



"...meeting community needs...enhancing quality of life."

Finance Department
100 N. Appleton Street
Appleton, WI 54912
920-832-6442

TO: Chairperson Vered Meltzer and Members of the Utilities Committee

FROM: Kelli Rindt, Enterprise Fund Accounting Manager

DATE: October 7, 2020

RE: *Approve Wastewater increase presented in study prepared by Trilogy Consulting LLC.*

BACKGROUND:

The current Wastewater service rates have been in effect since July 1, 2011. The current rates will not provide the revenue that is needed to cover operation and maintenance expense into the future. Cash flow will also be impacted to fund the needed capital improvement projects to maintain the collection system and the treatment facility.

The Utility Department contracted with Trilogy Consulting, LLC to complete a comprehensive rate study. The study results recommended an overall rate increase of 20% is needed to ensure the financial viability of the utility into the future. The actual rate increase will vary between 17% and 25% based on customer class.

The study also recommends future annual rate increases in 2022 through 2025 of approximately 4%. The need for these future rate increases will be reviewed annually and will be presented to the utility committee for approval.

The Wastewater portion of the City Service Invoice for residential customers (commonly called the water bill) represents about 26% of the total invoice. The average residential customer would see a quarterly increase on the City Service Invoice of approximately \$13 in 2021. As detailed in the rate study, even with the proposed rate increase, the Appleton Wastewater charges remain competitive with neighboring communities.

RECOMMENDATION:

Approve Wastewater rates as detailed in the proposed rate schedule as listed on page 2. Should you have any questions regarding this project please contact me at phone: 832-6316.

City of Appleton - Wastewater Rates (effective 1/1/2021)

Quarterly Minimum

Charge	Connection Size	Current Rate	Proposed Rate
	5/8	\$13.60	\$15.40
	3/4	\$13.60	\$15.40
	1	\$25.00	\$27.70
	1 1/4	\$34.00	\$38.20
	1 1/2	\$44.00	\$49.00
	2	\$68.00	\$75.30
	2 1/2	\$0.00	\$106.60
	3	\$121.00	\$130.60
	4	\$199.00	\$207.70
	6	\$391.00	\$393.40
	8	\$622.00	\$622.00
	10	\$0.00	\$909.70
	12	\$0.00	\$1,204.00

Volume Charge	\$/1,000 gallons	\$2.73	\$3.61
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	Units	Current Rate	Proposed Rate
Industrial Q/Q Rates			
Volume	\$/1,000 gallons	\$1.73	\$2.34
BOD	\$/100 lbs	\$35.48	\$33.80
TSS	\$/100 lbs	\$11.26	\$11.40
Phosphorus	\$/100 lbs	NA	\$370.75
TKN	\$/100 lbs	NA	\$131.14

Sanitary Waste Haulers

Volume	\$/ton	\$4.40	\$10.20
Per Load		\$9.45	\$11.30
Per Customer	per quarter	\$15.75	\$17.70