



# 2023 Water, Sewer and Stormwater Rates

**T**he City of Washougal operates and maintains water, sewer and stormwater utilities, serving more than 16,950 customers. The safe and reliable delivery of these services is of utmost importance to each individual customer and to the overall health of our community. Utility systems are extremely complex and require a substantial financial investment to operate and maintain. Establishing appropriate rates to support the operations of each utility is critically important to ensure the reliability and safety of these services to the community.

## HOW ARE RATES ESTABLISHED?

To establish the new rates for each of the utilities, the city hired an independent third party to work closely with key team members over a two-year period (2017-2018). The largest cost driver for providing utility services is the required capital facilities. To mitigate the impact of rate increases, the group reviewed the capital improvement plans to determine which projects could be deferred until after the current five-year rate window (2023). In total, over \$9,600,000 was deferred past the end of the rate study across the three utilities. Since adopting the 2019-2023 utility rates, the city continued to seek efficiencies, including staffing adjustments.

## WHEN WERE THE NEW RATES SET?

Rates for the 2019-2023 rate window were first adopted in 2018. On December 2, 2019, the city council adopted updated sewer and stormwater rates for the remaining 4 years of the rate window (2020-2023). Along with new sewer rates, a new rate model was implemented; flow-based sewer, which seeks to provide all our customers with greater equity. The December 2019 updates include:

**WATER:** No changes to the previously adopted rate increases through 2023 (adopted in 2018).

**SEWER:** In 2018 sewer rate increases were adopted for 2019-2023. In 2019 the City was able to reduce the level of sewer rate increases previously adopted, providing some mitigation to the previously adopted increases for 2020-2023.

**STORMWATER:** In 2018 storm rate increases were adopted for 2019-2023. In 2019 the City was able to reduce the level of storm rate increases previously adopted, providing some mitigation to the previously adopted increases for 2020-2023.

## WHERE DOES REVENUE FROM CUSTOMER-PAID UTILITY RATES GO?

The revenue received from customer-paid rates is, by law, consigned to individual enterprise accounts used exclusively for the cost of providing the utility service. This ensures that utility revenues and costs remain verifiable and separate from the General Fund, which is tax-funded and supports core municipal services such as police, fire, parks and streets.



### 2023 WATER RATES

For the water utility, after 10 years have reached the structure in which you only pay for a base fee and actual consumption instead of paying for an allowance (set amount included in the flat fee). This will allow customers to control their bill. As of 2023, there will no longer be an allowance in the base fee. This phase-out began in 2013, when the base allowance was 10 CCF (7,480 gallons/bi-monthly).

| Meter Size | 2023 Bi-Monthly Base Rate |
|------------|---------------------------|
| 3/4"       | \$44.54                   |

\*1 CCF = 100 cubic feet of water = 748 gallons

For all usage, customers will pay the following (per unit):

| Single Family Residential | 2023 Volume Charge |
|---------------------------|--------------------|
| 0-12 CCF                  | \$2.47             |
| 13-30 CCF                 | \$6.70             |
| Over 30 CCF               | \$8.39             |

### 2023 SEWER RATES

For the sewer utility, we needed to include adequate funding for two costly components of infrastructure over the next five years to remain in compliance with the permit issued to the City by the Washington State Department of Ecology. One of these projects will complete the mechanical plant and bring the City up to current standards for treatment of biosolids (the byproduct of treating wastewater).

2023 will continue the rate structure for residential sewer customers: flow-based sewer billing. The structure mirrors the water utility by charging a base rate plus consumption and is calculated by using your water consumption. To ensure we are only capturing the true water usage that makes its way to sewer, your sewer bill will be calculated using a winter average; this avoids irrigation or other outside of the house uses and is the industry standard. The billings used to calculate your winter average will be December/February (even month billings) or January/March (odd month billings).

New customers, customers without a winter average or customers that have an average of zero will receive the city average of 11 CCF.

| 2023 Bi-Monthly Base Rate         |         |
|-----------------------------------|---------|
| Single Family Residential Sewer   | \$86.84 |
| 2023 Volume Charge                |         |
| Single Family Residential per CCF | \$6.35  |

### 2023 STORMWATER RATES

For the stormwater utility, we were also operating under mandates of the Washington State Department of Ecology and new rules that were published and went into effect in 2019. We were able to identify existing subsidies between commercial and residential customers during the rate study. In 2018, commercial/industrial customers who held a stormwater permit issued by Washington State Department of Ecology received a 75% discount; this was deemed to be beyond the industry standard using market comparables. Over the next three years this discount will be reduced to 50% and the subsidy will be substantially reduced, lowering impacts to residential stormwater rates.

| 2023 Bi-Monthly Base Rate            |         |
|--------------------------------------|---------|
| Single Family Residential Stormwater | \$35.17 |

*Sewer Rate Structure Example:*  
 If you were to consume 12 CCF in December and 10 ccf in February your billing would include the bi-monthly base rate plus 11 CCF (based on the table to the left) \$86.84 + \$69.85 (6.35x11) = \$156.69.

## RATE COMPARISON

For more detailed rate information and to compare 2022 rates with 2023 rates by service, please visit [cityofwashougal.us/utilityrates](http://cityofwashougal.us/utilityrates).

