



Agenda City of Sacramento Utilities Rate Advisory Commission

COMMISSION MEMBERS:

Karen McBride	Steven Archibald, Chair	Carolyn Veal-Hunter
Douglas Brown	William Harriman	Scott Brown

CITY STAFF:

*Jessica Hess, Media and Communication Specialist
Holly Lera, Senior Staff Assistant
Joe Robinson, Senior Deputy City Attorney*

*New City Hall
915 I Street, 1st Floor – Council Chambers*

March 9th, 2011 – 5:30 P.M.

The Utility Rate Advisory Commission is a commission of the City Council with review and recommendation authority. Its purpose is to review utility service rate proposals, develop recommendations on relevant issues regarding the setting of rates, hold rate hearings, and act as a liaison to the community to encourage understanding and participation.

NOTICE TO THE PUBLIC

You are welcomed and encouraged to participate in this meeting. Public comment is taken (3 minutes maximum) on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard at the end of the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select 3-5 speakers to represent the opinion of the group.

Notice to Lobbyists: When addressing the Committee you must identify yourself as a lobbyist and announce the client/business/organization you are representing (City Code 2.15.160).

Speaker slips are located at the back of the room and should be completed and submitted to the Commission Clerk.

Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. The City posts Agendas at City Hall as well as offsite meeting locations. The order of Agenda items are listed for reference and may be taken in any order deemed appropriate by the legislative body. The Agenda provides a general description and staff recommendations; however, the legislative body may take action other than what is recommended. Full staff reports are available for public review on the City's website and include all attachments and exhibits. Hard copies are available at the Utilities Department (10 cents per page). Live video streams and indexed archives of meetings are available via the internet. Visit http://sacramento.granicus.com/ViewPublisher.php?view_id=21.

Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Utilities Department at (916) 808-8260 at least 48 hours prior to the meeting.

AGENDA

March 9, 2011

*New City Hall
915 I Street – First Floor, Council Chambers*

All items listed are heard and acted upon by the Utilities Rate Advisory Commission unless otherwise noted.

Call to Order – 5:30 p.m.

Roll Call

Consent Calendar

All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.

1. Approval of Minutes for August 25, 2010.

Location: (Citywide)

Recommendation: Approve Commission minutes for August 25, 2010.

Contact: Holly Lera, Senior Staff Assistant, (916) 808-8131 Department of Utilities.

Discussion / Action Reports

Discussion or action reports include oral presentations including those recommending receive and file.

2. Commissioner and Staff Introductions - Oral

Location: (Citywide)

Recommendation: This information is being presented to introduce new members of the Commission and provide staff introductions.

Contact: Jessica Hess, Media and Communication Specialist (916) 808-8260, Department of Utilities.

3. Charter and Responsibilities of Commission - Oral

Location: (Citywide)

Recommendation: Receive and File. This is for staff to provide the commission with a review of the commission charter and responsibilities.

Contact: Jessica Hess, Media and Communication Specialist (916) 808-8260, Department of Utilities. Joe Robinson, Senior Deputy City Attorney, (916)808-5346, City Attorney's Office.

4. Budget Status and Review – To Be Delivered

Location: (Citywide) **[Supplemental Material]**

Recommendation: Receive and file. This information is being presented to provide the commission with review of FY10 End of Year, FY11 Budget Status and FY12 Budget Strategy

Contact: Jamille Moens, Business Services Manager (916) 808-5988, Department of Utilities.

5. Utilities Rate Structure Review

Location: (Citywide)

Recommendation: Receive and file. This information is being presented to provide the commission with a review of the current Utilities Rate structure.

Contact: Jamille Moens, Business Services Manager (916) 808-5988, Department of Utilities.

6. Efficiency Audit Update – Oral

Location: (Citywide) **[Supplemental Material]**

Recommendation: Receive and File. This information is to provide the commissioners with an overview and status on the Utilities Efficiency Audit.

Contact: Marty Hanneman, Director of Utilities, (916) 808-7508, Department of Utilities.

Public Comments- Matters Not on the Agenda

7. To be announced

Commission Ideas, Questions and Announcements

8. To be announced

Adjournment



Minutes City of Sacramento Utilities Rate Advisory Commission

COMMISSION MEMBERS:

Karen McBride	Steven Archibald, Chair	Ernest Lehr
Douglas Brown	Tess Kretschmann, Vice Chair	Melvin Johnson
	*****	Carolyn Veal-Hunter

CITY STAFF:

*Jessica Hess, Media and Communication Specialist
Holly Lera, Senior Staff Assistant
Joe Robinson, Senior Deputy City Attorney*

*New City Hall
915 I Street, 1st Floor – Council Chambers*

August 25, 2010 – 5:00 P.M.

The Utility Rate Advisory Commission is a commission of the City Council with review and recommendation authority. Its purpose is to review utility service rate proposals, develop recommendations on relevant issues regarding the setting of rates, hold rate hearings, and act as a liaison to the community to encourage understanding and participation.

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MINUTES

August 25, 2010

*New City Hall
915 I Street – First Floor, Council Chambers*

All items listed are heard and acted upon by the Utilities Rate Advisory Commission unless otherwise noted.

Call to Order – 5:08 p.m.

Roll Call **Present:** Steven Archibald, Douglas Brown, Carolyn Veal-Hunter (arrived at 5:23 p.m.), Dr. Ernest Lehr, and Karen McBride.
 Absent: Tess Kretschmann, Melvin Johnson.

Consent Calendar

All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.

1. **Approval of Minutes for May 12, 2010.**

Location: (Citywide)

Recommendation: Approve Commission minutes for May 12, 2010.

Contact: Holly Lera, Senior Staff Assistant, (916) 808-8131 Department of Utilities.

Summary: Motion to approve by Douglas Brown, second by Karen McBride. All present in favor, none opposed.

Action: Minutes Approved.

Discussion / Action Reports

Discussion or action reports include oral presentations including those recommending receive and file.

2. **Measure B: Utilities Rate Hike Rollback Act of 2010 Impact Report**

Location: (Citywide)

Recommendation: Discussion and possible action on Measure B: Utilities Rate Hike Rollback Act of 2010.

Contact: Jamille Moens, Business Services Manager (916) 808-5988, Department of Utilities.

Summary: Presentation by Craig Powell with Sacramento County Tax Payer's League, proponent and sponsor of Measure B: Utilities Rate Hike Rollback Act of 2010. Review of history of utility rates, overview of Measure B, review of past events and perceptions of Utilities Department management.

Public Comments from Dale Skoglund, Lee Middleton, Stanley Benson, Greg Hattfield and Ray Garcia in favor of Measure B.

Marty Hanneman, Utilities Director provided an introduction to Department of Utilities presentation.

Dave Brent, Engineering Manager presented information on utilities infrastructure needs, age of water and sewer components, quantities in need of replacement, cost to replace, CIP funding history, assessing condition of infrastructure and regulatory requirements.

Jamille Moens, Business Services Manger presented information on potential impacts of Measure B, including review of current budget, projected fiscal impacts, staffing and service level impacts both short term and long term. Also presented rate comparison information.

Public Comment heard from Clyde Macdonald opposing Measure B.

Response to questions from Commissioners by Utilities staff and Greg Hattfield, representative of Sacramento County Tax Payers League. In response to question from Commissioner Archibald, City Attorney provided opinion that Commissioner McBride's signature on ballot argument did not create a legal conflict of interest that would preclude her from voting on recommendation to City Council. Discussion and comments by Commissioners.

Action: Motion by Commissioner Douglas Brown for the Utilities Rate Advisory Commission to recommend to City Council that Council oppose Measure B on the November 2nd Ballot. Motion seconded by Carolyn Veal Hunter. Commissioners Archibald, Brown, McBride, Veal-Hunter in favor. Commissioner Lehr abstained. Motion Passed.

Public Comments- Matters Not on the Agenda

3. No Public Comment

Commission Ideas, Questions and Announcements

4. Commissioner Lehr commented regarding various DOU budgetary items and the desire for the commission to discuss the topic in the future.

Adjournment: 8:45 pm

Item No. #4

“To Be Delivered” Material

For

City of Sacramento

Utilities Rate Advisory Commission

Agenda Packet

Submitted: 3/3/2011

For the Meeting of: March 9, 2011

The attached materials were not available at the time the Agenda Packet was prepared.

Title: Budget Status and Review

Contact Information: Jamille Moens, Business Services Manager, (916) 808-5988

Please include this “To Be Delivered” material in your agenda packet. This material will also be published to the City’s Internet. For additional information, contact the City Clerk Department at Historic City Hall, 915 I Street, First Floor, Sacramento, CA 95814-2604, (916) 808-7200.

CITY OF SACRAMENTO
DEPARTMENT OF UTILITIES
WATER RATES APPROVED FOR FY2010 AND FY2011

	<u>FY10 Rates</u>	<u>FY11 Rates</u>
I. WATER USE RATES, MONTHLY DOMESTIC		
Single-family residence:		
1-3 rooms	21.11	24.28
4-5 rooms	27.47	31.59
6-9 rooms	29.87	34.35
10-15 rooms	34.52	39.70
Over 15, each additional room	2.42	2.78
Multiple-family residences		
(for each family dwelling unit in a multiple family residence)		
1-3 rooms	16.19	18.62
4-5 rooms	20.73	23.84
6-7 rooms	25.30	29.10
8-9 rooms	29.87	34.35
10-15 rooms	34.52	39.70
Over 15, each additional room	2.42	2.78
Lot Irrigation, per Water Service Tap	42.06	48.37
II. WATER USE RATES, MONTHLY COMMERCIAL		
Bakery, first 1,000 sq. ft. of gross floor area or fraction thereof	58.64	67.44
Each additional 1,000 sq. ft. or fraction thereof	39.00	44.85
Barber Shop or Beauty Parlor, first 1,000 sq. ft. of gross floor area or fraction thereof	29.33	33.73
Each additional 1,000 sq. ft. or fraction thereof	18.92	21.76
Bowling Alley, first 1,000 sq. ft. of gross floor area or fraction thereof	29.33	33.73
Each additional 1,000 sq. ft. or fraction thereof	18.92	21.76
Cemetery, for the irrigation season, first 1,000 sq. ft. or fraction thereof	53.82	61.89
Each additional 1,000 sq. ft. or fraction thereof	4.29	4.93
Dining Facilities (including restaurant, cafeteria, cafe, bar)		
first 1,000 sq. ft. of gross floor area or fraction thereof	58.44	67.21
Each additional 1,000 sq. ft. or fraction thereof	38.53	44.31
Drug Store, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	12.03	13.83

Fire Hydrant Service Charge		
Wharf Hydrant	11.36	13.06
Standard Hydrant	28.08	32.29
Furniture Store, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	2.97	3.42
Garage, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	2.97	3.42
Halls (including lodge and auditorium), first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	12.03	13.83
Hotel, Rest or Convalescent Homes, first 10 sleeping rooms or fraction thereof	53.82	61.89
Over 10 sleeping rooms, each additional sleeping room	4.29	4.93
Laundry, first 1,000 sq. ft. of gross floor area or fraction thereof	116.79	134.31
Each additional 1,000 sq. ft. or fraction thereof	74.27	85.41
Market, first 1,000 sq. ft. of gross floor area or fraction thereof	29.33	33.73
Each additional 1,000 sq. ft. or fraction thereof	18.92	21.76
Mortuary, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	12.03	13.83
Motel, first 10 sleeping rooms or fraction thereof	53.82	61.89
Each additional sleeping room over 10	4.29	4.93
Office Building, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	9.15	10.52
Park (not municipal), for irrigation season, first 1,000 sq. ft. or fraction thereof	53.82	61.89
Each additional 1,000 sq. ft. or fraction thereof	4.29	4.93
Religious Worship, including the building used exclusively for religious worship and any other building used for religious activities, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	4.98	5.73
School, first 100 pupils or fraction thereof	51.91	59.70
Each additional 100 pupils or fraction thereof	40.43	46.49
Service Station (no wash racks) and Used Car Lots:		
Tap size to City main: 3/4"	29.33	33.73
1"	38.53	44.31
1 1/2"	62.94	72.38
2"	107.61	123.75

Store, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	12.03	13.83
Theater, first 1,000 sq. ft. of gross floor area or fraction thereof	29.44	33.86
Each additional 1,000 sq. ft. or fraction thereof	18.92	21.76
Warehouse, first 1,000 sq. ft. of gross floor area or fraction thereof	27.01	31.06
Each additional 1,000 sq. ft. or fraction thereof	2.97	3.42
Minimum Rate: In no case shall a commercial flat-rate be less than:	27.01	31.06

III. SPECIAL WATER USE RATES, MONTHLY

Air Conditioning System:

Monthly demand charge (system without water conservation devices) per ton of capacity for each month of the air conditioning season of 5 months.	17.94	20.63
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For systems on flat-rate service the following charge will apply for each month during the air conditioning season, per ton of system capacity

With Water Conservation Device	4.13	4.75
Without Water Conservation Device	63.03	72.48

Evaporative coolers (commercial establishments) - for units on flat rate service the following charges will apply for each month during the air conditioning season, per 1,000 cubic feet per minute unit capacity.

With Water Conservation Device	2.38	2.74
Without Water Conservation Device	6.46	7.43

Refrigeration Systems:

For systems on flat-rate service, the following charges will apply for each month during the year, per compressor horsepower.

With Water Conservation Device	4.37	5.03
Without Water Conservation Device	41.23	47.41

Dining Facility, (including restaurant, cafeteria, cafe, kitchen, bar) each 1,000 sq. ft. of gross floor area or fraction thereof	31.63	36.37
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Gymnasium, each shower head	14.28	16.42
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Hydraulically-operated elevator

With Water Conservation Device	22.56	25.94
Without Water Conservation Device	125.45	144.27

Irrigation: Supplemental (Commercial)

0 - 10,000 sq. ft. (net irrigable area)	0.00	0.00
over 10,000 sq. ft. (net irrigable area), each additional 1,000 sq. ft.	4.29	4.93

Irrigation: Supplemental (Domestic)		
0 - 13,000 sq. ft. (gross lot area)		0.00 0.00
over 13,000 sq. ft. (gross lot area), each additional 1,000 sq. ft.		4.29 4.93

Private Fire Protection

Tap size to City main:	0 - 2"	17.94	20.63
	3"	27.01	31.06
	4"	35.86	41.24
	6"	53.82	61.89
	8"	71.77	82.54
	10"	89.70	103.16
	12"	107.61	123.75

Swimming Pool, non-residential (where pool is not principal function of said establishment)

Under 300 cu. ft. fill & draw, per 100 cu. ft.		0.00	0.00
Over 300 cu. ft. fill & draw, per 100 cu. ft.		5.5200	6.3480
Under 300 cu. ft. per 100 cu. ft., filtered		0.00	0.00
Over 300 cu. ft. per 100 cu. ft., filtered		1.0529	1.2108

IV. MONTHLY METERED WATER USE, PER 100 CUBIC FEET

A.	For irrigation of landscaping on parks and medians which are owned and operated by the City of Sacramento and are open to the general public, provided that a turf audit is submitted to the Department of Utilities once every three (3) years, or at such time sooner as may be required by any individual user's case by the Department of Utilities:		
	Per 100 cubic feet:	0.1323	0.1521
B.	For all other metered water services:		
	Per 100 cubic feet:	0.6509	0.7485

For metered service, monthly basic service charges, regardless of water usage, as follows:

Metered Size

5/8" x 3/4"	15.94	18.33
3/4"	15.94	18.33
1"	15.94	18.33
1½"	30.02	34.52
2"	46.91	53.95
3"	86.34	99.29
4"	142.66	164.06
6"	283.46	325.98
8"	452.42	520.28
10"	649.54	746.97
12"	1,212.74	1,394.65

CITY OF SACRAMENTO
DEPARTMENT OF UTILITIES
SEWER RATES APPROVED FOR FY2010 AND FY2011

	<u>FY10 Rates</u>	<u>FY11 Rates</u>
I. SEWER SERVICE RATES - RESIDENTIAL		
Single-family residence:		
1-3 rooms	9.20	9.66
4-5 rooms	11.66	12.24
6-7 rooms	14.04	14.74
8-9 rooms	16.22	17.03
10-15 rooms	18.61	19.54
over 15, each additional room	1.27	1.33
Multiple-family residence:		
Each dwelling unit charged the same as a single-family residence		
II. SEWER SERVICE RATES - MONTHLY COMMERCIAL		
Bakery, each 1,000 sq.ft. of gross floor area or fraction thereof	20.30	21.32
Barber Shop or Beauty Parlor, each 1,000 sq.ft. of gross floor area or fraction thereof	10.89	11.43
Bowling Alley, each 1,000 sq.ft. of gross floor area or fraction thereof	9.51	9.99
Dining Facilities (including restaurant, cafeteria, cafe, bar) each 1,000 sq.ft. of gross floor area or fraction thereof	21.79	22.88
Drug Store, each 1,000 sq.ft. of gross floor area or fraction thereof	7.14	7.50
Furniture Store, each 1,000 sq.ft. of gross floor area or fraction thereof	2.35	2.47
Garage, each 1,000 sq.ft. of gross floor area or fraction thereof	1.92	2.02
Halls (including lodge or auditorium), each 1,000 sq.ft. of gross floor area or fraction thereof	6.31	6.63
Hotel, per sleeping room	2.16	2.27
Laundry (where laundry is performed on premises), each 1,000 sq. ft. of gross floor area or fraction thereof	42.21	44.32
Market, each 1,000 sq.ft. of gross floor area or fraction thereof	9.10	9.56
Mortuary, each 1,000 sq.ft. of gross floor area or fraction thereof	5.99	6.29

Motel, per sleeping room or fraction thereof	2.16	2.27
Office Building, each 1,000 sq.ft. of gross floor area or fraction thereof	7.37	7.74
Religious Worship (premises), each 1,000 sq.ft. of gross floor area or fraction thereof	3.26	3.42
Rest or Convalescent Home, per sleeping room or fraction thereof	3.49	3.66
School, each 100 pupils or fraction thereof	19.26	20.22
Service Station and Used Car Lot (no wash racks):		
Water tap size to City main: 3/4"	11.46	12.03
1"	14.92	15.67
1 1/2"	24.52	25.75
2"	42.21	44.32
Store, each 1,000 sq.ft. of gross floor area or fraction thereof	7.56	7.94
Theater, each 1,000 sq.ft. of gross floor area or fraction thereof	8.98	9.43
Warehouse, each 1,000 sq.ft. of gross floor area or fraction thereof	1.75	1.84
Minimum rate, not less than:	11.38	11.95

III. SPECIAL SEWER RATES - MONTHLY

Air Conditioning Systems

For systems on flat-rate service, each month during air conditioning season, per ton of system capacity:	18.16	19.07
With water conservation device:	1.75	1.84
Evaporative coolers (commercial establishments), for each month during air conditioning season, unit capacity - per 1,000 cfm, without recirculation	2.44	2.56
With water conservation device, with recirculation:	0.71	0.75
Refrigeration systems, for systems on flat-rate service, per compressor horsepower:	18.16	19.07
With water conservation device:	1.75	1.84
Dining Facility, each 1,000 sq.ft. or fraction thereof	14.10	14.81
Gymnasium, each shower head	6.50	6.83
Hydraulically operated elevator	55.92	58.72
With water conservation device	9.77	10.26

Swimming Pool, non-commercial, per pool capacity		
Under 300 cu.ft. (fill & draw)	0.00	0.00
Over 300 cu.ft. (fill & draw), each 100 cu.ft. contents	2.3520	2.4696
Under 300 cu.ft. (filtered)	0.00	0.00
Over 300 cu.ft. (filtered), each 100 cu.ft. contents	0.6090	0.6395

IV. MONTHLY METERED SEWER USE, PER 100 CU.FT. 0.5747 0.6034

Water Meter Size	Quantity of Sewage Allowed Without Additional Payment		
5/8" x 3/4"	1200 cu.ft., 9000 gal.	6.90	7.25
3/4"	1700 cu.ft., 13000 gal.	9.77	10.26
1"	2100 cu.ft., 16000 gal.	12.07	12.67
1 1/2"	3700 cu.ft., 28000 gal.	21.26	22.32
2"	6200 cu.ft., 46000 gal.	35.63	37.41
3"	12500 cu.ft., 94000 gal.	71.81	75.40
4"	21800 cu.ft., 163000 gal.	125.26	131.52
6"	50000 cu.ft., 374000 gal.	287.29	301.65
8"	106200 cu.ft., 794000 gal.	610.18	640.69
10"	168700 cu.ft., 1262000 gal.	969.29	1,017.75
12"	262500 cu. ft., 1964000 gal.	1,508.24	1,583.65

**CITY OF SACRAMENTO
UTILITY RATES FOR STORM DRAINAGE SERVICE
CURRENT RATES EFFECTIVE JULY 1, 2004**

I. STORM DRAINAGE SERVICE RATES - RESIDENCE		<u>RATE</u>
Single-family residence:	1-3 rooms	7.53
	4-5 rooms	9.58
	6-7 rooms	11.31
	8-9 rooms	13.38
	10-15 rooms	15.25
	over 15, each additional room	1.19
Multiple-family residence: Each dwelling unit charged the same as a single-family residence		
II. STORM DRAINAGE SERVICE RATES - MONTHLY NON-RESIDENTIAL		
Non-residential, excluding cemeteries and City Parks For each sq.ft. of gross surface area or fraction thereof		0.001928
Cemeteries and City Parks For each sq. ft. of impervious surface area or fraction thereof		0.001928
Minimum Rate		8.39

Where non-residential property contains common facilities, e.g., a parking lot, the common facilities will be treated as one property and the owner shall be liable for payment of fees for the common facilities, notwithstanding the fact that other fees charged to the property may be charged to the tenants or owners of divided interests. Common areas in planned unit developments or condominium developments shall be treated as commercial property for the purposes of this division.

CITY OF SACRAMENTO
 DEPARTMENT OF UTILITIES
 SOLID WASTE RATES APPROVED FOR FY2010 AND FY2011

<u>Description</u>	<u>Level of Service</u>	<u>FY10 Rates</u>	<u>FY11 Rates</u>
I. GARDEN REFUSE COLLECTION (LAWN & GARDEN)			
<u>Residential Services - Non-Containerized</u>			
Single family residence	Weekly	12.41	13.71
Two family residence	Weekly	19.03	21.03
Multi-Family Residential Units			
3-5 units	Weekly	20.63	22.80
6-10 units	Weekly	27.59	30.49
11-25 units	Weekly	34.49	38.11
26-50 units	Weekly	41.39	45.74
<u>Residential Services - Containerized</u>			
Single family residence (1 to 4 units)	Weekly - Per unit	9.37	10.35
Additional can	Weekly - Per unit	5.16	5.70
<u>Non-Residential/Commercial Services - Non Containerized</u>			
Multi-Family Residential Units - 51 units and over	Weekly	48.29	53.36
2 cubic yards	Weekly	34.49	38.11
3 cubic yards	Weekly	41.39	45.74
4 cubic yards	Weekly	48.29	53.36
<u>Non-Residential/Commercial Services - Containerized</u>			
96 gal can	1 pickup/wk	9.37	10.35

Note: Lawn and Garden loose in the street (non-containerized) collection is a periodic service. Service is generally provided on a weekly basis throughout the year, with exception of "leaf season" where fewer collections may occur.

II. STREET SWEEPING

<u>Residential Services</u>			
Single family residence	Quarterly	1.34	1.34
Two family residence	Quarterly	2.12	2.12
Multi-Family Residential Units			
3-5 units	Quarterly	3.80	3.80
6-50 units	Quarterly	4.10	4.10
51 units and over	Quarterly	4.38	4.38
<u>Commercial Services</u>			
Per commercial premise	Quarterly	4.38	4.38

Miscellaneous Services

AdHoc Street Sweeping Requests	Per hour	303.40	303.40
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III. RECYCLING SERVICES**Residential Services**

Commingled 32, 64, or 96 gallon can	Weekly - Per Unit	4.58	5.13
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Note: Disabled Service is provided to a qualified residence at same rates as non-disabled.

Non-Residential/Commercial (WITH GARBAGE SERVICES)

1 yard commingled bin	1 pickup/wk	28.75	32.20
2 yard commingled bin	1 pickup/wk	39.21	43.92
3 yard commingled bin	1 pickup/wk	52.28	58.55
4 yard commingled bin	1 pickup/wk	58.81	65.87
Multi-family/commercial commingled can	1 pickup/wk	13.07	14.64

Note: Bin service is available to residential customers at the Non-Residential/Commercial rates.

Non-Residential/Commercial (WITHOUT GARBAGE SERVICES)

1 yard commingled bin	1 pickup/wk	36.60	40.99
2 yard commingled bin	1 pickup/wk	48.35	54.15
3 yard commingled bin	1 pickup/wk	60.12	67.33
4 yard commingled bin	1 pickup/wk	67.96	76.12
Multi-family/commercial commingled can	1 pickup/wk	13.07	14.64

IV. GARBAGE COLLECTION SERVICE**Residential Services**

Auto-lift 96 gallon	Weekly - Per unit	19.90	21.49
Additional Auto-lift 96 gallon	Weekly - Per unit	16.79	18.13
Auto-lift 64 gallon	Weekly - Per unit	16.35	17.66
Additional Auto-lift 64 gallon	Weekly - Per unit	14.20	15.34
Auto-lift 32 gallon	Weekly - Per unit	12.41	13.40
Additional Auto-lift 32 gallon	Weekly - Per unit	12.27	13.25
Extra bag (5 - 6 bags)	Per pickup	11.62	12.55
Extra bag (3 - 4 bags)	Per pickup	9.03	9.75
Extra bag (1 - 2 bags)	Per pickup	7.74	8.36

Note: Disabled Service provided to qualified residence at same rates as non-disabled.

Collection on special call (autolift) 96-gallon	Per pickup	34.21	36.95
Collection on special call additional 96-gallon can or extra bags (5 - 6 bags)	Per pickup	18.08	19.53
Collection on special call (autolift) 64-gallon	Per pickup	31.00	33.48
Collection on special call additional 64-gallon can or extra bags (3 - 4 bags)	Per pickup	15.81	17.07

bags)				
Collection on special call (autolift) 32-gallon	Per pickup	27.76	29.98	
Collection on special call additional 32-gallon can or extra bags (1 - 2 bags)	Per pickup	14.20	15.34	
Dormant Service (Fee to stop garbage & recycling charges temporarily)	One-time	64.56	69.72	
Dormant Service Fee (vacant residences)	Monthly	6.00	6.48	
Manual Service 32 gal or less non-curb*	1 pickup/wk	29.91	32.30	
	2 pickups/wk	59.25	63.99	
	3 pickups/wk	77.79	84.01	
Manual Service 33-40 gal non-curb*	Additional can/pickup	14.46	15.62	
	1 pickup/wk	32.61	35.22	
	2 pickups/wk	65.28	70.50	
	3 pickups/wk	87.09	94.06	
Manual Service 32 gal or less curbside	Additional can/pickup	18.74	20.24	
	1 pickup/wk	20.48	22.12	
	2 pickups/wk	41.00	44.28	
	3 pickups/wk	60.94	65.82	
Manual Service 33-40 gal curbside	Additional can/pickup	10.38	11.21	
	1 pickup/wk	22.66	24.47	
	2 pickups/wk	45.38	49.01	
	3 pickups/wk	68.03	73.47	
Manual Service Collection on special call - 40 gal or less	Additional can/pickup	13.34	14.41	
Each additional can	per pickup	40.48	43.72	
	per pickup	15.29	16.51	

* "Non-curb" is defined as container placement more than 6 feet from curb.

Multi-Family (5 units and above)/Commercial Services

Auto-lift 96 gallon	per pickup/wk	27.93	30.16	
Additional Auto-lift 96 gallon	per pickup/wk	21.48	23.20	
Auto-lift 64 gallon	per pickup/wk	25.13	27.14	
Additional Auto-lift 64 gallon	per pickup/wk	19.59	21.16	
Auto-lift 32 gallon	per pickup/wk	21.48	23.20	
Additional Auto-lift 32 gallon	per pickup/wk	18.79	20.29	
Automated collection on special call				
96-gallon automated can	per pickup	36.57	39.50	
64-gallon automated can	per pickup	31.81	34.35	
32-gallon automated can	per pickup	27.53	29.73	
	Each additional can	23.50	25.38	
1 yd bin loose	per pickup/wk	68.88	74.39	
1 yd bin compacted	per pickup/wk	142.88	154.31	

2 yd bin loose	per pickup/wk	90.15	97.36
2 yd bin compacted	per pickup/wk	181.65	196.18
3 yd bin loose	per pickup/wk	111.42	120.33
3 yd bin compacted	per pickup/wk	160.24	173.06
4 yd bin loose	per pickup/wk	132.71	143.33
4 yd bin compacted	per pickup/wk	196.51	212.23
5 yd bin loose	per pickup/wk	154.00	166.32
5 yd bin compacted	per pickup/wk	209.23	225.97
6 yd bin loose	per pickup/wk	175.26	189.28
6 yd bin compacted	per pickup/wk	268.70	290.20
8 yd bin loose	per pickup/wk	248.36	268.23
8 yd bin compacted	per pickup/wk	424.95	458.95
10 yd roll-off box loose	per pickup/wk	409.59	442.36
10 yd roll-off box compacted	per pickup/wk	581.15	627.64
20 yd roll-off box loose	per pickup/wk	499.34	539.29
20 yd roll-off box compacted	per pickup/wk	967.79	1,045.21
25 yd roll-off box compacted	per pickup/wk	1,145.66	1,237.31
30 yd roll-off box loose	per pickup/wk	900.01	972.01
30 yd roll-off box compacted	per pickup/wk	1,319.66	1,425.23
35 yd roll-off box compacted	per pickup/wk	1,455.25	1,571.67
40 yd roll-off box loose	per pickup/wk	1,047.21	1,130.99
40 yd roll-off box compacted	per pickup/wk	1,592.13	1,719.50

Note: Bin service is available to residential customers at the Multi-Family/Commercial rates.

Three (3) months continuous service is required for Commercial Bin Service

Trailer	5 pickups	499.37	539.32
Two-person route surcharge	per pickup/wk	23.97	25.89

"Non-curb" is defined as container placement more than 6 feet from curb.

Manual Cans Service 32 gal or less	per pickup/wk	36.39	39.30
Each additional can 32 gal or less	per pickup/wk	20.93	22.60
Manual Cans Service 33-40 gal	per pickup/wk	40.09	43.30
Each additional can 33-40 gal	per pickup/wk	26.18	28.27
Manual Cans Service 41-50 gal	per pickup/wk	48.15	52.00
Each additional can 41-50 gal	per pickup/wk	30.14	32.55
Manual Cans Service 51-60 gal	per pickup/wk	55.38	59.81
Each additional can 51-60 gal	per pickup/wk	35.19	38.01
Manual collection on special call 32 gal or less	per pickup	47.35	51.14
Each additional can 32 gal or less	per pickup	23.50	25.38

V. OLD SACRAMENTO SERVICE COURTS

The property adjacent to each service court will be billed for solid waste service utilizing the following criteria:

Parcel size	25%
Square footage of building	50%

Front footage of building	25%		
Commercial 6 yd compact unit	1 pickup	703.99	760.31
	2 pickups	963.72	1,040.82
	3 pickups	1,223.45	1,321.33
	4 pickups	1,615.76	1,745.02
	5 pickups	1,741.14	1,880.43
	6 pickups	2,129.84	2,300.23
	Special call/ daily	130.41	140.84
	Special call/ Sunday	193.64	209.13
Commercial 8 yd bin loose	per pickup per week	238.81	257.91
Commercial 8 yd bin compacted	per pickup per week	371.46	401.18

VI. SPECIAL GARBAGE COLLECTION SERVICES

Bins			
1 cubic yard	per pickup	57.61	62.22
2 cubic yards	per pickup	75.23	81.25
3 cubic yards	per pickup	92.61	100.02
4 cubic yards	per pickup	110.01	118.81
5 cubic yards	per pickup	127.39	137.58
6 cubic yards	per pickup	144.76	156.34
Bins/Sunday			
1 cubic yard	Sunday pickup	103.66	111.95
2 cubic yards	Sunday pickup	135.43	146.26
3 cubic yards	Sunday pickup	166.70	180.04
4 cubic yards	Sunday pickup	198.00	213.84
5 cubic yards	Sunday pickup	229.28	247.62
6 cubic yards	Sunday pickup	260.58	281.43
Roll-off containers (inert materials)			
10 cubic yard	per pickup	247.91	267.74
20 cubic yards	per pickup	277.62	299.83
25 cubic yards	per pickup	322.81	348.63
30 cubic yards	per pickup	368.01	397.45
35 cubic yards	per pickup	410.63	443.48
40 cubic yards	per pickup	471.31	509.01
Roll-off containers/Sunday			
10 cubic yard	Sunday pickup	283.67	306.36
20 cubic yards	Sunday pickup	416.60	449.93
25 cubic yards	Sunday pickup	484.05	522.77
30 cubic yards	Sunday pickup	551.48	595.60
35 cubic yards	Sunday pickup	616.94	666.30
40 cubic yards	Sunday pickup	684.40	739.15
Deliver bin and pickup			
1 cubic yard	per pickup	115.17	124.38
2 cubic yards	per pickup	150.48	162.52
3 cubic yards	per pickup	185.22	200.04
4 cubic yards	per pickup	220.00	237.60

Compactors				
	3 cubic yards	per pickup	117.84	127.27
	4 cubic yards	per pickup	156.72	169.26
	5 cubic yards	per pickup	195.91	211.58
	6 cubic yards	per pickup	235.08	253.89
Compactors/Sunday				
	3 cubic yards	Sunday pickup	176.74	190.88
	4 cubic yards	Sunday pickup	235.08	253.89
	5 cubic yards	Sunday pickup	293.84	317.35
	6 cubic yards	Sunday pickup	352.61	380.82
Compacted Roll-off container				
	10 cubic yard	per pickup	328.71	355.01
	20 cubic yards	per pickup	517.56	558.96
	25 cubic yards	per pickup	612.66	661.67
	30 cubic yards	per pickup	706.38	762.89
	35 cubic yards	per pickup	801.51	865.63
	40 cubic yards	per pickup	895.21	966.83
Compacted Roll-off container/Sunday				
	10 cubic yard	Sunday pickup	645.63	697.28
	20 cubic yards	Sunday pickup	807.04	871.60
	25 cubic yards	Sunday pickup	968.45	1,045.93
	30 cubic yards	Sunday pickup	1,319.66	1,425.23
	35 cubic yards	Sunday pickup	1,455.25	1,571.67
	40 cubic yards	Sunday pickup	1,592.13	1,719.50
Special cleanups/per hour (per worker)			58.10	62.75
Out of City limits charge for commercial bins/roll-offs services			64.56	69.72
Special waste hauling				
	10 cubic yards	per pickup	485.87	524.74
	20 cubic yards	per pickup	713.53	770.61
	25 cubic yards	per pickup	829.05	895.37
	30 cubic yards	per pickup	944.58	1,020.15
	35 cubic yards	per pickup	1,056.68	1,141.21
	40 cubic yards	per pickup	1,172.24	1,266.02

Supplemental Material

For

City of Sacramento

Utilities Rate Advisory Commission

Agenda Packet

Submitted:

For the Meeting of:

Additional Material

Revised Material

TITLE: Budget Status and Review

Contact Information:

Jamille Moens, Business Services Manager, 808-5988, Department of Utilities.

Please include this supplemental material in your agenda packet. This material will also be published to the City's Internet. For additional information, contact the City Clerk Department at Historic City Hall, 915 I Street, First Floor, Sacramento, CA 95814-2604, (916) 808-7200.

Utility Budget Update



CITY OF SACRAMENTO
**DEPARTMENT
OF UTILITIES**

March 9, 2011

Presentation Overview

- Rate Adjustments for FY09/10 & FY10/11
- Typical Single-Family Residence Utility Costs
- FY09/10 Budget Assumptions/Actuals
- FY10/11 Budget Assumptions/EOY Projections
- FY11/12 DOU Budget Development Strategy
- DOU Financial Work Plan

Key Factors → Rate Adjustments

- Maintain existing levels of service
- Economic recession (revenue shortfalls; bad debt expense)
- Escalating costs of operational and infrastructure improvements
- Expanding regulatory and environmental forces
- No rate increase in FY08/09 for Water and Sewer
- Use of reserves

Rate Proposal

FUND	URAC Recommendation		Council Approved	
	FY2009/10	FY2010/11	FY2009/10	FY2010/11
Water	19%	19%	15%	15%
Wastewater	10%	12%	5%	5%
Solid Waste	12%	11%	9%	9%
Drainage	0%	0%	0%	0%

FY2009/10 and FY2010/11 Rate Increase

Typical Single-Family Customer Monthly Bill

UTILITY SERVICES	FY 08/09 Rate (residential)	07/01/09 Increase	FY09/10 Rate Effective 7/1/09	Total Monthly Increase Year 1	07/01/10 Increase	FY10/11 Rate Effective 7/1/10	Total Monthly Increase Year 2
Water (unmetered)	\$25.97	15%	\$29.87	\$3.90	15%	\$34.35	\$4.48
Wastewater	\$13.37	5%	\$14.04	\$0.67	5%	\$14.74	\$0.70
Storm Drainage	\$11.31	0%	\$11.31	\$0.00	0%	\$11.31	\$0.00
Solid Waste	\$35.09	9%	\$38.25	\$3.16	9%	\$41.69	\$3.44
TOTAL	\$85.74		\$93.47	\$7.73		\$102.09	\$8.62
<i>Overall Average Increase</i>		9.0%			9.2%		

*Sewer charges are City of Sacramento services only and do not include SRCSD charges

FY10 Budget Assumptions

- Labor savings
 - Unrepresented furloughs/COLA deferrals
 - Layoffs
- Reductions in Solid Waste & Preventative Maintenance programs
- Efficiencies (unrepresented furloughs, reduction in fuel consumption, SW 4/10 routing)
- Reduce Water Meter Program from 5% to 3%
- Reduce baseline Water CIP program
- Use of reserves

Utilities FY2009/10 Fund Status

(in 000s)

		Water (6005)	Wastewater (6006)	Solid Waste (6007)	Drainage (6011)	Dept. Total
Revenue	Budget	73,838	21,324	62,165	36,211	193,538
	Actuals	72,358	21,328	63,805	39,885	197,375
	Variance	(1,480)	4	1,640	3,674	3,837
Expenses	Budget	75,008	21,232	59,611	38,688	194,539
	Actuals	68,316	19,020	58,288	33,697	179,320
	Variance	6,692	2,212	1,323	4,991	15,219
Budgeted Current Year Activity		(1,170)	92	2,554	(2,477)	(1,001)
Actual Current Year Activity		4,042	2,308	5,517	6,188	18,055
Variance		5,212	2,216	2,963	8,665	19,056

Impacts

- Increased backlog of aging infrastructure
- Delay in Meter Program (offset by ARRA stimulus \$\$)
- Preventative Maintenance programs reduced
- Increased response time for repairs from 5 to 10 days
- Solid Waste services suspended or reduced
 - Neighborhood Cleanup, Illegal Dumping, Street Sweeping
- Extended hold times in Utilities' and 311 Call Centers
- Administrative support reduced (metrics/procedures)

FY10/11 Budget Assumptions

- Maintain FY10 Levels of Service
- Continued Furloughs for Staff
- Augmentations:
 - Water Meter Program
 - PERS & SCERS Contributions
 - Meter Replacement Funding
 - Water Conservation – Outreach & Education
 - Operational Contingency
- Grow reserves in Water and Solid Waste; Use reserves in Wastewater and Drainage
- Address Proposition 218 Issues

Projected FY11 Performance

■ Revenue shortfalls (water and wastewater):

- ➔ Water production down FY09 & FY10 (10% each year)

■ Savings:

- ➔ Employee Services (vacancies, mild Winter)
- ➔ Services & supplies (plumbing supplies, vehicle O&M, etc.)
- ➔ Electricity, chemicals
- ➔ Bad Debt \$2M under budget
- ➔ Operational contingency reserves

■ Reserves:

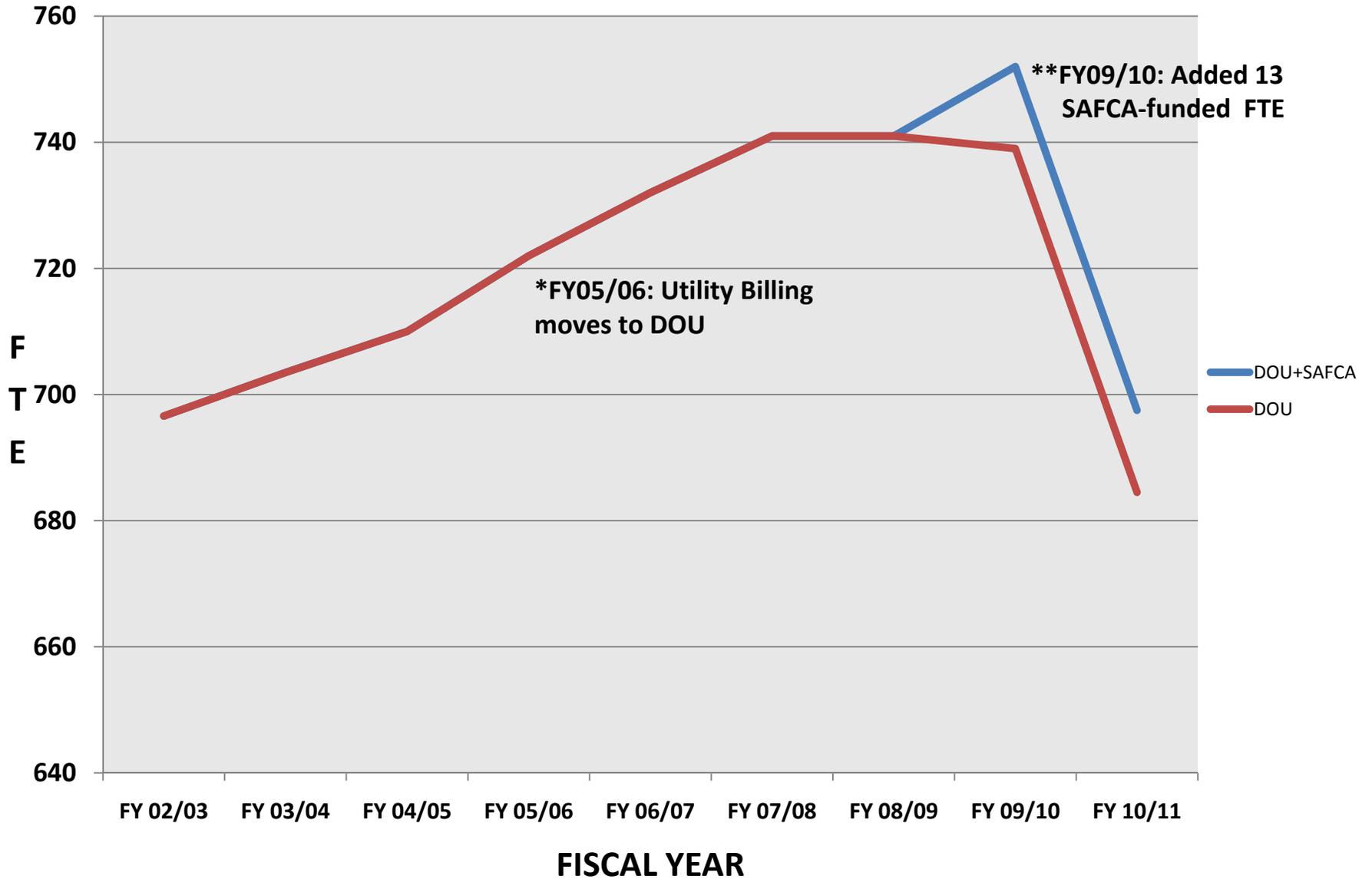
- ➔ Water & Solid Waste increased; minimize use in Wastewater and Drainage

Utilities Preliminary FY2010/11 Projected Fund Status

(in 000s)

		Water (6005)	Wastewater (6006)	Solid Waste (6007)	Drainage (6011)	Dept. Total
Revenue	Budget	82,590	22,492	63,119	36,941	205,142
	EOY Projection	79,971	21,745	64,036	36,553	202,305
	Projected Variance	(2,619)	(747)	917	(388)	(2,837)
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Expenses	Budget	81,903	24,790	61,396	39,362	207,450
	EOY Projection	77,150	22,246	59,443	38,352	197,191
	Projected Variance	4,753	2,544	1,953	1,010	10,259
<hr/>						
Budgeted Current Year Activity		688	(2,298)	1,723	(2,421)	(2,308)
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Projected Current Year Activity		2,821	(501)	4,592	(1,798)	5,114

UTILITIES FTE FY02/03 Through FY10/11



FY12 Budget Development

- Assumes existing levels of service & no rate increase
 - Exception: Parks volumetric water and garbage
 - Continued Staff furloughs
- Incorporates Efficiency Audit recommendations
- Status quo budget for Solid Waste
 - Funding for container replacement and landfill liabilities
- FY11 EOY for Water & Wastewater plus critical augmentations
- No additional Meter Program funding
- Drainage fund – use of reserves
 - Fund CSS CIP \$2M; Additional \$1M base CIP

DOU Financial Work Plan

- Loose-in-the-Street Rate/Measure A
- Efficiency Audit Recommendations
- BLT Tiered Pricing – Direct Commercial Waste
- Water 101/Fluoride Workshops with Council
- Drainage Rate Structure & Revenue Requirement Study
- 4-Year Rate Plan Development
- Development Review Fees (Full Cost Recovery)

THANK YOU



CITY OF SACRAMENTO
**DEPARTMENT
OF UTILITIES**

Item No. 6

Supplemental Material

For

City of Sacramento

Utilities Rate Advisory Commission

Agenda Packet

Submitted:

For the Meeting of:

Additional Material

Revised Material

TITLE: Efficiency Audit Update

Contact Information:

Marty Hanneman, Director of Utilities, 808-7508, Department of Utilities.

Please include this supplemental material in your agenda packet. This material will also be published to the City's Internet. For additional information, contact the City Clerk Department at Historic City Hall, 915 I Street, First Floor, Sacramento, CA 95814-2604, (916) 808-7200.

**Department of Utilities
URAC Audit Update
March 9, 2001**

Background

- On January 18, 2011 the Sacramento City Council directed the City Auditor to issue a Request for Proposals (RFP) to solicit firms to perform an operational efficiency and cost effectiveness audit of the Department of Utilities
- The abbreviated scope of the audit is “to conduct an examination of the Department of Utilities to evaluate whether the department is managing and/or utilizing resources in a responsive, economical and efficient manner”
- The Auditor issued a RFP on January 21, 2011 and reviewed seven qualified responses.
- On February 22, 2010 City Council approved a professional services contract with Public Financial Management, Inc (PFM) for a not to exceed cost of \$116,902 to be paid by DOU;
 - PFM structured its proposal and scope to include the technical expertise of two additional sub contractor firms to assist in the audit efforts:
 - GBB - a Solid Waste specialty firm, and
 - EMA - a Water and Wastewater consulting firm
- In terms of timeline, the current audit scope is scheduled for implementation in two phases:
 - **Phase 1** began on Feb 22 and is scheduled for completion by April 29
 - This phase is intended to provide:
 - At a high level, an identification and prioritization of the top 3-5 opportunities for efficiencies/cost savings to be considered for the F11/12 budget
 - A review of levels of service, administrative and operational policies and procedures, internal controls, staffing levels, organizational structure and best practices;
 - A Phase 1 Finding and Recommendation Report will be presented to the City Auditor’s Office by April 29, 2011
 - **Phase 2** would begin, at the discretion of the City Auditor
 - The consultant may be directed to proceed with a detailed review(s) and analysis of a secondary tier of potential cost savings/efficiency opportunities as identified in the Phase 1 review.

- This analysis, if authorized by the Auditor, would occur after the FY11/12 budget development process.
- Phase 1 is well underway
 - Utilities management staff participated in a series of entrance conferences and fact-finding meetings with the consultants between March 2 and March 4, 2011
- Terrance Davis, Program Manager from Field Services has been designated to serve as point of contact for this effort to ensure that DOU provides a coordinated and engaged response to the audit.
- For the next 4-6 weeks, staff will continue to provide data requested by the consulting team, which covers every aspect of the Utilities Department including: Rates and Cost of Service Analysis, Water Quality, our Asset Management strategy to replace and rehabilitate our failing infrastructure, and Solid Waste Services
- As indicated previously, we anticipate the receipt of the Phase 1 findings in early May and will be working with the Auditor, City Manager, URAC and Council to determine any feasible recommendations for future budget cycles or rate considerations

On Tuesday March 8th beginning at 12:15 PM, the City Audit Committee met (Chair – CM Cohn, members: CM Ashby, Schenirer and D. Fong) to provide a venue for the community to provide the Committee and Auditor with input into the on-going audit of DOU. Two members of the public spoke. Due to the lack of community attendance, the Committee is looking at having another meeting in the evening for late March/early April. Chair CM Cohn asked that a representative from the URAC attend this meeting.