begin to add back to our cash reserves modestly

in 2024/25 and begin to see a replenishment of reserves in 2026/27. The next section discussing the Capital Charge will explain the need to have revenues in excess of costs.

### Capital Charge

As explained earlier the City Council in 2015 set a policy to develop a self-funding source for capital projects. The policy is to allow for approximately \$5,000,000 of capital projects to be done every five years to ensure the continued integrity of the City's water and wastewater system. The City will charge a Capital Charge on the bill for each new \$5,000,000 worth of projects. In 2015 the City instituted the first of four such charges. It is time for the City to place the second one on the bill. It is anticipated that there will be two more equal charges in 2025 and 2030. In 2035 when the next round of Capital Projects would be funded the first bond would be paid off and either no increase in the Capital Charge would be needed or only a minor one to cover the cost of inflation to do the necessary projects. The current Capital Charge is tiered based. The charge ranges from \$10.00 a billing period for new usage to \$65.00 a billing period for usage above 40 units. The usage is based on the average water used between February and June. This charge raises approximately \$360,000 a year.

The proposal is to place the second charge on the bill which would be a 100% increase in this charge. Originally, staff wanted to bring forward a bond issue which this charge would be used to pay off. However, with the loss over the last two years and the anticipated deficit over the next couple of years it may not be possible for the City to issue bonds. The reason for this is one the requirements of our existing bonds is that we need revenue of 125% of our operating expenses before we can issue additional bonds. According to projections from our consultant this will occur in 2025/26. In the meantime the City will continue to work on the projects approved in the latest CIP and will use the Capital Charge to repay ourselves our cash outlay. If we are able to issue bonds at that time we would use the Capital Charge to pay the loan payments.

### Low Income Rate Assistance Program

The City offers all users who are enrolled in the PG&E CARE program the ability to be enrolled in the City's Low Income Rate Assistance (LIRA) Program. Over the years the percentage reduction in rates has increased. As the City Council increased rates it determined it did not want to increase water and sewer rates on low-income individuals. However, there is no LIRA reduction for either the Capital Charge or Drought Contingency Charge. The reason for this is an absolute dollar amount was being raised by these rates. The decrease in revenue due to the LIRA program is offset by the City's General Fund. This is because, according to State Law, users can not offset the cost for other users. Currently, the City spends approximately \$40,000 a year from the General Fund for the LIRA program. The current reductions are as follows:

Water Service 36.75% discount

Review projected water and sewer rate increases

Water Use 49.90% discount  
 Sewer 42.40% discount  
 Fire Service 36.75% discount

If the City Council wishes to allocate the same dollar amount in the future then a discount of 25% on the bill would do this. If the Council wishes to allocate additional General Fund dollars to this program it can increase the amount of the discount. Staff would recommend setting a flat discount rate for the bill instead of different discount rates for each type service.

### Fiscal Impact

	Current Bill	Proposed Rates
<b>4 units</b>	Water Charge - \$22.67 Water Usage – \$14.80 Sewer Charge - \$80.11 Drought Reserve -\$2.32 Capital Charge - \$20.00 Total \$139.90	Water Charge - \$33.52 Water Usage - \$23.37 Sewer Charge -\$103.29 Drought Reserve -\$2.32 Capital Charge - \$40.00 Total \$202.50
<b>10 units</b>	Water Charge - \$22.67 Water Usage - \$60.18 Sewer Charge - \$106.67 Drought Reserve \$2.32 Capital Charge \$35.00 Total \$226.84	Water Charge-\$33.52 Water Usage - \$70.11 Sewer Charge - \$162.70 Drought Reserve -\$2.32 Capital Charge - \$70.00 Total \$338.65
<b>20 units</b>	Water Charge - \$22.67 Water Usage - \$ 170.68 Sewer Charge - \$183.27 Drought Reserve \$6.99 Capital Charge \$50.00 Total\$433.61	Water Charge- \$33.52 Water Usage - \$191.11 Sewer Charge - \$261.71 Drought Reserve - \$6.99 Capital Charge - \$100.00 Total \$593.33
<b>100 units irrigation – 2 inch meter</b>	Water Charge – \$92.47 Water Usage -\$1,225.46 Sewer Charge \$0 Drought Reserve \$102.14 Capital Charge \$65.00 Total \$1,485.07	Water Charge - \$89.42 Water Usage - \$986.20 Sewer Charge - \$0 Drought Reserve - \$102.14 Capital Charge - \$130.00 Total \$1,307.76

### Measure of Success

The City is able to provide clean-safe drinking water and effectively disposes of wastewater as economically as possible while being financially sustainable.



Stuart Schillinger

Stuart Schillinger, Assistant City Manager

Clayton L. Holstine

Clay Holstine, City Manager

Attachment

Combined Water and Sewer Cash Flow

Sample Combined Utility Bill Impacts

Bimonthly Water Bill Survey

Water Cash Flow Projection

Proposed Bimonthly Water Rates

Sample Water Bill Impacts

Bimonthly Sewer Bill Survey

Sewer Cash Flow Projection

Proposed Bi-Monthly Sewer Rates

Sample Sewer Bill Impacts

Table 2: Combined Water and Sewer Cash Flow Projection (Water Rate Annual Increases = 9%, Sewer Rate Annual Increases = 24%)  
City of Brisbane  
Water & Sewer Utility Rate Study 2021

DRAFT 3/9/22

	Approved 2020/21	Budget 2021/22	Years 1 -5: Proposition 218					Years 6 - 10: Extended Projection				
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
1 BEGINNING FUND BALANCE	\$9,263,376	\$8,436,746	\$7,354,943	\$5,784,911	\$4,618,568	\$3,973,411	\$4,018,943	\$4,941,261	\$6,390,855	\$7,733,268	\$8,945,589	\$9,996,233
2												
3 REVENUES												
4 Water Sales	2,750,000	3,000,000	3,270,000	3,564,000	3,885,000	4,235,000	4,616,000	4,939,000	5,285,000	5,655,000	6,051,000	6,475,000
5 Sewer Service Charges	2,000,000	2,000,000	2,480,000	3,075,000	3,813,000	4,728,000	5,863,000	6,156,000	6,464,000	6,787,000	7,126,000	7,482,000
6 Drought Reserve Charge	100,000	100,000	100,000	100,000	100,000	100,000	100,000	0	0	0	0	0
7 Capital Charge (1)	365,000	365,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000
8 Investment Earnings	50,000	50,000	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000	60,000
9 Account Open/Reconnection Fees	3,000	3,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
10 Late Payment Charges	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
11 Sewer & Meter Connection Fees	23,000	23,000	25,000	27,000	29,000	31,000	34,000	36,000	38,000	40,000	43,000	46,000
12 Fire Service Charges	115,000	115,000	125,000	136,000	148,000	161,000	175,000	187,000	200,000	214,000	229,000	245,000
13 Altamar Meter Reading Fee	7,500	7,500	8,000	9,000	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000
14 Transfers from Other Funds	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
15 Less: Low Income Rate Assistance	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
16 Total Revenues	5,423,500	5,673,500	6,738,000	7,642,000	8,717,000	9,999,000	11,534,000	12,066,000	12,737,000	13,448,000	14,203,000	15,004,000
17												
18 EXPENSES												
19 Operating & Maintenance												
20 Salaries	914,061	949,583	987,000	1,027,000	1,068,000	1,110,000	1,154,000	1,200,000	1,248,000	1,298,000	1,350,000	1,404,000
21 Payroll Taxes	12,785	13,300	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
22 Benefits	447,307	523,326	544,000	566,000	589,000	613,000	637,000	663,000	689,000	717,000	745,000	775,000
23 Insurance	109,818	110,225	121,000	127,000	133,000	140,000	147,000	154,000	162,000	170,000	179,000	188,000
24 Supplies and Services	3,254,282	3,585,356	4,042,000	4,446,000	4,891,000	5,380,000	5,918,000	6,510,000	7,161,000	7,877,000	8,665,000	9,531,000
25 Admin Charges and Credit	881,564	936,825	969,000	1,003,000	1,038,000	1,075,000	1,113,000	1,152,000	1,192,000	1,233,000	1,276,000	1,321,000
26 Subtotal O&M	5,619,818	6,118,616	6,676,000	7,182,000	7,732,000	8,331,000	8,982,000	9,692,000	10,465,000	11,308,000	12,228,000	13,232,000
27												
28 Net Operating Revenue	(196,318)	(445,116)	62,000	460,000	985,000	1,668,000	2,552,000	2,374,000	2,272,000	2,140,000	1,975,000	1,772,000
29												
30 Debt Service												
31 2015 Utility Bonds	630,313	636,688	632,031	626,344	630,156	622,469	629,681	624,406	629,588	627,678	624,356	635,813
32 New Bonds (2)	0	0	0	0	0	0	0	300,000	300,000	300,000	300,000	300,000
33 Subtotal Debt Service	630,313	636,688	632,031	626,344	630,156	622,469	629,681	924,406	929,588	927,678	924,356	935,813
34												
35 Capital Projects	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0
36												
37 Total Expenses	6,250,130	6,755,303	8,308,031	8,808,344	9,362,156	9,953,469	10,611,681	10,616,406	11,394,588	12,235,678	13,152,356	14,167,813
38												
39 Total Net Revenues	(826,630)	(1,081,803)	(1,570,031)	(1,166,344)	(645,156)	45,531	922,319	1,449,594	1,342,413	1,212,322	1,050,644	836,188
40												
41 ENDING FUND BALANCE	8,436,746	7,354,943	5,784,911	4,618,568	3,973,411	4,018,943	4,941,261	6,390,855	7,733,268	8,945,589	9,996,233	10,832,421
42												
43												
44 Reserve Funds												
45 Operating Reserve Target (25% of O&M)	1,405,000	1,529,700	1,669,000	1,795,500	1,933,000	2,082,800	2,245,500	2,423,000	2,616,300	2,827,000	3,057,000	3,308,000
46 Drought Reserve (\$700,000?)	347,499	447,499	547,499	647,499	747,499	847,499	947,499	947,499	947,499	947,499	947,499	947,499
47 Total Water Reserves	1,752,499	1,977,199	2,216,499	2,442,999	2,680,499	2,930,299	3,192,999	3,370,499	3,563,799	3,774,499	4,004,499	4,255,499
48 Target Met?	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
49												
50 Debt Service Coverage - 1.25x (3)	-0.31	-0.70	0.10	0.73	1.56	2.68	4.05	2.57	2.44	2.31	2.14	1.89
51 Target Met?	no	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
52												

1 - Assumes Capital Charge will increase in 2022/23

2 - Estimated new debt service

2 - Net Operating Revenue divided by Total Debt Service

**Table 3: Sample Combined Utility Bill Impacts**  
**City of Brisbane**  
**Water & Sewer Utility Rate Study 2021**

	Bimonthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Residential: 5/8" meter, 4 ccf</b>							
Water Bill	4	\$37.47	\$56.89	\$61.57	\$66.65	\$72.14	\$78.08
Sewer Bill	4	<u>\$80.11</u>	<u>\$103.29</u>	<u>\$127.15</u>	<u>\$156.53</u>	<u>\$192.71</u>	<u>\$237.29</u>
Total Utility Bill		\$117.58	\$160.18	\$188.72	\$223.18	\$264.85	\$315.37
\$ Change			\$42.60	\$28.54	\$34.46	\$41.67	\$50.52
% Change			36.2%	17.8%	18.3%	18.7%	19.1%
<b>Residential: 5/8" meter, 10 ccf</b>							
Water Bill	10	\$82.85	\$103.63	\$112.01	\$121.09	\$130.89	\$141.49
Sewer Bill	10	<u>\$106.67</u>	<u>\$162.70</u>	<u>\$200.01</u>	<u>\$245.90</u>	<u>\$302.35</u>	<u>\$371.81</u>
Total Utility Bill		\$189.52	\$266.33	\$312.02	\$366.99	\$433.25	\$513.30
\$ Change			\$76.81	\$45.69	\$54.97	\$66.25	\$80.06
% Change			40.5%	17.2%	17.6%	18.1%	18.5%
<b>Residential: 5/8" meter, 20 ccf</b>							
Water Bill	20	\$193.35	\$224.63	\$242.58	\$262.01	\$282.99	\$305.63
Sewer Bill	20	<u>\$183.27</u>	<u>\$261.71</u>	<u>\$321.44</u>	<u>\$394.86</u>	<u>\$485.08</u>	<u>\$596.03</u>
Total Utility Bill		\$376.62	\$486.34	\$564.02	\$656.86	\$768.07	\$901.65
\$ Change			\$109.72	\$77.68	\$92.85	\$111.21	\$133.58
% Change			29.1%	16.0%	16.5%	16.9%	17.4%

**IRRIGATION - WATER BILL ONLY**

<b>Irrigation: 2" meter, 100 hcf</b>							
Total Water Bill	100	\$1,317.93	\$1,075.62	\$1,150.76	\$1,231.35	\$1,317.61	\$1,409.81
\$ Change			-\$242.31	\$75.15	\$80.58	\$86.26	\$92.20
% Change			-18.4%	7.0%	7.0%	7.0%	7.0%

Table 5: Bimonthly Water Bill Survey  
City of Brisbane  
Water Utility Rate Study 2021

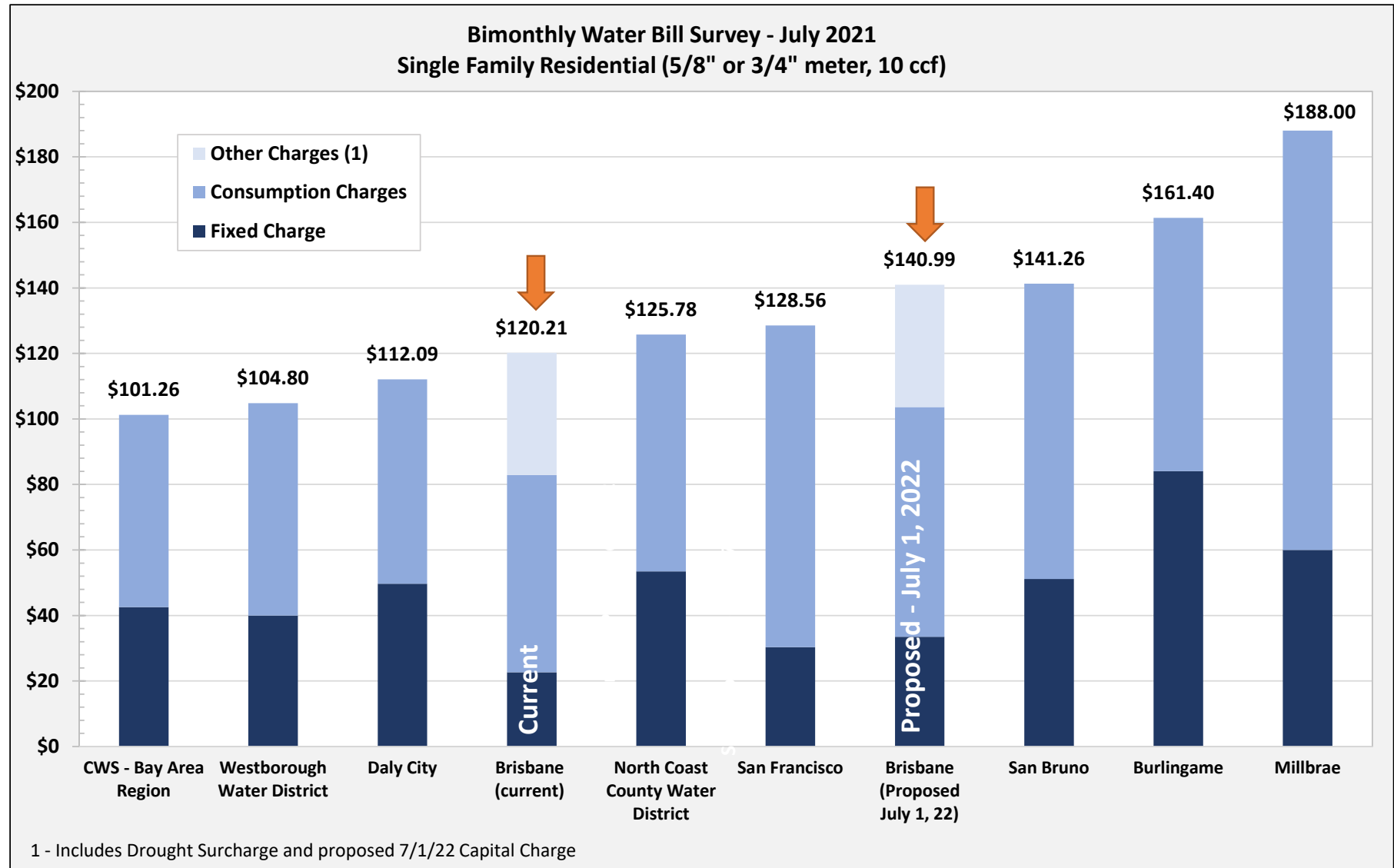


Table 6: Scenario 3: 9% Annual Rate Increases - Water Cash Flow Projection  
City of Brisbane  
Water Utility Rate Study 2021

DRAFT - 3/9/22

	Approved 2020/21	Budget 2021/22	Years 1 -5: Proposition 218					Years 6 - 10: Extended Projection				
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Overall Revenue Adjustment			9.0%	9.0%	9.0%	9.0%	9.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Rate Increase Effective			Jul 1, 2022	Jul 1, 2023	Jul 1, 2024	Jul 1, 2025	Jul 1, 2026	Jul 1, 2027	Jul 1, 2028	Jul 1, 2029	Jul 1, 2030	Jul 1, 2031
<b>BEGINNING FUND BALANCE</b>	\$4,631,688	\$4,667,376	\$4,822,570	\$4,597,070	\$4,438,570	\$4,349,070	\$4,340,570	\$4,414,070	\$4,737,570	\$5,049,070	\$5,344,570	\$5,615,070
<b>REVENUES</b>												
Water Sales	2,750,000	3,000,000	3,270,000	3,564,000	3,885,000	4,235,000	4,616,000	4,939,000	5,285,000	5,655,000	6,051,000	6,475,000
Meter Connection Fees	20,000	20,000	22,000	24,000	26,000	28,000	31,000	33,000	35,000	37,000	40,000	43,000
Fire Service Charges	115,000	115,000	125,000	136,000	148,000	161,000	175,000	187,000	200,000	214,000	229,000	245,000
Altamar Meter Reading Fee	7,500	7,500	8,000	9,000	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000
Drought Reserve Charge	100,000	100,000	100,000	100,000	100,000	100,000	100,000	0	0	0	0	0
Capital Charge (1)	182,500	182,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500
Investment Earnings	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Account Open/Reconnection Fees	1,500	1,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Late Payment Charges	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfers from Other Funds	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
Less: Low Income Rate Assistance	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)
<b>Total Revenues</b>	3,206,500	3,456,500	3,889,500	4,197,500	4,533,500	4,899,500	5,298,500	5,536,500	5,898,500	6,285,500	6,700,500	7,144,500
<b>EXPENSES</b>												
<u>Operating &amp; Maintenance</u>												
Salaries	480,120	499,125	519,000	540,000	562,000	584,000	607,000	631,000	656,000	682,000	709,000	737,000
Payroll Taxes	6,836	7,112	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Benefits	238,005	277,746	289,000	301,000	313,000	326,000	339,000	353,000	367,000	382,000	397,000	413,000
Insurance	58,719	58,938	65,000	68,000	71,000	75,000	79,000	83,000	87,000	91,000	96,000	101,000
Supplies and Services	1,635,767	1,666,998	1,932,000	2,125,000	2,338,000	2,572,000	2,829,000	3,112,000	3,423,000	3,765,000	4,142,000	4,556,000
Admin Charges and Credit	436,209	473,044	487,000	502,000	517,000	533,000	549,000	565,000	582,000	599,000	617,000	636,000
Subtotal O&M	2,855,656	2,982,962	3,299,000	3,543,000	3,808,000	4,097,000	4,410,000	4,751,000	5,122,000	5,526,000	5,968,000	6,450,000
Net Operating Revenue	350,844	473,538	590,500	654,500	725,500	802,500	888,500	785,500	776,500	759,500	732,500	694,500
<b>Debt Service</b>												
2015 Utility Bonds (2)	315,156	318,344	316,000	313,000	315,000	311,000	315,000	312,000	315,000	314,000	312,000	318,000
New Bonds	0	0	0	0	0	0	0	150,000	150,000	150,000	150,000	150,000
Subtotal Debt Service	315,156	318,344	316,000	313,000	315,000	311,000	315,000	462,000	465,000	464,000	462,000	468,000
<b>Capital Projects</b>	0	0	500,000	500,000	500,000	500,000	500,000	0	0	0	0	0
<b>Total Expenses</b>	3,170,812	3,301,305	4,115,000	4,356,000	4,623,000	4,908,000	5,225,000	5,213,000	5,587,000	5,990,000	6,430,000	6,918,000
<b>Total Net Revenues</b>	35,688	155,195	(225,500)	(158,500)	(89,500)	(8,500)	73,500	323,500	311,500	295,500	270,500	226,500
<b>ENDING FUND BALANCE</b>	4,667,376	4,822,570	4,597,070	4,438,570	4,349,070	4,340,570	4,414,070	4,737,570	5,049,070	5,344,570	5,615,070	5,841,570
<b>Reserve Funds</b>												
Operating Reserve Target (25% of O&M)	713,900	745,700	824,800	885,800	952,000	1,024,300	1,102,500	1,187,800	1,280,500	1,381,500	1,492,000	1,612,500
Drought Reserve (\$700,000?)	347,499	447,499	547,499	647,499	747,499	847,499	947,499	947,499	947,499	947,499	947,499	947,499
Total Water Reserves	1,061,399	1,193,199	1,372,299	1,533,299	1,699,499	1,871,799	2,049,999	2,135,299	2,227,999	2,328,999	2,439,499	2,559,999
Target Met?	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Debt Service Coverage - 1.25x (3)	1.11	1.49	1.87	2.09	2.30	2.58	2.82	1.70	1.67	1.64	1.59	1.48
Target Met?	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

1 - Assumes Capital Charge will increase in 2022/23

2 - Total debt service for New Bonds is estimated at \$300,000 and is split evenly with the Sewer Utility.

3 - Net Operating Revenue divided by Total Debt Service

**Table 7: Scenario 3: 9% Annual Rate Increases - Proposed Bimonthly Water Rates**  
**City of Brisbane**  
**Water Utility Rate Study 2021**

	PROJECTED - RATE STUDY PERIOD				
	2022/23	2023/24	2024/25	2025/26	2026/27
<b>FIXED CHARGES</b>					
<u>Meter Size</u>					
5/8"	\$33.52	\$36.35	\$39.43	\$42.76	\$46.38
3/4"	\$33.52	\$36.35	\$39.43	\$42.76	\$46.38
1"	\$42.12	\$45.68	\$49.54	\$53.73	\$58.27
1-1/2"	\$63.62	\$68.99	\$74.83	\$81.14	\$88.01
2"	\$89.42	\$96.97	\$105.17	\$114.04	\$123.69
3"	\$158.22	\$171.59	\$186.07	\$201.78	\$218.83
4"	\$235.62	\$255.53	\$277.09	\$300.48	\$325.87
6"	\$450.62	\$488.69	\$529.93	\$574.64	\$623.21
<b>CONSUMPTION CHARGES (per ccf)</b>					
<u>Residential (Usage over 1 ccf)</u>					
Tier 1: 1- 10 ccf	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 2: Over 10 ccf	\$12.10	\$13.06	\$14.09	\$15.21	\$16.41
Commercial (Usage over 1 ccf)	\$10.62	\$11.35	\$12.01	\$12.71	\$13.45
Irrigation (Usage over 1 ccf)	\$10.17	\$10.86	\$11.61	\$12.41	\$13.26

**Table 8: Scenario 3: 9% Annual Rate Increases - Sample Water Bill Impacts**  
**City of Brisbane**  
**Water Utility Rate Study 2021**

**RESIDENTIAL BILL IMPACTS - 5/8" METER**

	Bimonthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Residential: 5/8" meter, 4 ccf</b>							
Fixed Meter Charge - 5/8"		\$22.67	\$33.52	\$36.35	\$39.43	\$42.76	\$46.38
Consumption Charge							
Tier 1: 0 - 1 ccf	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tier 2: 2 - 3 ccf	1	\$2.17	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 3: 3 ccf	1	\$5.63	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 4: 4 - 8 ccf	1	\$7.00	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 5: 9 - 16 ccf	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tier 6: Over 16 ccf	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal Consumption Charge	4	\$14.80	\$23.37	\$25.22	\$27.22	\$29.38	\$31.70
Total Bimonthly Water Bill		\$37.47	\$56.89	\$61.57	\$66.65	\$72.14	\$78.08
\$ Change			\$19.42	\$4.68	\$5.08	\$5.49	\$5.95
% Change			51.8%	8.2%	8.2%	8.2%	8.2%
<b>Residential: 5/8" meter, 10 ccf</b>							
Fixed Meter Charge - 5/8"		\$22.67	\$33.52	\$36.35	\$39.43	\$42.76	\$46.38
Consumption Charge							
Tier 1: 0 - 1 ccf	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tier 2: 2 - 3 ccf	1	\$2.17	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 3: 3 ccf	1	\$5.63	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 4: 4 - 8 ccf	5	\$35.00	\$38.95	\$42.03	\$45.37	\$48.96	\$52.84
Tier 5: 9 - 16 ccf	2	\$17.38	\$15.58	\$16.81	\$18.15	\$19.59	\$21.14
Tier 6: Over 16 ccf	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal Consumption Charge	10	\$60.18	\$70.11	\$75.66	\$81.66	\$88.13	\$95.11
Total Bimonthly Water Bill		\$82.85	\$103.63	\$112.01	\$121.09	\$130.89	\$141.49
\$ Change			\$20.78	\$8.38	\$9.08	\$9.81	\$10.60
% Change			25.1%	8.1%	8.1%	8.1%	8.1%
<b>Residential: 5/8" meter, 20 ccf</b>							
Fixed Meter Charge - 5/8"		\$22.67	\$33.52	\$36.35	\$39.43	\$42.76	\$46.38
Consumption Charge							
Tier 1: 0 - 1 ccf	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tier 2: 2 - 3 ccf	1	\$2.17	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 3: 3 ccf	1	\$5.63	\$7.79	\$8.41	\$9.07	\$9.79	\$10.57
Tier 4: 4 - 8 ccf	5	\$35.00	\$38.95	\$42.03	\$45.37	\$48.96	\$52.84
Tier 5: 9 - 16 ccf	2	\$17.38	\$15.58	\$16.81	\$18.15	\$19.59	\$21.14
Tier 6: Over 16 ccf	10	\$110.50	\$121.00	\$130.57	\$140.92	\$152.09	\$164.14
Subtotal Consumption Charge	20	\$170.68	\$191.11	\$206.23	\$222.58	\$240.23	\$259.25
Total Bimonthly Water Bill		\$193.35	\$224.63	\$242.58	\$262.01	\$282.99	\$305.63
\$ Change			\$31.28	\$17.95	\$19.43	\$20.98	\$22.64
% Change			16.2%	8.0%	8.0%	8.0%	8.0%

**IRRIGATION BILL IMPACTS**

	Monthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Irrigation: 2" meter, 100 ccf</b>							
Fixed Meter Charge - 2"		\$92.47	\$89.42	\$96.97	\$105.17	\$114.04	\$123.69
Consumption Charge							
Tier 1: 0 - 8 ccf	8	\$41.42	\$71.17	\$76.05	\$81.27	\$86.86	\$92.81
Tier 2: 9 - 16 ccf	16	\$181.60	\$152.51	\$162.96	\$174.15	\$186.12	\$198.88
Tier 3: Over 16 ccf	76	<u>\$1,002.44</u>	<u>\$762.53</u>	<u>\$814.79</u>	<u>\$870.76</u>	<u>\$930.59</u>	<u>\$994.42</u>
Subtotal Consumption Charge	100	\$1,225.46	\$986.20	\$1,053.79	\$1,126.18	\$1,203.57	\$1,286.12
Total Bimonthly Water Bill		\$1,317.93	\$1,075.62	\$1,150.76	\$1,231.35	\$1,317.61	\$1,409.81
\$ Change			(\$242.31)	\$75.15	\$80.58	\$86.26	\$92.20
% Change			-18.4%	7.0%	7.0%	7.0%	7.0%

Table 10: Bimonthly Sewer Bill Survey  
City of Brisbane  
Sewer Utility Rate Study 2021

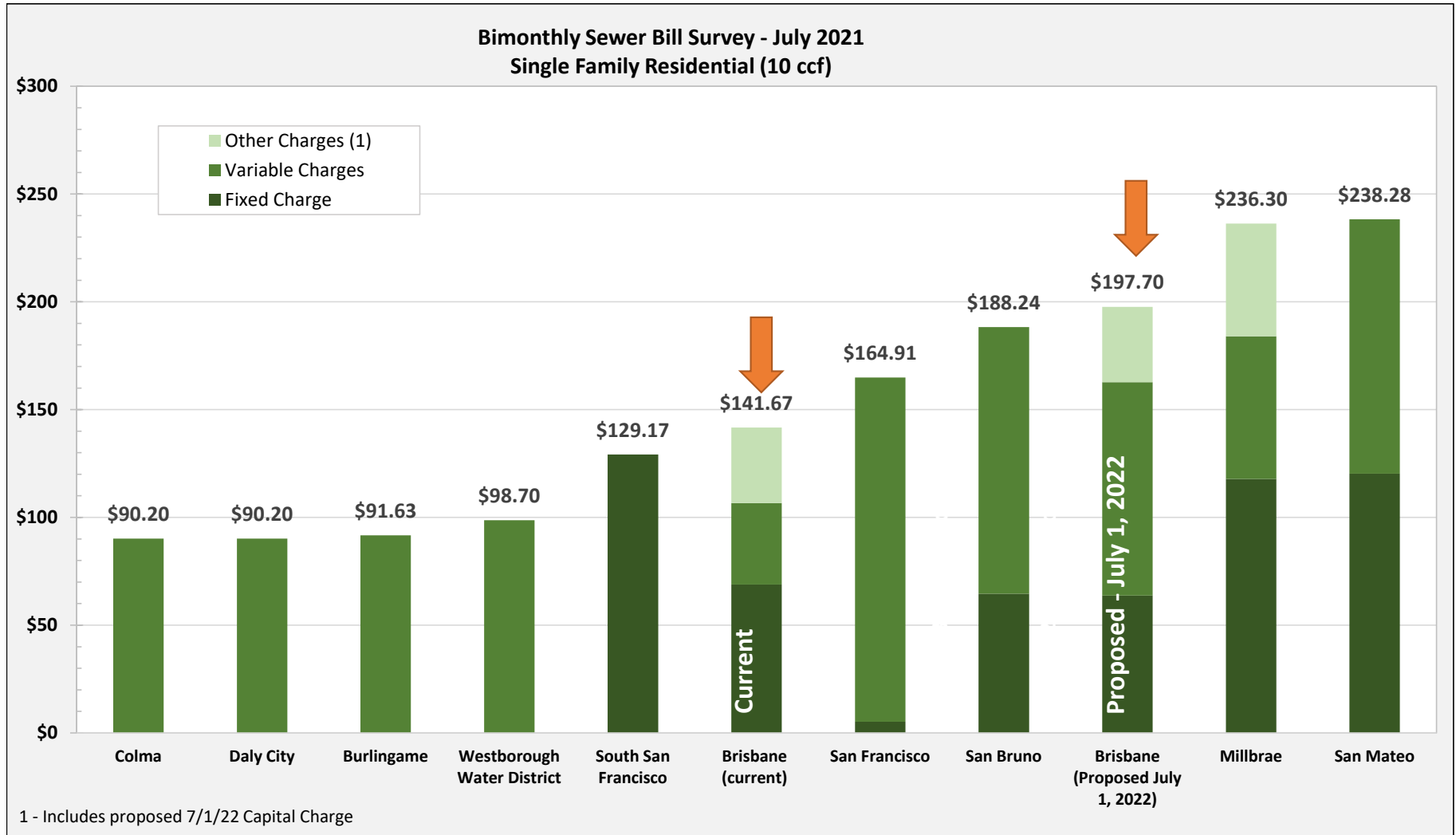




Table 11: Scenario 2: Rate Increases to Meet Goals by 2026/27 - Sewer Cash Flow Projection  
City of Brisbane  
Sewer Utility Rate Study 2021

DRAFT - 3/9/22

	Approved 2020/21	Budget 2021/22	Years 1 -5: Proposition 218					Years 6 - 10: Extended Projection				
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
1 Overall Revenue Adjustment			24.0%	24.0%	24.0%	24.0%	24.0%	5.0%	5.0%	5.0%	5.0%	5.0%
2 Rate Increase Effective			Jul 1, 2022	Jul 1, 2023	Jul 1, 2024	Jul 1, 2025	Jul 1, 2026	Jul 1, 2027	Jul 1, 2028	Jul 1, 2029	Jul 1, 2030	Jul 1, 2031
3												
4												
5 <b>BEGINNING FUND BALANCE</b>	\$4,631,688	\$3,769,370	\$2,532,372	\$1,187,841	\$179,997	(\$375,659)	(\$321,628)	\$527,191	\$1,653,285	\$2,684,197	\$3,601,019	\$4,381,163
6												
7 <b>REVENUES</b>												
8 Sewer Service Charges	2,000,000	2,000,000	2,480,000	3,075,000	3,813,000	4,728,000	5,863,000	6,156,000	6,464,000	6,787,000	7,126,000	7,482,000
9 Investment Earnings	25,000	25,000	26,000	27,000	28,000	29,000	30,000	31,000	32,000	33,000	34,000	35,000
10 Sewer Connection Fees	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
11 Account Open/Reconnections	1,500	1,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
12 Late Payment Charges	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
13 Capital Charge (1)	182,500	182,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500	332,500
14 Transfers from Other Funds	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
15 Less: Low Income Rate Assistance	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)	(37,500)
16 <b>Total Revenues</b>	2,217,000	2,217,000	2,848,500	3,444,500	4,183,500	5,099,500	6,235,500	6,529,500	6,838,500	7,162,500	7,502,500	7,859,500
17												
18 <b>EXPENSES</b>												
19 <u>Operating &amp; Maintenance</u>												
20 Salaries	433,940	450,458	468,000	487,000	506,000	526,000	547,000	569,000	592,000	616,000	641,000	667,000
21 Payroll Taxes	5,949	6,188	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
22 Benefits	209,302	245,581	255,000	265,000	276,000	287,000	298,000	310,000	322,000	335,000	348,000	362,000
23 Insurance	51,099	51,287	56,000	59,000	62,000	65,000	68,000	71,000	75,000	79,000	83,000	87,000
24 Supplies and Services	1,618,515	1,918,359	2,110,000	2,321,000	2,553,000	2,808,000	3,089,000	3,398,000	3,738,000	4,112,000	4,523,000	4,975,000
25 <u>Admin Charges and Credit</u>	<u>445,356</u>	<u>463,781</u>	<u>482,000</u>	<u>501,000</u>	<u>521,000</u>	<u>542,000</u>	<u>564,000</u>	<u>587,000</u>	<u>610,000</u>	<u>634,000</u>	<u>659,000</u>	<u>685,000</u>
26 Subtotal O&M	2,764,162	3,135,654	3,377,000	3,639,000	3,924,000	4,234,000	4,572,000	4,941,000	5,343,000	5,782,000	6,260,000	6,782,000
27												
28 Net Operating Revenues	(547,162)	(918,654)	(528,500)	(194,500)	259,500	865,500	1,663,500	1,588,500	1,495,500	1,380,500	1,242,500	1,077,500
29												
30 <b>Debt Service</b>												
31 2015 Utility Bonds	315,156	318,344	316,031	313,344	315,156	311,469	314,681	312,406	314,588	313,678	312,356	317,813
32 New Bonds (2)	0	0	0	0	0	0	0	150,000	150,000	150,000	150,000	150,000
33 Subtotal Debt Service	315,156	318,344	316,031	313,344	315,156	311,469	314,681	462,406	464,588	463,678	462,356	467,813
34												
35 <b>Capital Projects</b>	0	0	500,000	500,000	500,000	500,000	500,000	0	0	0	0	0
36												
37 <b>Total Expenses</b>	3,079,318	3,453,998	4,193,031	4,452,344	4,739,156	5,045,469	5,386,681	5,403,406	5,807,588	6,245,678	6,722,356	7,249,813
38												
39 <b>Net Revenues</b>	(862,318)	(1,236,998)	(1,344,531)	(1,007,844)	(555,656)	54,031	848,819	1,126,094	1,030,913	916,822	780,144	609,688
40												
41 <b>ENDING FUND BALANCE</b>	3,769,370	2,532,372	1,187,841	179,997	(375,659)	(321,628)	527,191	1,653,285	2,684,197	3,601,019	4,381,163	4,990,850
42												
43												
44 <u>Reserve Funds</u>												
45 Operating Reserve Target (25% of O&M)	691,000	783,900	844,300	909,800	981,000	1,058,500	1,143,000	1,235,300	1,335,800	1,445,500	1,565,000	1,695,500
46 Target Met?	yes	yes	yes	no	no	no	no	yes	yes	yes	yes	yes
47												
48 Debt Service Coverage - 1.25x (3)	(1.74)	(2.89)	(1.67)	(0.62)	0.82	2.78	5.29	3.44	3.22	2.98	2.69	2.30
49 Target Met?	no	no	no	no	no	yes	yes	yes	yes	yes	yes	yes
50												

1 - Assumes Capital Charge will increase in 2022/23

2 - Total debt service for New Bonds is estimated at \$300,000 and is split evenly with the Water Utility.

**Table 12: Scenario 2: Needed Rate Increases to Meet Goals by 2026/27- Proposed Bi-Monthly Sewer Rates**  
**City of Brisbane**  
**Sewer Utility Rate Study 2021**

	Current Rates	PROJECTED - RATE STUDY PERIOD				
		2022/23	2023/24	2024/25	2025/26	2026/27
RESIDENTIAL						
Flat Charge	\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge (1)						
Tier 1: 0 - 8 ccf	\$2.81	\$9.90	\$12.14	\$14.90	\$18.27	\$22.42
Tier 2: Over 8 ccf	\$7.66					
COMMERCIAL						
Standard						
Flat Charge	\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge						
Tier 1: 0 - 8 ccf	\$3.84	\$10.06	\$12.47	\$15.43	\$19.13	\$23.73
Tier 2: Over 8 ccf	\$7.66					
Medium						
Flat Charge	\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge						
Tier 1: 0 - 8 ccf	\$5.68	\$10.06	\$12.47	\$15.43	\$19.13	\$23.73
Tier 2: Over 8 ccf	\$9.74					
Heavy						
Flat Charge	\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge						
Tier 1: 0 - 8 ccf	\$7.59	\$10.06	\$12.47	\$15.43	\$19.13	\$23.73
Tier 2: Over 8 ccf	\$11.82					

1 - Residential bill is based on winter consumption (Oct, Nov, Dec & Jan)

Table 13: Scenario 2: Needed Rate Increases to Meet Goals by 2026/27 - Sample Bimonthly Sewer Bill Impacts

City of Brisbane

Sewer Utility Rate Study 2021

## RESIDENTIAL BILL IMPACTS

	Bimonthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Residential - 4 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	4	\$11.24	\$39.60	\$48.57	\$59.58	\$73.09	\$89.69
Tier 2: Over 8 ccf	0	\$0.00					
Subtotal Variable Charge	4	\$11.24					
Total Bimonthly Sewer Bill		\$80.11	\$103.29	\$127.15	\$156.53	\$192.71	\$237.29
\$ Change			\$23.18	\$23.86	\$29.38	\$36.18	\$44.57
% Change			28.9%	23.1%	23.1%	23.1%	23.1%
<b>Residential - 10 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$22.48	\$99.01	\$121.43	\$148.95	\$182.73	\$224.21
Tier 2: Over 8 ccf	2	\$15.32					
Subtotal Variable Charge	10	\$37.80					
Total Bimonthly Sewer Bill		\$106.67	\$162.70	\$200.01	\$245.90	\$302.35	\$371.81
\$ Change			\$56.03	\$37.31	\$45.89	\$56.45	\$69.46
% Change			52.5%	22.9%	22.9%	23.0%	23.0%
<b>Residential - 20 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$22.48	\$198.02	\$242.86	\$297.91	\$365.46	\$448.43
Tier 2: Over 8 ccf	12	\$91.92					
Subtotal Variable Charge	20	\$114.40					
Total Bimonthly Sewer Bill		\$183.27	\$261.71	\$321.44	\$394.86	\$485.08	\$596.03
\$ Change			\$78.44	\$59.73	\$73.42	\$90.23	\$110.94
% Change			42.8%	22.8%	22.8%	22.9%	22.9%
<b>STANDARD COMMERCIAL</b>							
	Bimonthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Standard Commercial - 10 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$30.72	\$100.60	\$124.74	\$154.31	\$191.34	\$237.27
Tier 2: Over 8 ccf	2	\$15.32					
Subtotal Variable Charge	10	\$46.04					
Total Bimonthly Sewer Bill		\$114.91	\$164.29	\$203.32	\$251.26	\$310.96	\$384.87
\$ Change			\$49.38	\$39.03	\$47.94	\$59.70	\$73.91
% Change			43.0%	23.8%	23.6%	23.8%	23.8%
<b>Standard Commercial - 20 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$30.72	\$201.21	\$249.48	\$308.61	\$382.67	\$474.54
Tier 2: Over 8 ccf	12	\$91.92					
Subtotal Variable Charge	20	\$122.64					
Total Bimonthly Sewer Bill		\$191.51	\$264.90	\$328.06	\$405.56	\$502.29	\$622.14
\$ Change			\$73.39	\$63.16	\$77.50	\$96.73	\$119.84
% Change			38.3%	23.8%	23.6%	23.9%	23.9%

**MEDIUM COMMERCIAL**

	Bimonthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Medium Commercial - 30 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$45.44	\$301.81	\$374.22	\$462.92	\$574.01	\$711.80
Tier 2: Over 8 ccf	<u>22</u>	<u>\$214.28</u>					
Subtotal Variable Charge	30	\$259.72					
Total Bimonthly Sewer Bill		\$328.59	\$365.50	\$452.80	\$559.87	\$693.63	\$859.40
\$ Change			\$36.91	\$87.30	\$107.07	\$133.76	\$165.78
% Change			11.2%	23.9%	23.6%	23.9%	23.9%
<b>Medium Commercial - 50 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$45.44	\$503.02	\$623.71	\$771.54	\$956.68	\$1,186.34
Tier 2: Over 8 ccf	<u>42</u>	<u>\$409.08</u>					
Subtotal Variable Charge	50	\$454.52					
Total Bimonthly Sewer Bill		\$523.39	\$566.71	\$702.29	\$868.49	\$1,076.30	\$1,333.94
\$ Change			\$43.32	\$135.57	\$166.20	\$207.81	\$257.64
% Change			8.3%	23.9%	23.7%	23.9%	23.9%

**HEAVY COMMERCIAL**

	Bimonthly Use (ccf)	Current Bill	Proposed				
			2022/23	2023/24	2024/25	2025/26	2026/27
<b>Heavy Commercial - 80 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$60.72	\$804.83	\$997.93	\$1,234.46	\$1,530.69	\$1,898.15
Tier 2: Over 8 ccf	<u>72</u>	<u>\$851.04</u>					
Subtotal Variable Charge	80	\$911.76					
Total Bimonthly Sewer Bill		\$980.63	\$868.52	\$1,076.51	\$1,331.41	\$1,650.31	\$2,045.75
\$ Change			-\$112.11	\$207.99	\$254.90	\$318.90	\$395.44
% Change			-11.4%	23.9%	23.7%	24.0%	24.0%
<b>Heavy Commercial - 100 ccf</b>							
Fixed Charge		\$68.87	\$63.69	\$78.58	\$96.95	\$119.62	\$147.60
Variable Charge							
Tier 1: 0 - 8 ccf	8	\$60.72	\$1,006.04	\$1,247.41	\$1,543.07	\$1,913.36	\$2,372.68
Tier 2: Over 8 ccf	<u>92</u>	<u>\$1,087.44</u>					
Subtotal Variable Charge	100	\$1,148.16					
Total Bimonthly Sewer Bill		\$1,217.03	\$1,069.73	\$1,325.99	\$1,640.02	\$2,032.98	\$2,520.28
\$ Change			-\$147.30	\$256.26	\$314.03	\$392.96	\$487.30
% Change			-12.1%	24.0%	23.7%	24.0%	24.0%