



Needles, California Request for Council Action

CITY COUNCIL NPUA BOARD OF PUBLIC UTILITIES
 Regular Special

Meeting Date: September 14, 2021

Title: Approve a 5% cost-of-living (COLA) increase in water and wastewater rates as of October 1, 2021

Background: Resolution No.s 2020-66 and 2020-67 adopted by the Needles City Council/NPUA on October 13, 2020, provided for annual cost-of-living adjustments to the basic service charge and usage charges in both water and wastewater in order to recover annual increases in the cost of providing those services to the customer.

A cost-of-living adjustment (COLA) shall be added to all rates on October 1st of each year and shall be automatically adjusted by using the then rates plus the consumer price index (CPI) published by the U.S. Bureau of Labor Statistics U.S. West – Size Class B/C CPI based on the June value of the appropriate price index OR the last twelve (12) months actual expenses plus the CPI, whichever is lower; however, in no circumstances shall any increase exceed five percent (5%).

The attached spreadsheets are in accordance with Resolution No.s 2020-66 and 2020-67 and will set the new rates.

The Board of Public Utilities approved the recommended action on September 10, 2021.

Fiscal Impact: Increase in water and wastewater rates to counteract current inflation rates.

Environmental Impact: N/A

Recommended Action: MOVE to approve a 5% cost-of-living (COLA) increase in water and wastewater rates as of October 1, 2021.

The Board of Public Utilities approved the recommended action on September 7, 2021.

Submitted By: Rainie Torrance, Assistant Utility Manager

City Management Review: Rick

Date: 9/8/21

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: <u>16</u>

Current Rates November 1, 2020		Effective October 1, 2021 Rates		Projected Revenue	
Meter Size	Basic Service Charge	Meter Size	Basic Service Charge	Customers	Annual Projected Revenue
5/8" & 3/4"	\$41.61	5/8" & 3/4"	\$43.69	1,719	\$839,863.29
5/8" & 3/4" duplex	\$41.61	5/8" & 3/4" duplex	\$43.69	-	-
1"	\$67.37	1"	\$70.74	98	\$7,524.38
1 1/2"	\$151.00	1 1/2"	\$158.55	41	\$7,294.72
2"	\$191.93	2"	\$201.53	79	\$178,036.12
3"	\$520.86	3"	\$546.90	1	\$6,115.78
4"	\$682.94	4"	\$717.09	3	\$24,056.78
6"	\$1,224.35	6"	\$1,285.57	2	\$28,751.77
8"	\$1,924.17	8"	\$2,020.38	-	-
10"	\$1,684.34	10"	\$1,768.56	1	\$19,777.01
Per 100 cubic feet of water	\$2.15	Per 100 cubic feet of water	\$2.36		\$1,234,983.87
<i>*calculated based on 2020 rate study, adopted by Resolution 2020-66</i>					
Temporary Fire Hydrant Meter:					
2-1/2"	\$347.70	2-1/2"	\$365.09		
Install/Remove	\$29.12	Install/Remove	\$30.58		
Per 100 cubic feet of water	\$2.15	Per 100 cubic feet of water	\$2.36		
Required Deposit	\$500.00	Required Deposit	\$500.00		
					\$2,481,803.72

FY 20 Consumption - AZ Interconnect Usage
52,329,825 Cu. Ft.

Current Rates Effective November 1, 2020					
Customer Class	EDU Study			Monthly Charge for a Typical Customer	
	\$/EDU	EDU	Units	\$/customer	Customer Units
Residential	\$ 45.01	1.00	/account	\$ 42.58	1 account
Hotel	\$ 45.01	0.70	/room	\$ 1,430.64	48 rooms/hotel
Hospitals	\$ 45.01	0.75	/bed	\$ 798.35	25 beds/hospital
Campgrounds	\$ 45.01	0.70	/RV/Camping Space/Cabin	\$ 4,828.40	162 RV/camping space/cabin
Multi-family	\$ 45.01	1.00	/account	\$ 42.58	1 account
Garden & Nurseries	\$ 45.01	1.00	/account	\$ 42.58	1 account
Laundromats	\$ 45.01	-	-	\$ -	-
Schools	\$ 45.01	0.23	/student	\$ 8,833.34	902 students/school
General Commercial	\$ 45.01	1.65	/account	\$ 70.25	1 account
Beauty Salon & Barber Shop	\$ 45.01	0.50	/sink	\$ 85.16	4 sinks/salon
Religious Organizations	\$ 45.01	0.02	/seat	\$ 196.21	203 seats/organization
Food Establishments	\$ 45.01	0.18	/seat	\$ 490.50	64 seats/establishment
Government	\$ 45.01	1.65	/employee	\$ 702.55	10 employees/account
Gas Stations	\$ 45.01	2.90	/pump (side)	\$ 370.43	3 pumps/station
Native Village	\$ 45.01	109.00	/account	\$ 4,641.06	1 Native Village

CPI Index Calc:
5.0%

Effective October 1, 2021 Rates					
Customer Class	EDU Study			Monthly Charge for a Typical Customer	
	\$/EDU	EDU	Units	\$/customer	Customer Units
Residential	\$ 47.26	1.00	/account	\$ 47.26	1 account
Hotel	\$ 47.26	0.70	/room	\$ 1,587.95	48 rooms/hotel
Hospitals	\$ 47.26	0.75	/bed	\$ 886.13	25 beds/hospital
Campgrounds	\$ 47.26	0.70	/RV/Camping Space/Cabin	\$ 5,359.34	162 RV/camping space/cabin
Multi-family	\$ 47.26	1.00	/account	\$ 47.26	1 account
Garden & Nurseries	\$ 47.26	1.00	/account	\$ 47.26	1 account
Laundromats	\$ 47.26	-	-	\$ -	-
Schools	\$ 47.26	0.23	/student	\$ 9,804.66	902 students/school
General Commercial	\$ 47.26	1.65	/account	\$ 77.98	1 account
Beauty Salon & Barber Shop	\$ 47.26	0.50	/sink	\$ 94.52	4 sinks/salon
Religious Organizations	\$ 47.26	0.0227	/seat	\$ 217.78	203 seats/organization
Food Establishments	\$ 47.26	0.18	/seat	\$ 544.44	64 seats/establishment
Government	\$ 47.26	1.65	/employee	\$ 779.80	10 employees/account
Gas Stations	\$ 47.26	2.90	/pump (side)	\$ 411.17	3 pumps/station
Native Village	\$ 47.26	109.00	/account	\$ 5,151.39	1 Native Village

Projected Revenue			
Customers	EDU	Annual Rev	
1,405	1,349	\$ 765,053	
14	426	\$ 241,596	
1	18	\$ 10,208	
-	-	\$ -	
418	635	\$ 360,125	
-	-	\$ -	
-	-	\$ -	
1	192	\$ 108,888	
79	200	\$ 113,425	
2	2	\$ 1,134	
13	34	\$ 19,282	
16	144	\$ 81,666	
20	200	\$ 113,425	
7	119	\$ 67,488	
1	101	\$ 57,280	
1,977	3,503	\$1,939,570.92	

