

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	37711	Agenda Number	180.
Meeting Date:	11/20/2014	Department:	Austin Water Utility	

## Subject

Conduct a public hearing and consider an ordinance amending the Fiscal Year 2014-2015 Schedule of Fees, Fines, and Other Charges (Ordinance No. 20140908-003) regarding residential water rates for the Austin Water Utility.

## Amount and Source of Funding

No fiscal impact. The recommended rate changes are revenue neutral when compared to the current approved rates. The proposed rates will collect the same amount of revenue as the approved rates.

## Fiscal Note

Purchasing Language:	
Prior Council Action:	
For More Information:	David Anders, 512-972-0323; Denise Avery, 512-972-0104
Boards and Commission Action:	Recommended by the Joint Committee on Austin Water Utility's Financial Plan in accordance to the attached Final Recommendation Document. Recommended by the Water and Wastewater Commission on November 12, 2014 on a 6-0-0-1 vote with Commissioner Moriarty absent.
MBE / WBE:	
Related Items:	

## Additional Backup Information

This action requests the City Council to conduct a public hearing to hear public comments on the Austin Water Utility Residential water rate changes proposed in the Fiscal Year 2014-2015 Approved Budget. As part of the recommendations from the 2014 Joint Committee on Austin Water Utility's Financial Plan, and for Council consideration, amendments to the monthly meter-sized based minimum charge and the Residential monthly tiered minimum charges have been recommended.

The City Code in Section 2-5-45 specifically requires a public hearing prior to the City Council approving any changes in electric, water, wastewater, and garbage collection rates.

The Water Utility proposes the following rate changes for Approved Fiscal Year 2014-15 Residential water rates:

**CITY OF AUSTIN, TEXAS  
AUSTIN WATER UTILITY**

**PROPOSED WATER RATES  
FY 2014-15**

**PROPOSED RATES EFFECTIVE January 1, 2015**

**All Retail Customers:**

**Monthly Meter Equivalent**

**Minimum Charge**

Meter Size:

	<b><u>Current Rates</u></b>	<b><u>Proposed Rates</u></b>
5/8"	\$ 7.55	\$ 7.10
3/4"	13.00	13.00
1"	14.00	14.00
1 1/4"	16.00	16.00
1 1/2"	23.00	23.00
2"	36.00	36.00
3"	59.00	59.00
4"	118.00	118.00
6"	238.00	238.00
8"	876.00	876.00
10"	1,036.00	1,036.00
12"	1,226.00	1,226.00

**Residential Class Monthly**

**Tiered Minimum Charge:**

	<b><u>Current Charge</u></b>	<b><u>Proposed Rates</u></b>
0 – 2,000 Gallons	\$ 2.20	\$ 1.05
2,001 – 6,000 Gallons	4.70	3.00
6,001 – 11,000 Gallons	7.65	7.60
11,001 – 20,000 Gallons	12.70	23.75
20,001 – over Gallons	12.70	23.75

\* This fee is charged in addition to the Retail Monthly Equivalent Minimum Charge.

\*\* Certain residential customers may qualify for a waiver of the residential monthly tiered minimum charge.

**Residential Class**

**Volume Charges:**

	<b><u>Current Rates</u></b>	<b><u>Proposed Rates</u></b>
	<b><u>\$ / 1,000 Gallons</u></b>	<b><u>\$ / 1,000 Gallons</u></b>
0 – 2,000 Gallons	\$ 2.93	\$ 2.93
2,001 – 6,000 Gallons	4.49	4.49
6,001 – 11,000 Gallons	7.29	7.29
11,001 – 20,000 Gallons	11.03	11.03
20,001 – over Gallons	13.93	13.93

**Residential Water  
Amended Bill Comparison**

**Monthly Usage**

<b>Gallons 5/8" Meer</b>	<b>Approved FY 2015</b>	<b>Amended FY 2015</b>	<b>\$ Var</b>	<b>% Var</b>
<b>0</b>	\$9.75	\$8.15	(\$1.60)	-16.4%
<b>1,000</b>	12.87	11.27	(1.60)	-12.4%
<b>2,000</b>	15.99	14.39	(1.60)	-10.0%
<b>5,000</b>	32.53	30.38	(2.15)	-6.6%
<b>6,000</b>	37.21	35.06	(2.15)	-5.8%
<b>7,000 Annual Avg</b>	46.95	45.76	(1.19)	-2.5%
<b>9,000</b>	62.60	62.10	(0.50)	-0.8%
<b>15,000</b>	127.49	138.09	10.60	8.3%
<b>25,000</b>	254.19	264.79	10.60	4.2%
<b>30,000</b>	324.79	335.39	10.60	3.3%
<b>60,000</b>	748.39	758.99	10.60	1.4%

**Proposed Rates  
Amended Rate Comparison**

	<b>Approved FY 2015</b>	<b>Amended FY 2015</b>	<b>\$ Var</b>	<b>% Var</b>
<b>Meter Charge:</b>	\$7.55	\$7.10	(\$0.45)	-6.0%
<b>Tiered Fee Block 1</b>	\$2.20	\$1.05	(\$1.15)	-52.3%
<b>Tiered Fee Block 2</b>	4.70	3.00	(1.70)	-36.2%
<b>Tiered Fee Block 3</b>	7.65	7.60	(0.05)	-0.7%
<b>Tiered Fee Block 4</b>	12.70	23.75	11.05	87.0%
<b>Tiered Fee Block 5</b>	12.70	23.75	11.05	87.0%
<b>Block 1</b>	\$2.93	\$2.93	\$0.00	0.0%
<b>Block 2</b>	4.49	4.49	0.00	0.0%
<b>Block 3</b>	7.29	7.29	0.00	0.0%
<b>Block 4</b>	11.03	11.03	0.00	0.0%
<b>Block 5</b>	13.93	13.93	0.00	0.0%