

CITY OF SEDONA ARIZONA

NOTICE OF PUBLIC HEARING

NOTICE OF INTENTION TO INCREASE WASTEWATER RATES OR RATE COMPONENTS, FEES OR SERVICE CHARGES

Pursuant to A.R.S. § 38-431.02 and A.R.S. § 9-511.01, notice is hereby given to the general public that the Mayor and Council of the CITY OF SEDONA will hold a **PUBLIC HEARING on April 13, 2010 at 4:30 p.m.** at City Hall Council Chamber, 102 Roadrunner Drive, Sedona Arizona to seek public comment regarding the intent to increase wastewater rates or rate components, fees or service charges. A rate study report by the consulting firm of Camp, Dresser & McKee Inc., (CDM) has been prepared. This report analyzes the City's current wastewater rate structure and proposes a number of suggested changes to that structure and suggested annual increases over the next 10 years to accomplish the goal of making the City Wastewater system more self-sustaining. Some of the rate adjustments and new rates being proposed in this report include:

- A new "capacity standby charge" which is based on the City's costs for maintenance and depreciation on the facilities built and available to serve parcels that have delayed development and remain undeveloped and will be 50% of the regular residential wastewater rate.
- A multi-family dwelling rate classification that will be billed at 86% of the single-family dwelling rate.

In addition, it is proposed that the wastewater capacity fee that is currently \$5,150 be increased to \$7,069 beginning in July of 2011 and that it be adjusted annually for inflation using the Engineering News Record Construction Cost Index (ENRCCI)

In addition to the modification of the rate structure, the proposed rate study suggests different proposed financial planning scenarios that are strategies for the City to reduce the support the City's Wastewater Enterprise Fund receives from sales taxes by phasing in annual increases to all wastewater rates over the next ten years. The attached Table sets forth the revised rate structure and indicates maximum possible rate increases over the next five years.

It should be stressed however, that this Table sets forth maximum possible rate increases and modifications.

The City Council has the discretion to implement lower increases.

The above-referenced report prepared by CDM is on file with the Sedona City Clerk and is available on the City's website, sedonaaz.gov.



City Clerk

Category	Billing Classifications	Billing Unit	Sewage Strength	Updated ERU per Billing Unit	FY 2008-09 Service chg (\$/Unit-mon)	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Rate Increase				Projected Rate Increase:		0%	15%	15%	10%	10%	10%
New Account-based Charge for all Customers		Account		0.000	na	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Low Strength Discharges	200 GPD	L	0.642	\$20.89	\$20.89	\$24.02	\$27.62	\$30.38	\$33.42	\$36.76
	Residential Strength Discharges	200 GPD	R	1.000	\$32.54	\$32.54	\$37.42	\$43.03	\$47.34	\$52.07	\$57.28
	Medium Strength Discharges	200 GPD	M	1.773	\$57.68	\$57.68	\$66.34	\$76.29	\$83.92	\$92.31	\$101.54
	High Strength Discharges	200 GPD	H	4.000	\$130.16	\$130.16	\$149.69	\$172.14	\$189.35	\$208.29	\$229.12
Residential Account Monthly Charge (including account-based charge based on one account per connection)											
1	Residential Single-Family Dwelling Parcel Connection	Connection	R	1.000	\$32.54	\$32.54	\$37.42	\$43.03	\$47.34	\$52.07	\$57.28
2	Residential (Low Flow) Environmental Fee for Septic Tank in Sewered Area	Connection	R (lf)	0.907	\$29.52	\$29.52	\$33.95	\$39.04	\$42.94	\$47.24	\$51.96
		Parcel		2.000	\$65.08	\$65.08	\$74.84	\$86.07	\$94.68	\$104.14	\$114.56
new	Sewered but Undeveloped Parcels (b)	Parcel	R	0.500	na	\$16.27	\$18.71	\$21.52	\$23.67	\$26.04	\$28.64
new	Multi-family Dwellings (plus one account charge per bill)	Dwelling Unit	R	0.855	na	\$27.82	\$32.00	\$36.79	\$40.47	\$44.52	\$48.97
Non-residential Account Monthly Charge (plus new account-based charge)											
4	Theaters, Libraries, Churches	Seat	L	0.013	\$0.43	\$0.43	\$0.49	\$0.57	\$0.63	\$0.69	\$0.76
5	Bar w/o dining facility	Seat	L	0.089	\$2.88	\$2.88	\$3.31	\$3.81	\$4.19	\$4.61	\$5.07
7	Car Wash w/ Recycle	Bay	L	1.996	\$64.94	\$64.94	\$74.68	\$85.88	\$94.47	\$103.92	\$114.31
8	Department, Retail Stores	Restroom	L	0.151	\$4.90	\$4.90	\$5.64	\$6.48	\$7.13	\$7.84	\$8.63
10	Hotel, Motel, Bed & Breakfast, RV Park	Room	M	0.562	\$18.29	\$18.29	\$21.03	\$24.19	\$26.61	\$29.27	\$32.19
11	Resort - Cottages, Villas	Connection	M	1.124	\$36.58	\$36.58	\$42.07	\$48.38	\$53.21	\$58.54	\$64.39
12	Fitness Center, Beauty Salon	100 sq ft	L	0.062	\$2.02	\$2.02	\$2.32	\$2.67	\$2.94	\$3.23	\$3.56
15	Market	Connection	H	3.695	\$120.24	\$120.24	\$138.28	\$159.02	\$174.92	\$192.41	\$211.65
16	Mortuaries	Connection	L	5.837	\$189.94	\$189.94	\$218.43	\$251.20	\$276.32	\$303.95	\$334.34
17	Prof. Offices, Medical, Mfg., Contractors	100 sq ft	L	0.013	\$0.43	\$0.43	\$0.49	\$0.57	\$0.63	\$0.69	\$0.76
18	Repair Shops, Service Stations	Connection	M	0.739	\$24.05	\$24.05	\$27.66	\$31.81	\$34.99	\$38.49	\$42.33
20a	Restaurant	Seat	H	0.310	\$10.08	\$10.08	\$11.59	\$13.33	\$14.66	\$16.13	\$17.74
20b	Restaurant w/Patio Seats (seasonal)	Seat	H	0.155	\$5.04	\$5.04	\$5.80	\$6.67	\$7.33	\$8.07	\$8.87
21	School, College w/gym, shower, cafeteria	Student	L	0.173	\$5.62	\$5.62	\$6.46	\$7.43	\$8.18	\$8.99	\$9.89
22	School, College w/cafeteria	Student	L	0.279	\$9.07	\$9.07	\$10.43	\$12.00	\$13.19	\$14.51	\$15.97
24	Public Restroom	Fixture	M	1.000	\$32.54	\$32.54	\$37.42	\$43.03	\$47.34	\$52.07	\$57.28
25	Laundromat (efficiency)	Machine	L	0.590	\$19.20	\$19.20	\$22.08	\$25.39	\$27.93	\$30.72	\$33.80
26	Laundromat (12-18 lb)	Machine	L	0.760	\$24.73	\$24.73	\$28.44	\$32.71	\$35.98	\$39.57	\$43.53
27	Laundromat (25-35 lb)	Machine	L	1.060	\$34.49	\$34.49	\$39.66	\$45.61	\$50.17	\$55.19	\$60.71
28	Laundromat (50 lb)	Machine	L	1.550	\$50.44	\$50.44	\$58.01	\$66.71	\$73.38	\$80.72	\$88.79