Proposed 2019 Utility Rates

Longview City Council

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Prepared by

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2019 Utility Rate Information

Proposed Monthly Residential Utility Bill

(Based on a monthly water consumption of 600 cf)

Utility	2018 Rate	Proposed 2019 Rate	$ Incr.	
Water	$ 29.96	$31.33	$1.37	
Sewer	$ 66.14	$67.46	$1.32	
Stormwater	$ 12.21	$13.68	$1.47	
Solid Waste	$ 18.41	$18.41	$0.00	
Combined	$ 126.72	$130.88	$4.16	(+3.3%)



Comparison of 2018 Combined Residential Utility Rates

(Water/Sewer/Storm/Solid Waste; based on a monthly consumption of 600 cf)

Renton	$199.70
Port Angeles	$189.13
Kent	$180.09
Castle Rock	$176.16
Auburn	$174.27
Chehalis	$165.11
Centralia	$165.08
Mercer Island	$163.26
Bellingham	$146.91
Vancouver	$142.49
Olympia	$134.64
Longview (2018 Proposed)	**$130.88**
Kalama	$133.62
Everett	$128.64
Mountlake Terrace	$127.93
Aberdeen	$127.84
Longview (2018 Current)	**$126.72**
Kelso	$119.30
Edmonds	$116.90
Lynnwood	$115.71
Woodland	$113.31
Comparison Average (2018)	**$148.25**

2019 Utility Rate Information

Water



2019 Water Operations Enhancements

Water Operations Enhancements

Additional Utility Systems Operator – Cross Connection and Pretreatment (50%)	$42,500
Additional Vehicle (50%)	$21,000
TOTAL	**$63,500**



2019 Water Capital Projects

Water Distribution Capital	Amount
Directional Boring Machine	$130,000
Grinder Attachment for Excavator	$12,000
Vehicle Depreciation Shortfall	$25,000
Operations Center Upgrades (50%) – Initiate Construction	$450,000
New 2.5 YD Dump Truck	$78,000
Annual Valve Replacement	$30,000
Annual Main Replacement	$1,100,000
Relocation for Road Reconstruction	$150,000
Reservoir Paving/Security	$100,000
Local Improvement District Replacements	$100,000
Large Meter Replacement	$120,000
Niemi Booster PS Replacement – Initiate Construction	$540,000
SCADA System – Phase 2 – Restore Telemetry	$125,000
TOTAL	**$2,981,000**

2019 Filter Plant Projects

Filter Plant Capital Projects	Amount
Miscellaneous Capital Repairs	$50,000
Equipment Storage Building	$100,000
Additional Hypochlorite Tank	$140,000
Variable Frequency Drive Well Motor – One Well	$50,000
Portable Safety Platform	$15,000
Water Supply Review – Close out tasks	$50,000
TOTAL	**$405,000**



Depreciation Funding Options

- Assets value update resulted in higher calculated depreciation funding
- Implementation options:
  - Recommended: 50% ; 55% ; 65% ; 75% ; 85%
  - Alternate 1: 50% ; 70% ; 85% ; 100% ; 100%
  - Alternate 2: Incremental Increases ; Do Not Include MFRWTP Depr.

Year	Recommended	Alternate 1	Alternate 2
2019	$1,150,000	$1,150,000	$1,150,000
2020	$1,175,000	$1,496,800	$1,175,000
2021	$1,421,700	$1,856,300	$1,200,000
2022	$1,672,000	$2,229,400	$1,225,000
2023	$1,944,300	$2,287,400	$1,250,000

2019 Utility Rate Information / Water Utility

Recommended
2019 Residential Water Rate Plan

(Based on a monthly consumption of 600 cf)

Year	Monthly Rate	$ Incr.	% Incr.	Previous Projection
2011	$22.18	$2.03	10.0%	
2012	$23.14	$0.96	4.3%	
2013	$23.58	$0.44	2.0%	
2014	$24.29	$0.71	3.0%	
2015	$25.91	$1.62	6.5%	
2016	$27.09	$1.18	4.5%	
2017	$28.59	$1.50	5.5%	
2018	$29.26	$1.37	4.7%	5.7%
2019	**$31.33**	**$1.37**	**4.5%**	**4.7%**
2020	$32.73	$1.40	4.5%	4.8%
2021	$34.22	$1.49	4.5%	4.8%
2022	$34.88	$0.66	2.0%	4.8%
2023	$35.61	$0.73	2.0%	--

Distribution of 2019 Residential Water Rate

Rate Component	Revenue Generated	% of Total	Use of Income
$18.83	$5,538,800	60.1 %	Operations
$5.29	$1,736,500	16.9 %	Debt Service
$3.70	$1,207,100	11.8 %	Rate Funded Capital
$3.51	$1,150,000	11.2 %	Depreciation
$31.33	$10,255,300	100%	



Comparison of 2018 Residential Water Rates

(Based on a monthly consumption of 600 cf)

Castle Rock	$63.35
Port Angeles	$48.21
Bellingham	$41.16
Centralia	$39.60
Mercer Island	$39.43
Kent	$38.47
Edmonds	$38.34
Woodland	$37.00
Auburn	$35.32
Chehalis	$33.88
Renton	$33.71
Kelso	$33.55
Aberdeen	$31.58
Longview (2019 Proposed)	**$31.33**
Longview (2018 Current)	**$29.96**
Mountlake Terrace	$26.80
Everett	$26.42
Lynnwood	$23.91
Vancouver	$23.75
Kalama	$22.41
Olympia	$18.62
Comparison Average (2018)	**$34.27**



2019 Utility Rate Information

Sewer



2019 Utility Rate Information / Sewer Utility

Proposed Depreciation Funding

	Percent	Amount
2019	0%	
2020	100%	$1,565,900
2021	100%	$1,796,600
2022	100%	$1,873,900
2023	100%	$1,951,100



2019 Sewer Enhancements

Enhancement	
Additional Utility Systems Operator – Cross Connection and Pretreatment (50%)	$42,500
Additional Vehicle (50%)	$21,000
TOTAL	**$63,500**



2019 Sewer Capital Projects

Capital Projects	Amount
Annual LID Projects	$200,000
Annual Main Replacements	$365,000
Annual In-Situ Liner Projects	$540,000
Road Reconstruction	$200,000
PS Rehab – Various Future Stations – Initiate Design	$300,000
38th & Oak PS and 32nd Ave PS Rehab – Complete Construction	$1,400,000
Bailey Park PS and Roy Morse PS Rehab – Complete Construction	$1,750,000
SCADA Phase 2 – Restore Telemetry	$250,000
West Longview Lagoons – Planning & Analysis	$200,000
Mint Farm PS Odor Control	$90,000
OB #4 Odor Control Tank/Filter Replacement	$35,000
Operations Center Upgrades (Sewer 50%) – Initiate Construction	$450,000
Vehicle Depreciation Shortfall	$20,000
New Vacuum Truck – Medium Chassis (Smaller Size Unit)	$150,000
Walk Behind Concrete Saw Replacement	$8,500
Sewer Lateral Camera	$14,000
TOTAL	**$5,393,500**

2019 Residential Sewer Rate Plan

(Based on a monthly consumption of 600 cf)

Year	Monthly Rate	$ Incr.	% Incr.	Previous Projection
2011	$55.93	$3.15	6.0%	
2012	$57.61	$1.68	3.0%	
2013	$58.79	$1.18	2.0%	
2014	$60.57	$1.78	3.0%	
2015	$63.59	$3.02	5.0%	
2016	$64.21	$0.62	1.0%	
2017	$64.83	$0.62	1.0%	
2018	$66.14	$1.31	2.0%	1.5%
2019	$67.46	$1.32	2.0%	2.0%
2020	$68.80	$1.34	2.0%	2.0%
2021	$70.15	$1.35	2.0%	3.2%
2022	$72.58	$2.43	3.5%	3.2%
2023	$75.48	$2.90	4.0%	--

Distribution of 2019 Residential Sewer Rate

Rate Component	Revenue Generated	% of Total	Use of Income
$15.79	$3,123,300	23.4 %	TRWWA Operations
$14.71	$2,913,500	21.8 %	TRWWA Debt Service
$30.28	$6,016,100	44.9 %	Operations
$6.68	$1,316,900	9.9 %	Debt Service
$0.00	$0.00	0 %	Rate Funded Capital
$0.00	$0.00	0 %	Depreciation
$67.46	$13,369,800	100%	



Comparison of 2018 Residential Sewer Rates

(Based on a monthly consumption of 600 cf)

Chehalis	$92.07
Kalama	$88.20
Port Angeles	$82.97
Castle Rock	$82.60
Centralia	$80.37
Renton	$74.13
Auburn	$69.11
Kent	$68.16
Longview (2019 Proposed)	**$67.46**
Longview (2018 Current)	**$66.14**
Mercer Island	$65.10
Olympia	$60.11
Kelso	$59.95
Vancouver	$51.80
Everett	$47.09
Woodland	$46.79
Lynnwood	$44.79
Bellingham	$43.16
Edmonds	$39.86
Mountlake Terrace	$36.80
Aberdeen	$36.78
Comparison Average (2018)	**$61.80**



2019 Utility Rate Information

Stormwater



2019 Stormwater Enhancements

Enhancement	
Merit Step for Stormwater Supervisor	$3,300
Additional Sidewalk Maintenance Crew	$346,300
Equipment for Additional Crew (New Debt Service 2019)	$33,200
Equipment Cost = $305,000	
TOTAL	**$382,800**



2019 Stormwater Capital Projects

Capital Projects	**Amount**
Beech St Box Culvert Replacement (New Debt Service 2019)	$249,500
Project Cost Estimate = $3,150,000	
SCADA System Phase 2 – Restore Telemetry	$30,000
Vehicle Depreciation Shortfall	$60,000
Street Sweeper Replacement	$305,000
Miscellaneous Stormwater Projects	$100,000
TOTAL	**$744,500**



2019 Utility Rate Information / Stormwater Utility

Recommended
2019 Residential Stormwater Rate Plan

Year	Monthly Rate	$ Incr.	% Incr.	Previous Projection
2011	$5.07	$0.73	16.8%	
2012	$5.63	$0.56	11.0%	
2013	$6.70	$1.07	19.0%	
2014	$7.97	$1.27	19.0%	
2015	$8.93	$0.96	12.0%	
2016	$10.09	$0.49	11.0%	
2017	$11.10	$1.01	10.0%	
2018	$12.21	$1.11	10.0%	10.0%
2019	$13.68	$1.47	12.0%	10.0%
2020	$14.77	$1.09	8.0%	4.0%
2021	$15.21	$0.44	3.0%	3.0%
2022	$15.67	$0.46	3.0%	3.0%
2023	$16.14	$0.43	3.0%	--

Recommended
Distribution of 2019 Residential Stormwater Rate

Rate Component	Revenue Generated	% of Total	Use of Income
$4.84	$1,445,800	35.4 %	Urban Forestry
$6.72	$2,478,300	49.1 %	Operations / NPDES
$1.60	$592,800	11.7 %	Debt Service
$0.52	$190,000	3.8 %	Rate Funded Capital
$0.00	$0	0 %	Depreciation
$13.68	$5,053,225	100%	



Comparison of 2018 Residential Stormwater Rates

Everett	$22.56
Auburn	$20.22
Port Angeles	$16.87
Mercer Island	$16.79
Edmonds	$15.62
Renton	$14.85
Longview (2019 Proposed)	**$13.68**
Olympia	$13.37
Lynnwood	$12.73
Kent	$12.51
Longview (2018 Current)	**$12.21**
Mountlake Terrace	$11.45
Bellingham	$10.69
Centralia	$10.22
Vancouver	$10.13
Kelso	$9.93
Chehalis (*not a stormwater permittee*)	$8.95
Castle Rock (*not a stormwater permittee*)	$7.20
Aberdeen	$6.69
Woodland (*not a stormwater permittee*)	$0.00
Kalama (*not a stormwater permittee*)	$0.00
Comparison Average (2018)	**$11.64**



DISCUSSION