



2022 Annual Update to the Residential Wastewater Winter Average

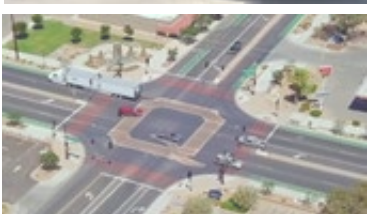
Town Council Meeting

June 1, 2022

Purpose of Presentation

1. Review Wastewater Utility Background Information
2. 2022 Annual Update to the Residential Wastewater Winter Average

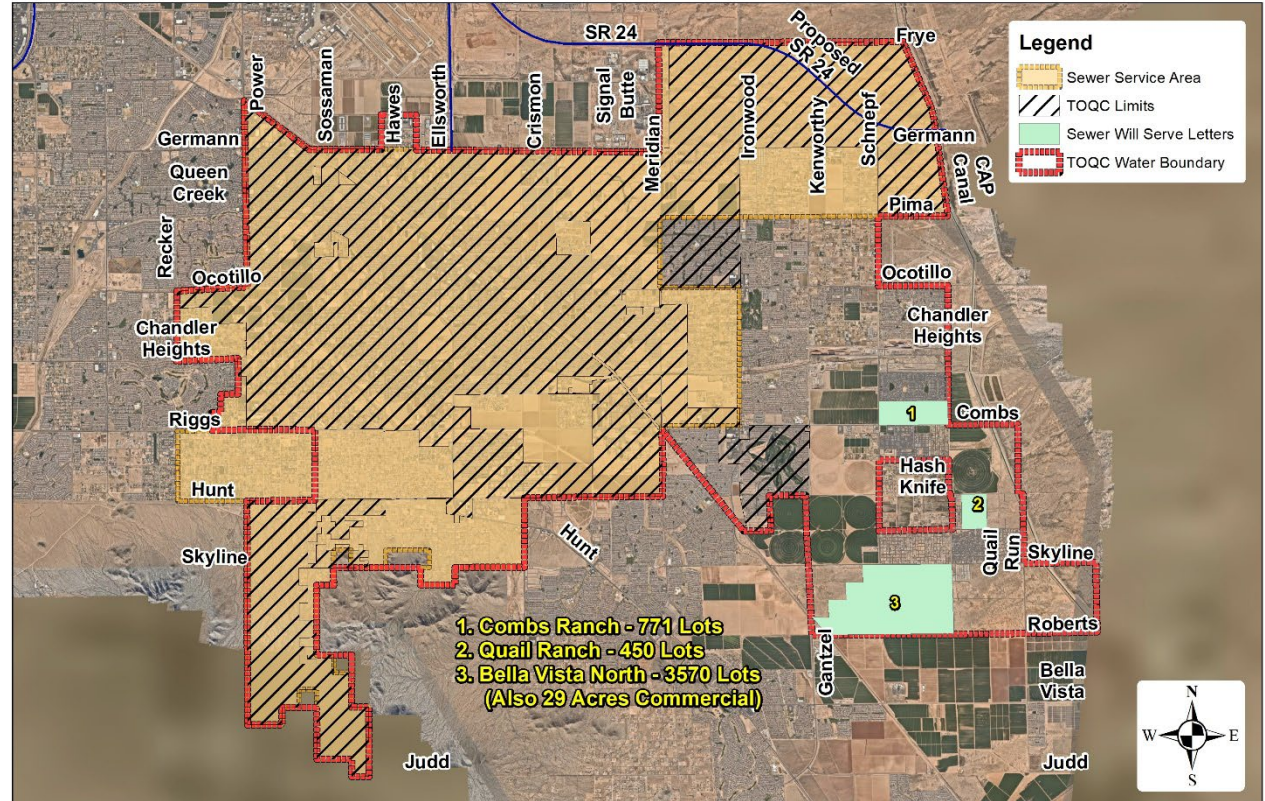




1. Wastewater Utility Overview

Wastewater Utility Overview

- Sewer Service Area:
~52 Square Miles
- ~18K Connections
 - Residential: 16K
 - Non-Residential: 2K



Wastewater Utility Revenue

Customer Types	# of Connections	FY 21-22 Revenue	FY 22-23 Projected	\$ Change
1. Residential*	15,650	\$6.9M	\$7.3M	\$0.4M
2. Non-Residential (Commercial, Builder)	<u>1,870</u>	<u>\$1.8M</u>	<u>\$1.8M</u>	<u>\$0.0M</u>
Total	17,520	\$8.7M	\$9.1M	\$0.4M
% Increase				5%

*Only Residential accounts are subject to the 70% Winter Average calculation.

Residential Wastewater Bill

- Wastewater Flow to the Treatment Plant is Not Metered
- As such, “Winter Average” Used to Approximate Flow to Treatment Plant to Recover Treatment Costs
- “Winter Average”
 - 70% of 3-Month Average Water Consumption (December, January, and February)
 - “Lowest” Water Usage



Life of a Residential Sewer Account

1

Installation Rate

(Builder, No Flow)
\$10.25 per Month

2

New Account
Rate

"Winter Average" Not
Yet Established
\$36.30 per Month

3

Established
Account

Based on
Individual
Account Average
Winter Water Use

Example: Monthly Wastewater Bill

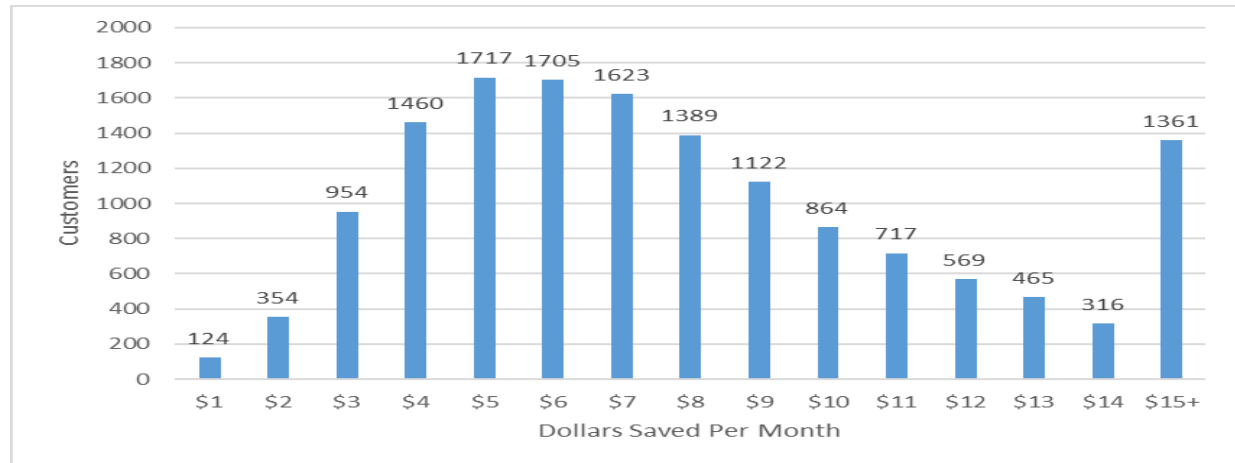
Address: 19675 E. Peartree Lane

1. Base Rate	\$10.25	\$10.25
2. Consumption 2022 Average Winter Water Use* 70% Flow Factor \$4.82 per 1,000 Gallons	8,134 Gallons x 70% = 5,694 Gallons \$4.82 x 5.70 =	<u>\$27.48</u>
Monthly Bill		\$37.73

* December, January, February 3-Month Average

Wastewater Rate History

- 2011 to 2014: 43% Aggregate Rate Increase
 - 9.5% Annual Increase
- 2019: 90% to 70% Flow Factor Reduction (\$1.3M Annual Savings)
 - Account Reduction Varied based on Water Usage
 - A Majority of Bills Were Reduced by \$4 to \$8 per Month (Specific Amounts in Schedule Below)



Wastewater Rate History (concluded)

- 2021: Created Residential Wastewater Cap
 - Monthly Bill is Capped at 17K Gallons
 - Using 17K+ Gallons per Month is the Result of Outdoor Watering (Does Not Flow to the Treatment Plant so Treatment Costs are Not Incurred)
 - Typically, Older Homes on Larger Lots
 - 965 Accounts Impacted in 2021
 - Annual Savings \$250K

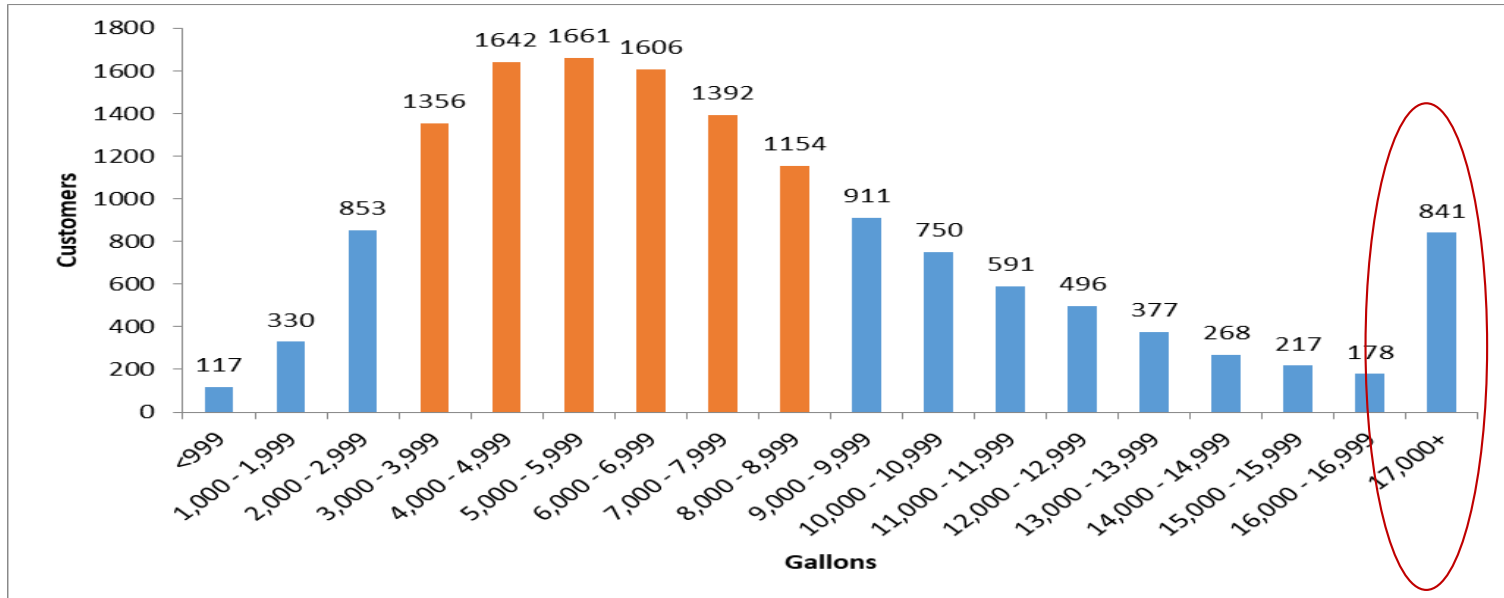




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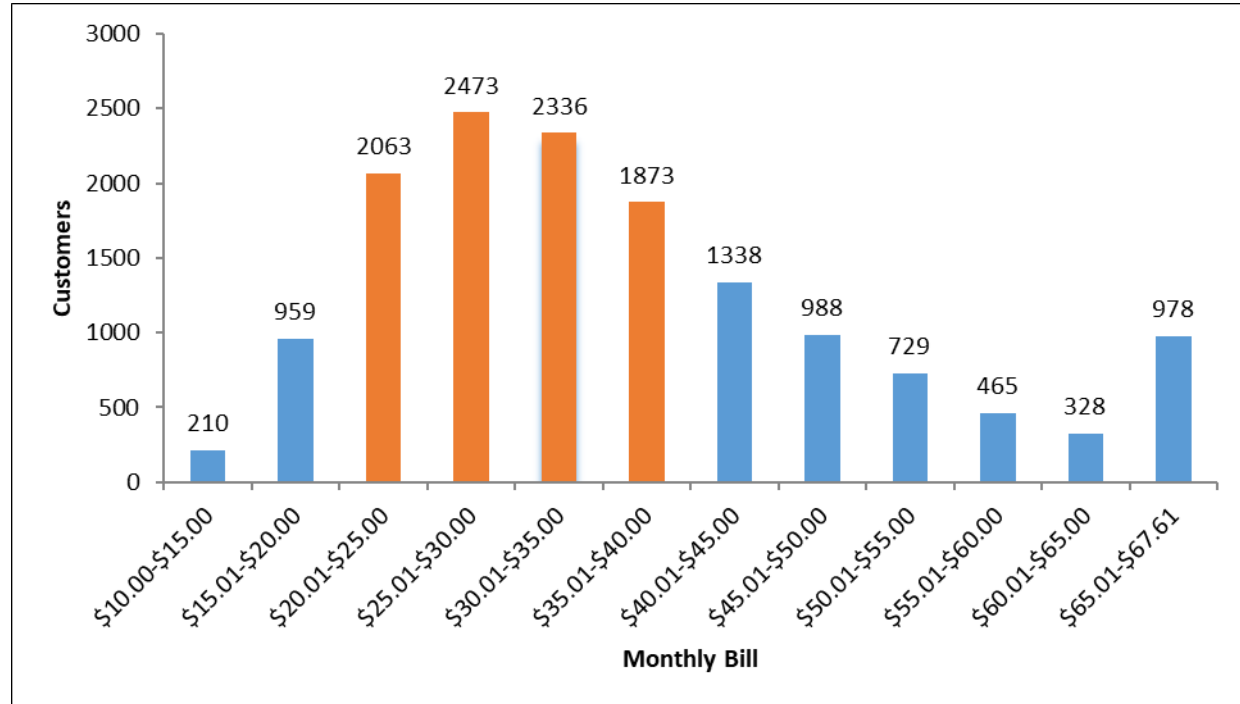
2022 Average Winter Water Usage

- 60% of Customers Used Between 3,000 and 9,000 Gallons of Water (Orange Bars Below)
 - Yields Between 2,100 and 6,300 Gallons of Usage at a 70% Flow Factor
- 841 Customers Used Over 17,000 Gallons of Water



FY 22-23 Monthly Residential Bills

59% (8,745 accounts) of Monthly Account Bills will be Between \$20.00 and \$40.00 (Orange Bars below)



2022-23 Winter Average

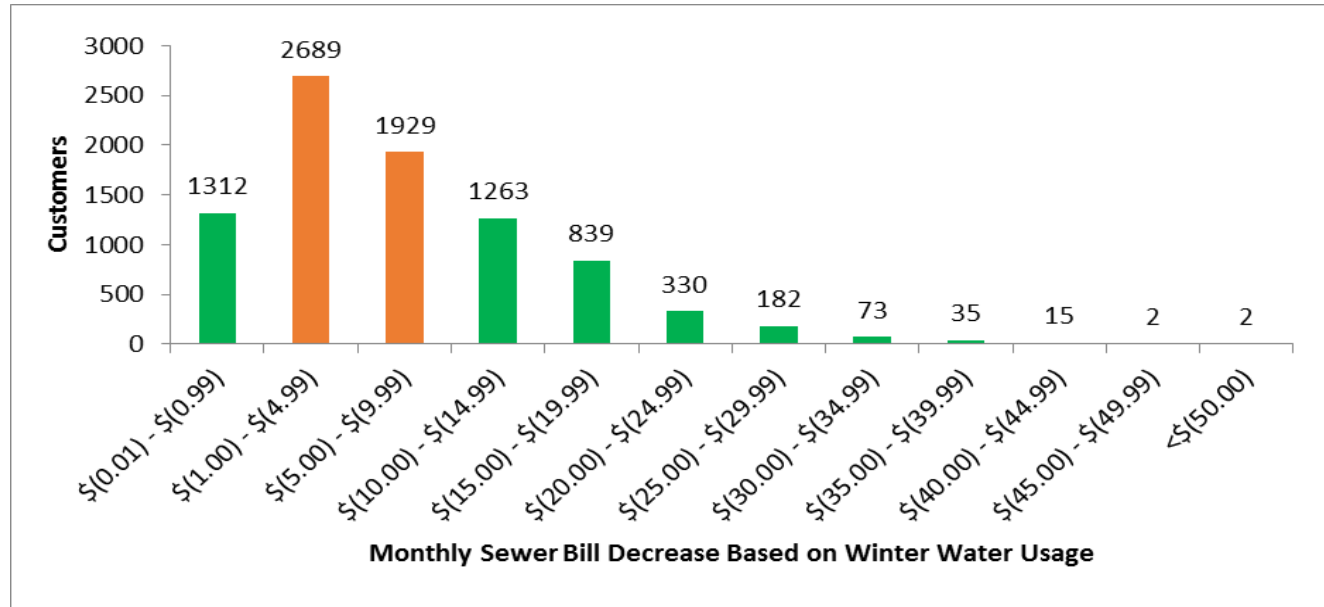
Individual Bill Changes Varies Based on Water Usage Change from Prior Year

	# of Accounts	% of Accounts	FY 2022-23 Amount
Accounts Decreasing*	8,671	60%	(\$826K)
Accounts Increasing	6,069	40%	<u>\$535K</u>
Net Decrease			(\$291K)

*Most Prior Year Usage Due to High Indoor Water Use During the COVID Pandemic

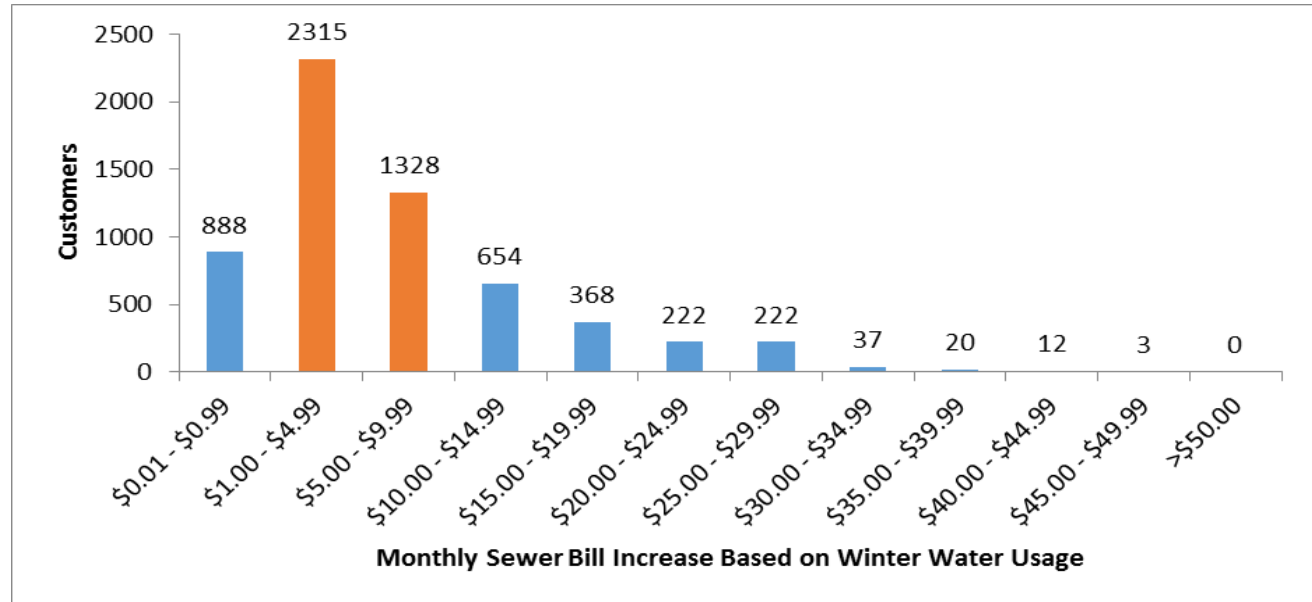
FY 22-23 Account Bill Decreases

53% (4,618 Accounts) of Monthly Bills that Decrease will do so Between \$1.00 and \$10.00 (Orange Bars below)



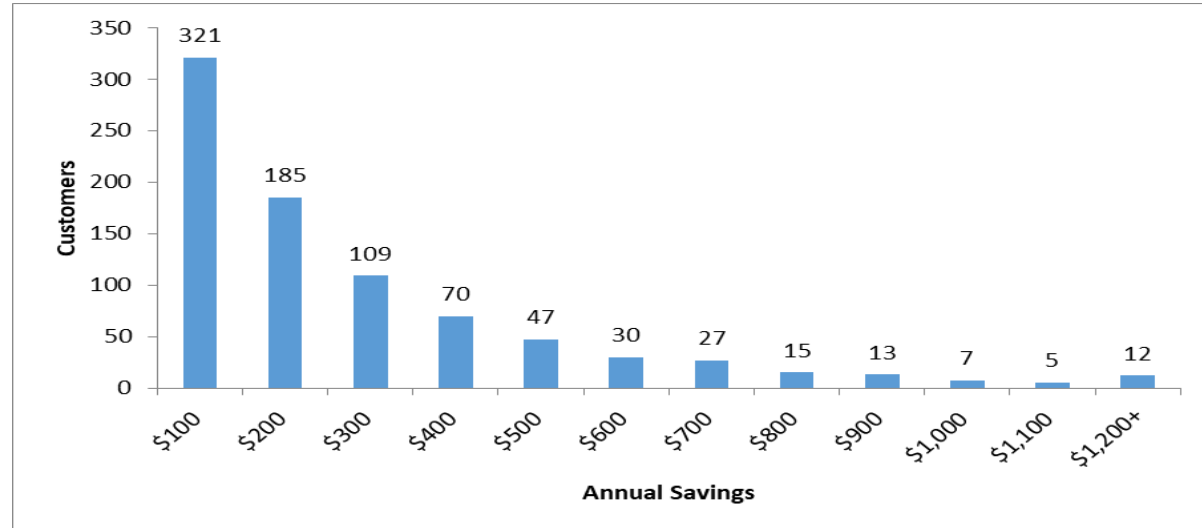
FY 22-23 Account Bill Increases

60% (3,643 Accounts) of Monthly Bills that Increase will do so Between \$1.00 and \$10.00 (Orange Bars below)



Wastewater Cap Account Savings

- Accounts Impacted : 841 (Reduced from 965 in 2021)
 - 80% of 2021 Cap Customers had Less Water Consumption in 2022
- 2022 Savings (Assuming No Cap): \$202K



Calendar

June 1 Town Council Meeting

- Item for Discussion

July

- July Utility Bill Received in August Will Reflect New Winter Average Amounts and Wastewater Cap
- Communication to Customers
 - Newsletter
 - July Utility Bill Statement
 - Letter to Cap Customers





Discussion and Questions