

2017 Utility Rate Study  
Public Meeting

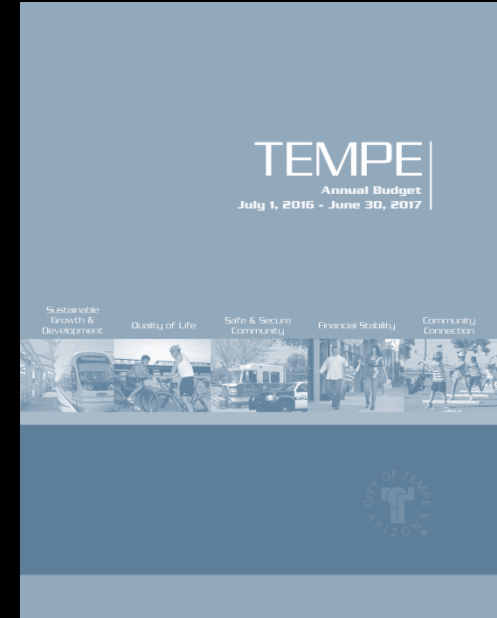
June 7 and 10, 2017

# Agenda for Today

- Rate Study Presentation
- Break Out Sessions (Water, Solid Waste and Customer Services)
  - 20 minutes at each color coded station
- Speakers
  - Jerry Hart – Deputy Director Financial Services
  - Marilyn DeRosa – Deputy Director City Engineer
  - Tony Miano – Deputy Director Field Services
  - Laura Kajfez – Neighborhood Services Specialist
  - Gretchen Baumgardner – Water Resources Manager

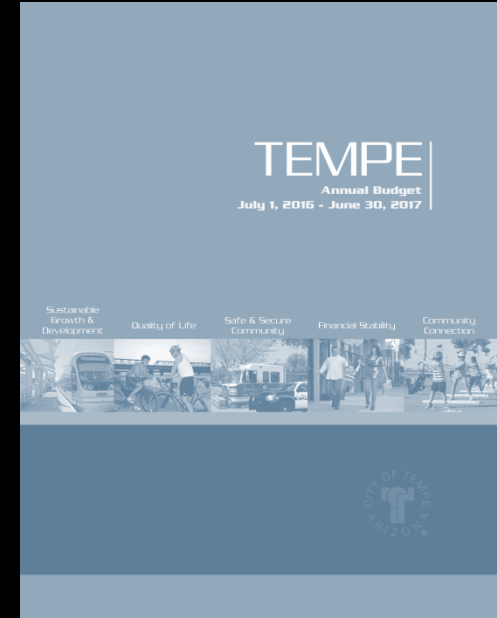
# Municipal Gov't Finance

- **General Fund**
  - Revenue – taxes, licenses, permits, fines, intergovernmental, charges for services, grants, donations
  - Expense – Police, Fire, Community Services, and Community Development
- **Enterprise Funds**
  - Revenue – user charges (self supporting)
  - Expense – Golf, Solid Waste, Water, and Wastewater



# Municipal Gov't Finance

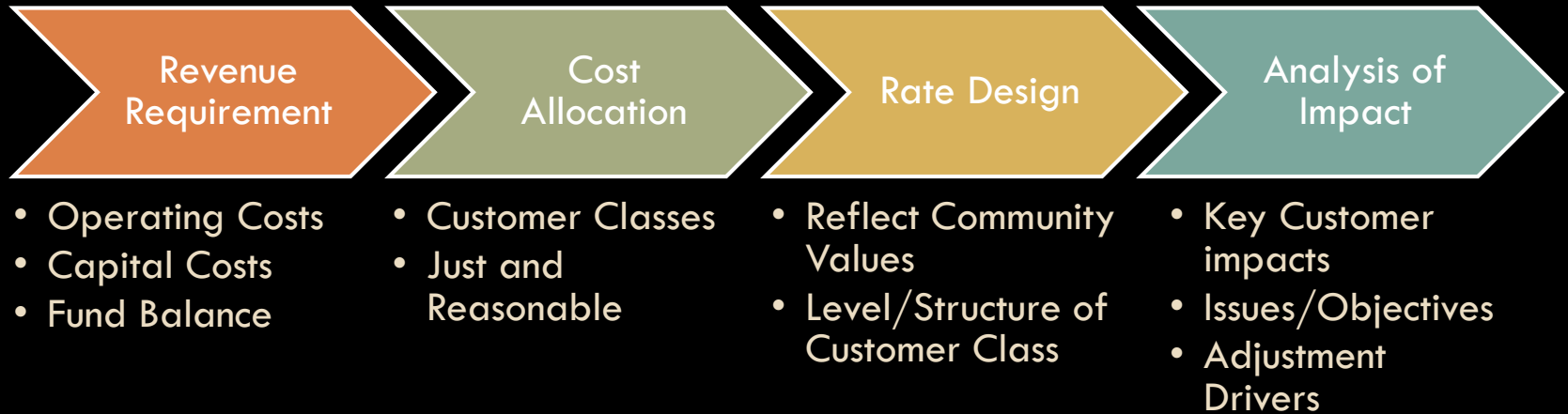
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# Guiding Principles

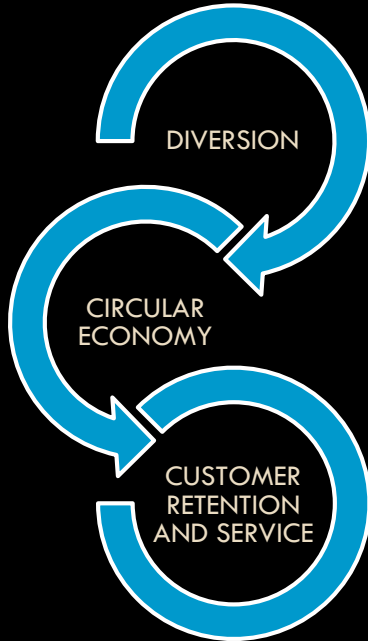
- We are Reliant on Limited Resources
- Everyone is Responsible to Conserve
- Everyone Pays their Fair Proportionate Share
- We must be Transparent

# Rate Study Process



# Factors Affecting Rates – Solid Waste

## GOALS



- Market Volatility
- Landfill Rates
- Legislation
- Equipment Diversification & Costs

# Solid Waste Rate Study Objectives

- Green Organics
- Same Day Collection
- Commercial Cost Recovery (Zoned Rates)
- Pricing Parity Based on Living Unit Type
- Save Money And Recycle Tempe (SMART)
  - Volume Based Pricing By Container Size



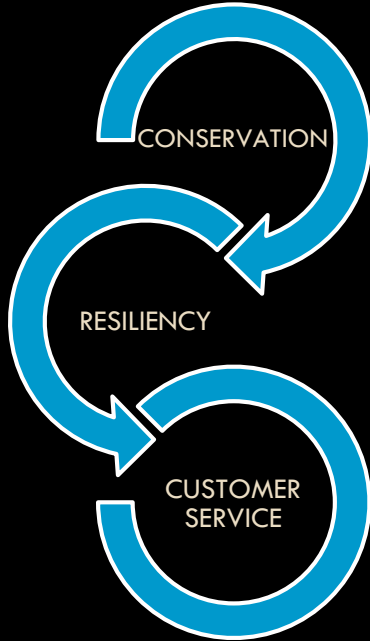
# SMART Pricing Model

- Priced By Container Size vs Single Rate for Everyone
  - Opt-In
  - Incentivizes Small Containers
  - Increases Diversion



# Factors Affecting Rates – Water and Sewer

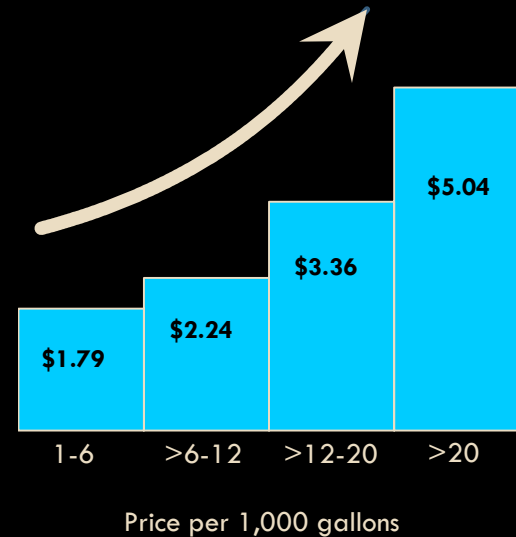
## GOALS



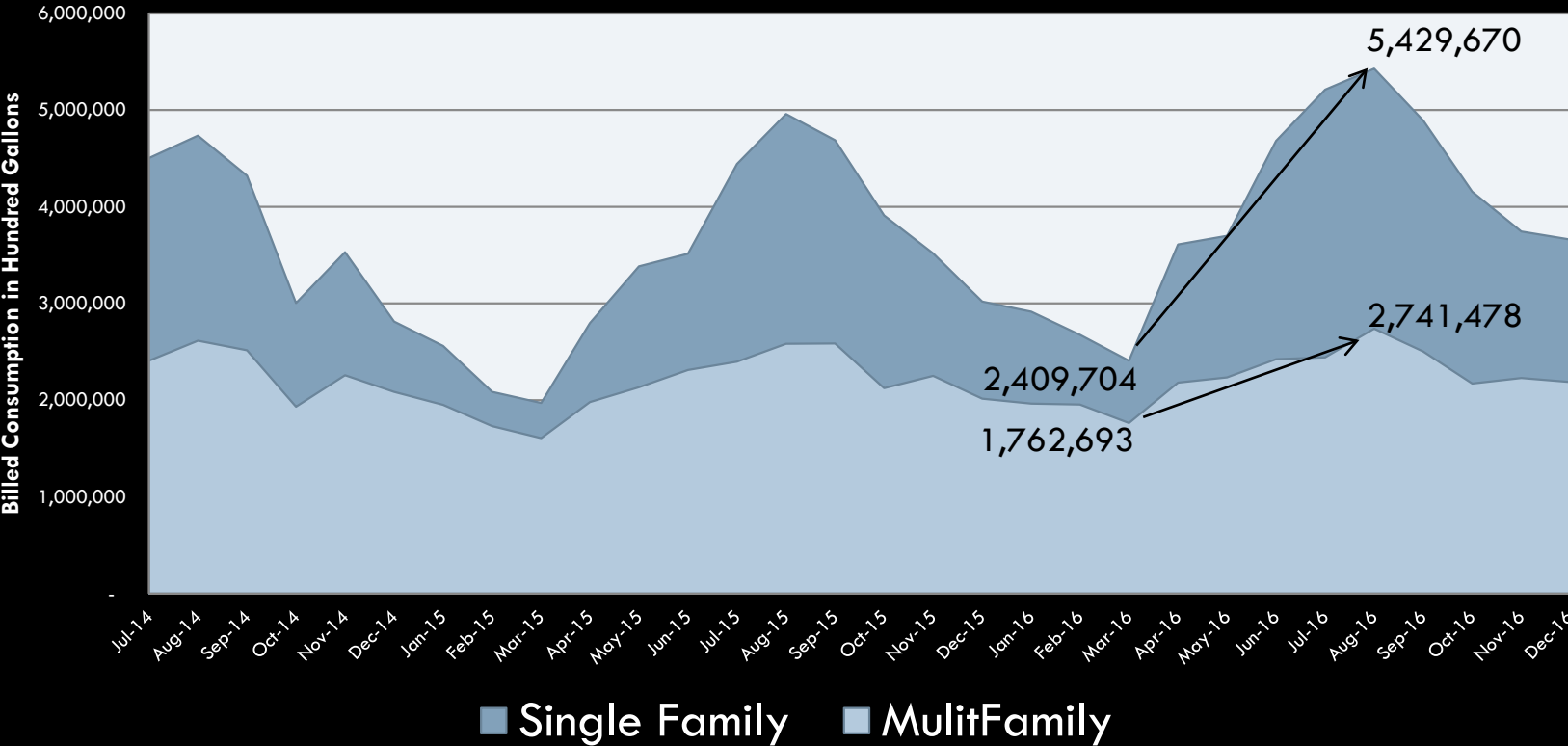
- Aging Distribution System
- Emerging Regulations
- Climate Stress
- Capacity Issues
- Program Cost Recovery

# Water and Sewer Rate Study Objectives

- Single Family Residential
  - Evaluate Tiers
    - Affordability
    - Conservation
  - Return Flow Credit
- Flood Irrigation Cost of Service
- Acknowledge Value of Tree Canopy



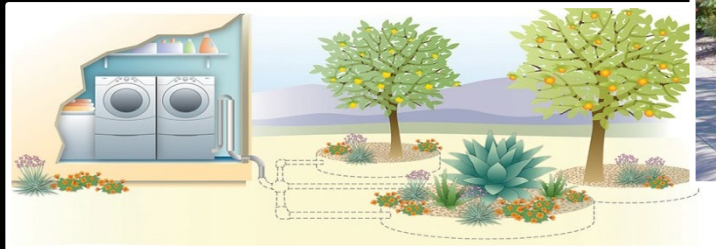
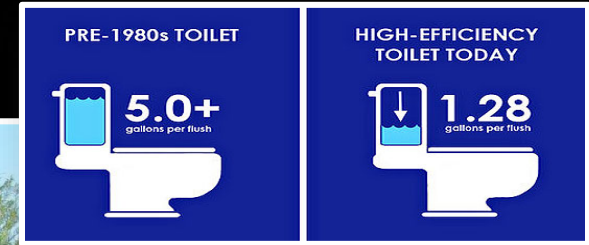
# Peaking Factor and Rate Types



# Residential Water Conservation Rebate Programs

Resources to assist residents to conserve water

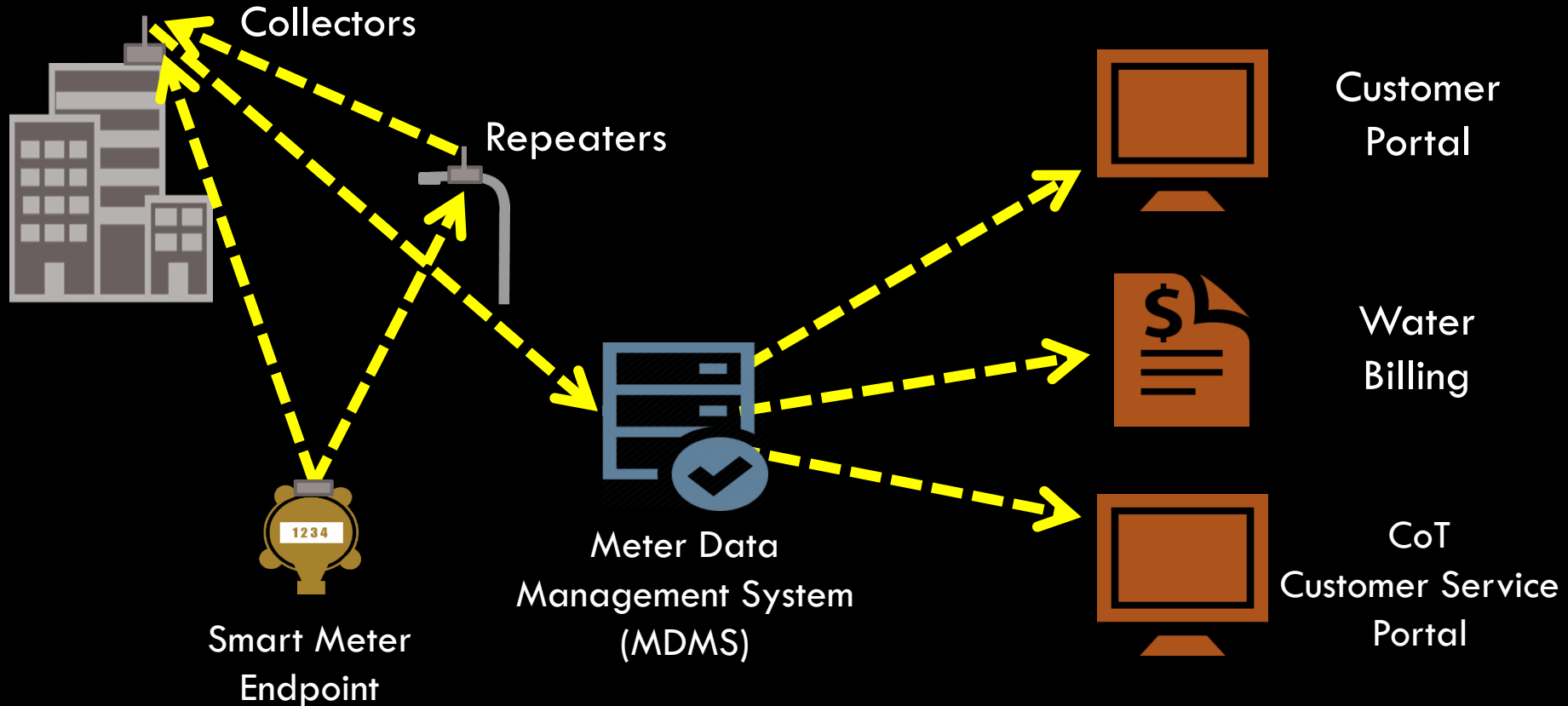
- Low flow toilet
- Landscape Conversion
- Greywater



# New – Irrigation Efficiency Rebate

- The City of Tempe is offering the High Efficiency Turf Irrigation Rebate:
  - High efficiency spray nozzles
  - Rain Sensors
  - Irrigation Controllers
- Qualifying residents can receive up to \$500 towards the purchase of high efficiency components once they have completed a City of Tempe home and landscape water audit

# Advanced Metering Infrastructure



# Customer Portal

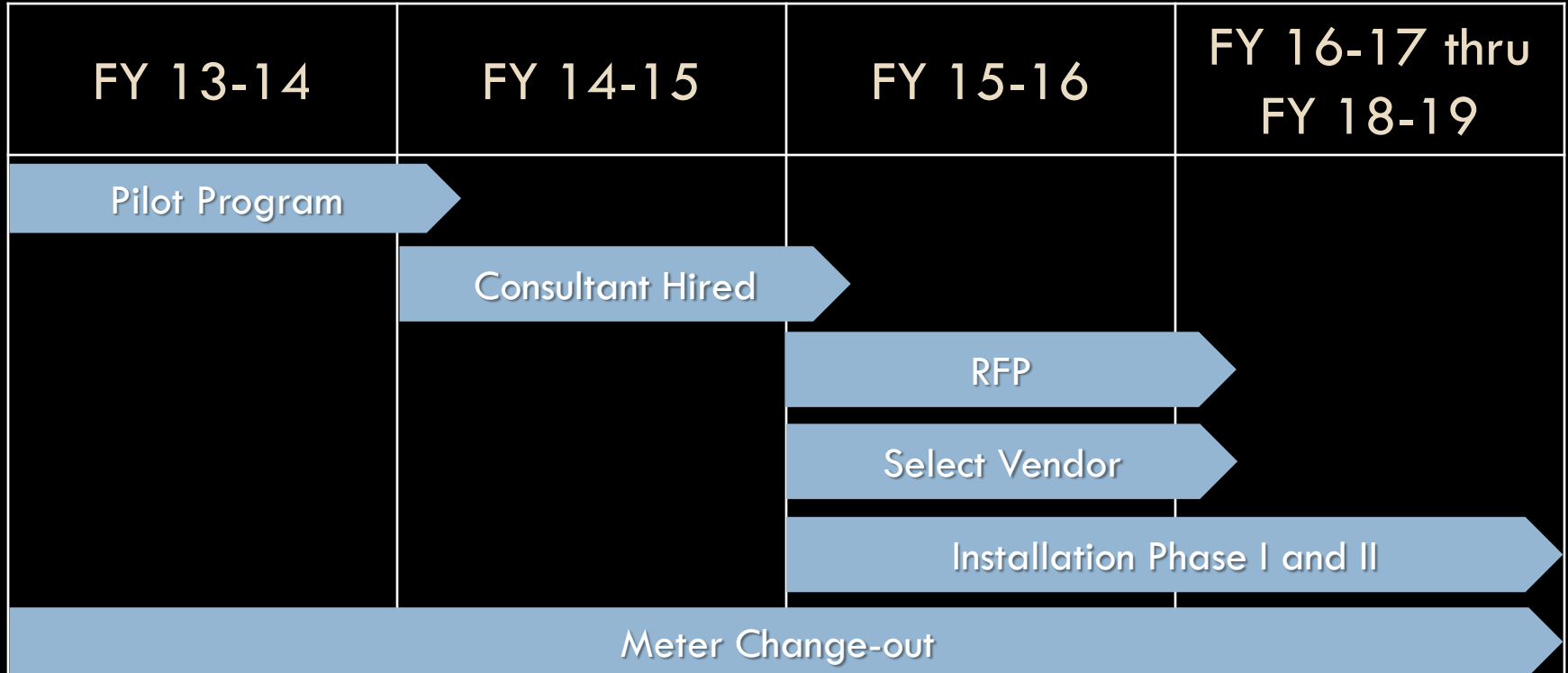


Promotes transparency through online access to information

- Empowers customers to better understand and manage water use
  - Historical consumption
  - Social comparisons
- Water conservation
  - Water saving tools and techniques
  - Leak resolution
- Improved communication
  - Targeted messaging
  - Send automated alerts, reminders, and notifications
- Payment Options

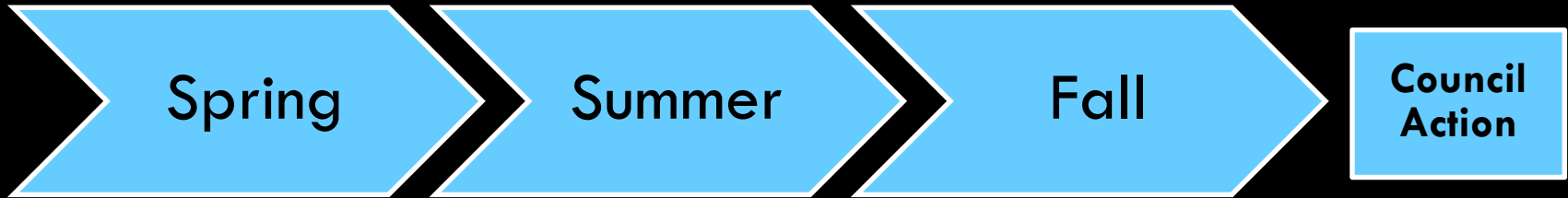


# AMI Timeline



# Public Outreach Process and Timeline

- 4 Focus Groups
- 2 Public Meetings
- Boards and Commissions
  - Sustainability
  - Neighborhood Advisory
- Webinar
- Council WSS
- 2 Public Meetings



[www.tempe.gov/utilityratestudy](http://www.tempe.gov/utilityratestudy)

# Breakout Sessions

## Solid Waste and Recycling

- Do's and Don'ts
- Composting and Green Organics
- Waste Reduction and Reuse
- Alley Maintenance

## Water

- New Rebates
- Water Landscape Audits
- Outreach and Workshops
- Flood Irrigation

## Customer Services

- Customer Portal
- AMI Rollout
- How to Read Your Bill
- Rate Study Questions