City of Seward, NE

Tuesday, October 6, 2015

Regular Session

Item G3

CONSIDERATION OF AN ORDINANCE AMENDING WATER UTILITY RATES- Andrew Ross, NMPP & Bruce Smith

Administrative Report: Based on the current rate study conducted by NMPP, we are not proposing an electric or sewer rate increase. The only proposed increase is to the water utility.

Following review and discussion, a motion to adopt the ordinance would be in order.

Staff Contact:

Seward, NE -- 2015 Cost of Service Study Update

Electric Department

Financial Proforma and 5 Year Rate Track

PRELIMINARY 10/1/15

	Item FYE September		2014	2015	2016	2017	2018	2019	2020
a	Sales Growth Base Load		1.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
b	Administration Inflation		3.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
c	General Inflation			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
d	Interest Rate on Cash Balances		0.5%	0.7%	0.7%	0.7%	0.9%	1.1%	1.3%
e	Purchase Power Adjustments		5.8%	-0.5%	3.5%	2.4%	2.0%	2.0%	2.7%
f	**Rate Adjustments**		**4.4%**	**4.7%**	**0.0%**	**0.0%**	**3.0%**	**3.0%**	**3.0%**
	effective date		**May 2014**	**Oct, 2014**	**Oct, 2015**	**Oct, 2016**	**Oct, 2017**	**Oct, 2018**	**Oct, 2019**
1	**Revenues**								
2	Retail Sales		8,907,261	9,373,256	9,513,855	9,656,563	10,095,453	10,554,292	11,033,984
3	Other Operating Rev		52,673	142,025	98,000	100,940	103,968	107,087	110,300
4	**Total Revenues**		**8,959,934**	**9,515,281**	**9,611,855**	**9,757,503**	**10,199,422**	**10,661,379**	**11,144,284**
5	**Expenses**								
6	Power Purchased		6,119,846	6,054,253	6,359,893	6,611,692	6,845,085	7,086,717	7,385,443
7	Distribution		1,005,922	954,652	1,117,877	1,151,413	1,185,956	1,221,534	1,258,180
8	Facilities and Operation		50,000	45,769	50,469	51,983	53,543	55,149	56,803
9	Administrative and General		457,818	419,688	563,574	580,481	597,896	615,833	634,308
10	**Total O&M**		**7,633,586**	**7,474,362**	**8,091,813**	**8,395,570**	**8,682,479**	**8,979,232**	**9,334,734**
11	Depreciation		570,077	614,450	686,204	771,779	887,447	968,487	1,018,940
12	Franchise Fee to General Fund $/G UPIS	$ 0.0045	447,148	476,523	485,000	441,596	448,220	454,943	461,767
13	Interest Income		(30,972)	(43,890)	(39,701)	(44,357)	(66,016)	(59,715)	(58,069)
14	**Total Electric Expense**		**8,619,839**	**8,521,445**	**9,223,315**	**9,564,587**	**9,952,130**	**10,342,948**	**10,757,373**
15	**Net Operating Income**		**340,095**	**993,836**	**388,540**	**192,915**	**247,291**	**318,431**	**386,912**
16	**Net Income Target % of UPIS**	**4.0%**	**298,625**	**287,675**	**335,553**	**432,585**	**491,849**	**551,642**	**576,742**
17	**Net Income Actual % of UPIS**		**4.6%**	**13.8%**	**4.6%**	**1.8%**	**2.0%**	**2.3%**	**2.7%**
18	Debt Coverage Ratio		2.58	4.72	2.42	1.44	1.83	2.10	2.31
19	COS Revenue Requirement				**9,460,868**				
20	**Other Revenues & (Expenses)**								
21	Interest on existing LT Debt		(93,016)	(89,568)	(87,075)	(83,086)	(77,724)	(71,783)	(64,774)
22	Interest Proposed Series 2016				(65,516)	(63,901)	(62,253)	(60,573)	(58,859)
23	Interest Proposed Series 2017					(60,000)	(58,521)	(57,012)	(55,474)
24	Non Operating Income		10,000	16,572	13,000	13,195	13,393	13,594	13,798
25	**Total Profit / Loss**		**257,079**	**920,841**	**248,949**	**(877)**	**62,186**	**142,657**	**221,602**
26	Net Utility Plant in Service (NUPIS)		7,465,635	7,191,863	8,388,821	10,814,614	12,296,235	13,791,040	14,418,553
27	Gross Utility Plant in Service (G UPIS)		14,667,697	16,574,443	19,850,228	22,222,228	24,729,862	26,409,862	26,424,862
28	Net UPIS/ OCUP		51%	43%	42%	49%	50%	52%	55%
29	**Cash Inflows**			1	2	3	4	5	6
30	Net Income		257,079	920,841	248,949	(877)	62,186	142,657	221,602
31	New Borrowed Funds			-	3,275,785	3,000,000			
32	Depreciation		570,077	614,450	686,204	771,779	887,447	968,487	1,018,940
33	Cash Inflows		**827,156**	**1,535,291**	**4,210,938**	**3,770,902**	**949,633**	**1,111,144**	**1,240,542**
34	**Cash Outflows**								
35	Capital Improvements & CWIP		311,900	1,906,746	3,275,785	2,372,000	2,507,634	1,680,000	15,000
36	Principal on Existing Debt		240,000	245,000	250,000	340,000	260,000	265,000	275,000
37	Principal on Series 2016		-	-		80,748	82,363	84,010	85,690
38	Principal on Proposed Series 2017						73,950	75,429	76,937
39	Cash Outflows		**$ 551,900**	**$ 2,151,746**	**$ 3,525,785**	**$ 2,792,748**	**$ 2,923,947**	**$ 2,104,439**	**$ 452,628**
40	Change in Cash		**275,256**	**(616,455)**	**685,153**	**978,154**	**(1,974,314)**	**(993,295)**	**787,914**
41	**Cash Balance**		**6,459,103**	**5,842,648**	**6,527,800**	**7,505,954**	**5,531,641**	**4,538,346**	**5,326,260**
42	**Minimum Cash Balance Target**		**3,056,768**	**3,182,294**	**3,426,377**	**3,876,163**	**4,214,832**	**4,250,266**	**4,206,286**

	Cash Reserve Policy			2014	"Must Have" Cash
1	O&M Expenses	7,633,586	25%	1,908,397	954,198
2	Gross Utility Plant in Service (G UPIS)	14,667,697	1%	146,677	
3	Deposits	90,850	100%	90,850	90,850
4	Debt Service	333,016	100%	333,016	333,016
5	Current Year Capital Improvements less Borrowin	311,900	10%	31,190	
6	Five Year Capital Improvements less Borrowings	5,466,380	10%	546,638	
	Minimum Reserve Target			3,056,768	1,378,065

NMPP
Engineering Services

Seward, NE
2015 Cost of Service/
Rate Design Study

Seward, NE
Sewer Department
2014 Cost of Service/Rate Design Study
For FYE

PRELIMINARY September 30, 20145

	For FYE		2013	2014	2015	2016	2017	2018	2019	2020
a	Sales Growth Base Load		5.32%	0.5%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
b	Administration Inflation		20.7%	4.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
c	General Inflation				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
d	Interest Rate on Cash Balances		0.5%	0.5%	0.5%	1.0%	1.0%	1.0%	1.0%	1.0%
e	**Rate Adjustments**			5.4%	0.0%	0.0%	4.5%	4.5%	4.5%	4.5%
	Effective			May. 1, 2014	Oct. 1, 2014	Oct. 1, 2015	Oct. 1, 2016	Oct. 1, 2017	Oct. 1, 2018	Oct. 1, 2019
1	**Revenues**									
2	Retail Sales		1,249,715	1,284,223	1,330,405	1,337,057	1,404,210	1,474,737	1,548,805	1,626,594
4	Other Operating Rev		199,191	34,000	35,195	36,432	37,713	39,038	40,411	41,831
5	**Total Revenues**		**1,448,906**	**1,318,223**	**1,365,600**	**1,373,489**	**1,441,923**	**1,513,775**	**1,589,216**	**1,668,425**
6	**Expenses**									
7	PRODUCTION		387,743	365,945	376,923	388,231	399,878	411,874	424,231	436,957
8	PLANT - O & M		129,229	171,500	176,645	181,944	187,403	193,025	198,816	204,780
9	CUSTOMER SERVICE & BILLING		260,879	253,241	260,838	268,663	276,723	285,024	293,575	302,382
10	COLLECTION - O & M		32,540	65,500	67,465	69,489	71,574	73,721	75,932	78,210
11	FRANCHISE FEE		72,908	64,200	66,126	68,110	70,153	72,258	74,425	76,658
12	**Total O&M**		**883,299**	**920,386**	**947,997**	**976,437**	**1,005,730**	**1,035,902**	**1,066,979**	**1,098,988**
13	Depreciation and Amortization		398,140	402,016	413,528	427,766	443,676	459,928	460,786	447,703
14	Interest Income		(6,364)	(7,249)	(7,358)	(11,254)	(8,118)	(7,715)	(7,124)	(7,647)
15	**Total Water Expense**		**1,275,075**	**1,315,153**	**1,354,167**	**1,392,949**	**1,441,289**	**1,488,115**	**1,520,641**	**1,539,045**
16	**Net Operating Income**		**173,831**	**3,070**	**11,433**	**(19,460)**	**634**	**25,660**	**68,575**	**129,380**
17	**Net Income Target % of UPIS**	**4.0%**	**321,539**	**337,607**	**327,020**	**327,591**	**325,593**	**313,883**	**304,404**	**292,898**
18	**Net Income Actual % of UPIS**		**2.2%**	**0.0%**	**0.1%**	**-0.2%**	**0.0%**	**0.3%**	**0.9%**	**1.8%**
19	**COS Revenue Requirement**			**1,618,759**						
20	**Debt Coverage Ratio**		**1.76**	**1.253**	**1.30**	**1.27**	**1.37**	**1.50**	**1.64**	**1.78**
21	**Other Revenues & (Expenses)**									
22	Interest on New LT Debt					-	-	-	-	-
23	Interest on Existing LT Debt		(134,419)	(133,243)	(130,755)	(127,460)	(123,640)	(119,025)	(113,678)	(108,578)
24	Sinking Fund		(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
25	**Total Profit / Loss**		**39,412**	**(130,172)**	**(119,322)**	**(146,920)**	**(123,006)**	**(93,365)**	**(45,102)**	**20,803**
26	Depreciated Utility Plant in Service (UPIS)		8,038,483	8,440,171	8,175,496	8,189,773	8,139,836	7,847,071	7,610,111	7,322,447
27	Gross Utility Plant in Service		10,123,491	10,278,546	10,739,008	11,153,470	11,329,432	11,565,038	11,733,500	11,895,500
28	Depreciated UPIS / Gross UPIS		79%	82%	76%	73%	72%	68%	65%	62%
29	**Cash Inflows**									
30	Net Income		39,412	(130,172)	(119,322)	(146,920)	(123,006)	(93,365)	(45,102)	20,803
31	Grants/Donation		-	80,000						
32	Depreciation Expense		398,140	402,016	413,528	427,766	443,676	459,928	460,786	447,703
33	Cash Inflows		**437,552**	**351,844**	**294,206**	**280,846**	**320,671**	**366,563**	**415,684**	**468,506**
34	**Cash Outflows**									
35	Capital Improvements & CWIP		837,192	155,055	460,462	414,462	175,962	235,606	168,462	162,000
36	Principal on Existing Debt		190,000	190,000	195,000	195,000	200,000	205,000	210,000	215,000
37	Principal on New Debt					-	-	-	-	-
38	Cash Outflows		**1,027,192**	**345,055**	**655,462**	**609,462**	**375,962**	**440,606**	**378,462**	**377,000**
39	Change in Cash		**(589,640)**	**6,790**	**(361,256)**	**(328,616)**	**(55,291)**	**(74,043)**	**37,222**	**91,506**
40	**Cash Balance Includes Sinking Fund**		**1,449,861**	**1,471,651**	**1,125,394**	**811,778**	**771,487**	**712,444**	**764,666**	**871,171**
41	**Cash Balance Target**		**1,102,227**	**1,059,061**	**1,092,061**	**1,059,419**	**1,039,824**	**948,824**	**895,966**	**854,206**

	Cash Reserve Policy			**2014**
1	O&M Expenses	920,386	25%	230,096
2	Gross Utility Plant in Service	10,278,546	1%	102,785
3	Deposits	-	100%	-
4	Debt Service	323,243	100%	323,243
5	Current Year Capital Improvements less Borı	155,055	20%	31,011
6	Five Year Capital Improvements less Borrow	1,859,628	20%	371,926
	Minimum Reserve Target			**1,059,061**

NMPP
Engineering Services

Seward, NE
2014 Cost of Service/
Rate Design Study

Seward, NE
Water Department
2014 Cost of Service/
For FYE September

PRELIMINARY - September 21, 2015

	For FYE September		2015	2016	2017	2018	2019	2020
a	Sales Growth Base Load		0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
b	Administration Inflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
c	General Inflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
d	Interest Rate on Cash Balances		0.2%	0.3%	0.3%	0.3%	0.3%	0.3%
e	**Rate Adjustments**		**0.0%**	**2.6%**	**2.6%**	**2.6%**	**2.6%**	**2.6%**
	For FYE September	**Effective date**		**Nov. 1, 2015**	**Oct. 1, 2016**	**Oct. 1, 2017**	**Oct. 1, 2018**	**Oct. 1, 2019**
1	**Revenues**							
2	Retail Sales		1,774,891	1,830,822	1,896,516	1,960,420	2,026,476	2,094,758
3	Other Operating Rev		39,238	39,532	39,828	39,828	39,828	39,828
4	**Total Revenues**		**1,814,129**	**1,870,354**	**1,936,345**	**2,000,248**	**2,066,304**	**2,134,586**
5	**Expenses**							
6	ADMINISTRATIVE		266,213	274,200	282,426	290,898	299,625	308,614
7	DISTRIBUTION		23,228	23,924	24,642	25,381	26,143	26,927
8	PRODUCTION		302,991	312,081	321,443	331,086	341,019	351,250
9	WELLS & TOWER-O & M		37,853	38,988	40,158	41,362	42,603	43,881
10	PLANT - O & M		210,429	216,742	223,244	229,941	236,840	243,945
11	FRANCHISE TAX		98,288	101,236	104,273	107,402	110,624	113,942
12	**Total O&M**		**939,001**	**967,171**	**996,186**	**1,026,072**	**1,056,854**	**1,088,560**
13	Depreciation		322,051	376,313	408,911	454,021	443,844	480,477
14	Interest Income		(6,156)	(10,726)	(9,202)	(7,374)	(6,935)	(7,000)
16	**Total Water Expense**		**1,254,896**	**1,332,758**	**1,395,895**	**1,472,719**	**1,493,764**	**1,562,037**
17	**Net Operating Income**		**559,233**	**537,596**	**540,450**	**527,529**	**572,541**	**572,550**
18	**Net Income Target % of UPIS**	**5.0%**	**463,979**	**496,685**	**534,890**	**547,881**	**554,132**	**573,983**
19	**Net Income Actual % of UPIS**		**6.0%**	**5.4%**	**5.1%**	**4.8%**	**5.2%**	**5.0%**
20	Debt Service		407,943	402,090	400,480	402,828	404,286	404,821
21	Debt Coverage Ratio		2.16	2.27	2.37	2.44	2.51	2.60
22	COS Revenue Requirement							
23	**Other Revenues & (Expenses)**							
25	Interest on Existing LT Debt		(147,943)	(142,090)	(135,480)	(127,828)	(119,286)	(109,821)
27	Sinking Fund		(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
28	**Total Profit / Loss**		**391,290**	**375,506**	**384,970**	**379,702**	**433,256**	**442,731**
31	Sales increase		**0.75%**	**0.75%**	**0.75%**	**0.75%**	**0.75%**	**0.75%**
32	Sales CF		32,549,679	32,793,802	33,039,755	33,287,553	33,537,210	33,788,739
34	Rate Yield		$ 0.05	$ 0.06	$ 0.06	$ 0.06	$ 0.06	$ 0.06
37	Net Utility Plant in Service (N-UPIS)		9,279,584	9,933,702	10,697,804	10,957,629	11,082,632	11,479,661
38	Gross Utility Plant in Service (G-UPIS)		18,503,460	19,569,422	20,782,884	21,521,346	22,109,808	23,017,573
39	Net UPIS/ OCUP		50%	51%	51%	51%	50%	50%
40	**Cash Inflows**							
41	Net Income		391,290	375,506	384,970	379,702	433,256	442,731
42	New Borrowed Funds (intra-department)		-					
44	Grants/Donation							
45	Depreciation Expense		322,051	376,313	408,911	454,021	443,844	480,477
46	Cash Inflows		**713,341**	**751,819**	**793,880**	**833,724**	**877,101**	**923,208**
47	**Cash Outflows**							
48	Capital Improvements & CWIP		90,462	1,065,962	1,213,462	738,462	588,462	907,765
49	Principal on Existing Debt		260,000	260,000	265,000	275,000	285,000	295,000
52	Cash Outflows		**350,462**	**1,325,962**	**1,478,462**	**1,013,462**	**873,462**	**1,202,765**
53	Change in Cash		**362,879**	**(574,143)**	**(684,582)**	**(179,738)**	**3,639**	**(279,557)**
54	**Cash Balance Includes Sinking Fund**		**3,899,814**	**3,345,671**	**2,681,089**	**2,521,351**	**2,544,989**	**2,285,433**
55	**Cash Balance Target**		**1,752,882**	**1,909,372**	**1,881,572**	**1,828,726**	**1,873,894**	**1,956,897**

	Cash Reserve Policy			**2014**
1	O&M Expenses	899,473	25%	224,868
2	Gross Utility Plant in Service (G-UPIS)	17,308,498	1.00%	173,085
3	Deposits	4,240	100%	4,240
4	Debt Service	386,277	100%	386,277
5	Current Year Capital Improvements less Borrowings	1,940,323	20%	388,065
6	Five Year Capital Improvements less Borrowings	5,414,709	20%	1,082,942
7	**Minimum Reserve Target**			**2,259,476**

Table C
Comparison of Revenue from Existing Rates
to Revenue from Proposed Rates October 2015

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference $	Difference %
1	Residential and Commercial Inside City Limit	$ 1,672,930	$ 1,716,653	$ 43,723	2.6%
2	Residential and Commerical Outside City Limit	30,664	30,664	-	0.0%
4	**Total**	**$ 1,703,594**	**$ 1,747,317**	**$ 43,723**	**2.6%**

NMPP
Engineering Services

April 2011

Seward, NE
2014 Cost of Service/
Rate Design Study

Appendix Table B - 1
2014 Cost of Service/
Typical Bill Comparison
Existing vs. Proposed Rates
Residential and Commercial Inside City Limit

Line	Inside City Limits – Existing				Inside City Limits – Proposed				area of meter	
1	Meter Charge By Size	1" or Less	$	10.55	Meter Charge By Size	1" or Less	$	11.65	0.79	1.00
2		1.5"	$	23.74		1.5"	$	26.21	1.77	2.25
3		2"	$	42.20		2"	$	46.60	3.14	4.00
4		3"	$	94.95		3"	$	104.85	7.07	9.00
5		4"	$	168.80		4"	$	186.40	12.56	16.00
6		6"	$	379.80		6"	$	419.40	28.26	36.00
7		8"	$	675.20		8"	$	745.60	50.24	64.00
8	Commodity			$/CF	Commodity			$/CF	Cust. cos	proposed
9	First 1,200 CF	1" or Less	$	0.0356	First 1,200 CF	1" or Less	$	0.0356	$ 14.89	$ 14.75
10	Excess 1,200 CF	1" or Less	$	0.0424	Excess 1,200 CF	1" or Less	$	0.0424		
11	First 1,800 CF	1.5"	$	0.0356	First 1,800 CF	1.5"	$	0.0356		
12	Excess 1,800 CF	1.5"	$	0.0424	Excess 1,800 CF	1.5"	$	0.0424		
13	First 2,400 CF	2"	$	0.0356	First 2,400 CF	2"	$	0.0356		
14	Excess 2,400 CF	2"	$	0.0424	Excess 2,400 CF	2"	$	0.0424		
15	First 3,600 CF	3"	$	0.0356	First 3,600 CF	3"	$	0.0356		
16	Excess 3,600 CF	3"	$	0.0408	Excess 3,600 CF	3"	$	0.0408		
17	First 4,800 CF	4"	$	0.0356	First 4,800 CF	4"	$	0.0356		
18	Excess 4,800 CF	4"	$	0.0408	Excess 4,800 CF	4"	$	0.0408		
19	First 7,200 CF	6"	$	0.0356	First 7,200 CF	6"	$	0.0356		
20	Excess 7,200 CF	6"	$	0.0408	Excess 7,200 CF	6"	$	0.0408		
21	First 9,600 CF	8"	$	0.0356	First 9,600 CF	8"	$	0.0356		
22	Excess 9,600 CF	8"	$	0.0408	Excess 9,600 CF	8"	$	0.0408		

Existing Rate Revenue	$	1,672,930
Proposed Rate Revenue	$	1,716,653
Proposed Rate Increase		2.6%

1" or Less

Line #	Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
1	100	$ 14.11	$ 15.21	7.8%	$ 1.10
2	200	$ 17.67	$ 18.77	6.2%	$ 1.10
3	300	$ 21.23	$ 22.33	5.2%	$ 1.10
4	400	$ 24.79	$ 25.89	4.4%	$ 1.10
5	500	$ 28.35	$ 29.45	3.9%	$ 1.10
6	600	$ 31.91	$ 33.01	3.4%	$ 1.10
7	700	$ 35.47	$ 36.57	3.1%	$ 1.10
8	800	$ 39.03	$ 40.13	2.8%	$ 1.10
9	900	$ 42.59	$ 43.69	2.6%	$ 1.10
10	1,000	$ 46.15	$ 47.25	2.4%	$ 1.10
11	1,500	$ 67.35	$ 68.45	1.6%	$ 1.10
12	2,000	$ 88.55	$ 89.65	1.2%	$ 1.10
13	2,500	$ 109.75	$ 110.85	1.0%	$ 1.10
14	3,000	$ 130.95	$ 132.05	0.8%	$ 1.10
15	3,500	$ 152.15	$ 153.25	0.7%	$ 1.10
16	4,000	$ 173.35	$ 174.45	0.6%	$ 1.10
17	4,500	$ 194.55	$ 195.65	0.6%	$ 1.10
18	5,000	$ 215.75	$ 216.85	0.5%	$ 1.10
19	10,000	$ 427.75	$ 428.85	0.3%	$ 1.10
20	15,000	$ 639.75	$ 640.85	0.2%	$ 1.10
21	25,000	$ 1,063.75	$ 1,064.85	0.1%	$ 1.10
22	35,000	$ 1,487.75	$ 1,488.85	0.1%	$ 1.10
23	45,000	$ 1,911.75	$ 1,912.85	0.1%	$ 1.10
24	55,000	$ 2,335.75	$ 2,336.85	0.0%	$ 1.10
25	65,000	$ 2,759.75	$ 2,760.85	0.0%	$ 1.10

1.5"

Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
100	$ 27.30	$ 29.77	9.0%	$ 2.47
200	$ 30.86	$ 33.33	8.0%	$ 2.47
300	$ 34.42	$ 36.89	7.2%	$ 2.47
400	$ 37.98	$ 40.45	6.5%	$ 2.47
500	$ 41.54	$ 44.01	5.9%	$ 2.47
600	$ 45.10	$ 47.57	5.5%	$ 2.47
700	$ 48.66	$ 51.13	5.1%	$ 2.47
800	$ 52.22	$ 54.69	4.7%	$ 2.47
900	$ 55.78	$ 58.25	4.4%	$ 2.47
1,000	$ 59.34	$ 61.81	4.2%	$ 2.47
1,500	$ 77.14	$ 79.61	3.2%	$ 2.47
2,000	$ 98.34	$ 100.81	2.5%	$ 2.47
2,500	$ 119.54	$ 122.01	2.1%	$ 2.47
3,000	$ 140.74	$ 143.21	1.8%	$ 2.47
3,500	$ 161.94	$ 164.41	1.5%	$ 2.47
4,000	$ 183.14	$ 185.61	1.3%	$ 2.47
4,500	$ 204.34	$ 206.81	1.2%	$ 2.47
5,000	$ 225.54	$ 228.01	1.1%	$ 2.47
6,000	$ 267.94	$ 270.41	0.9%	$ 2.47
7,000	$ 310.34	$ 312.81	0.8%	$ 2.47
8,000	$ 352.74	$ 355.21	0.7%	$ 2.47
9,000	$ 395.14	$ 397.61	0.6%	$ 2.47
10,000	$ 437.54	$ 440.01	0.6%	$ 2.47
15,000	$ 649.54	$ 652.01	0.4%	$ 2.47
20,000	$ 861.54	$ 864.01	0.3%	$ 2.47

2"

Line #	Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
5	100	$ 45.76	$ 50.16	9.6%	$ 4.40
6	200	$ 49.32	$ 53.72	8.9%	$ 4.40
7	300	$ 52.88	$ 57.28	8.3%	$ 4.40
8	400	$ 56.44	$ 60.84	7.8%	$ 4.40
9	500	$ 60.00	$ 64.40	7.3%	$ 4.40
10	600	$ 63.56	$ 67.96	6.9%	$ 4.40
11	700	$ 67.12	$ 71.52	6.6%	$ 4.40
12	800	$ 70.68	$ 75.08	6.2%	$ 4.40
13	900	$ 74.24	$ 78.64	5.9%	$ 4.40
14	1,000	$ 77.80	$ 82.20	5.7%	$ 4.40
15	1,500	$ 95.60	$ 100.00	4.6%	$ 4.40
16	2,000	$ 113.40	$ 117.80	3.9%	$ 4.40
17	2,500	$ 134.60	$ 139.00	3.3%	$ 4.40
18	3,000	$ 155.80	$ 160.20	2.8%	$ 4.40
19	3,500	$ 177.00	$ 181.40	2.5%	$ 4.40
20	4,000	$ 198.20	$ 202.60	2.2%	$ 4.40
21	4,500	$ 219.40	$ 223.80	2.0%	$ 4.40
22	5,000	$ 240.60	$ 245.00	1.8%	$ 4.40
23	10,000	$ 452.60	$ 457.00	1.0%	$ 4.40
24	15,000	$ 664.60	$ 669.00	0.7%	$ 4.40
25	20,000	$ 876.60	$ 881.00	0.5%	$ 4.40
26	25,000	$ 1,088.60	$ 1,093.00	0.4%	$ 4.40
27	30,000	$ 1,300.60	$ 1,305.00	0.3%	$ 4.40
28	35,000	$ 1,512.60	$ 1,517.00	0.3%	$ 4.40
29	40,000	$ 1,724.60	$ 1,729.00	0.3%	$ 4.40

3"

Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
100	$ 98.51	$ 108.41	10.0%	$ 9.90
200	$ 102.07	$ 111.97	9.7%	$ 9.90
300	$ 105.63	$ 115.53	9.4%	$ 9.90
400	$ 109.19	$ 119.09	9.1%	$ 9.90
500	$ 112.75	$ 122.65	8.8%	$ 9.90
600	$ 116.31	$ 126.21	8.5%	$ 9.90
700	$ 119.87	$ 129.77	8.3%	$ 9.90
800	$ 123.43	$ 133.33	8.0%	$ 9.90
900	$ 126.99	$ 136.89	7.8%	$ 9.90
1,000	$ 130.55	$ 140.45	7.6%	$ 9.90
1,500	$ 148.35	$ 158.25	6.7%	$ 9.90
2,000	$ 166.15	$ 176.05	6.0%	$ 9.90
2,500	$ 183.95	$ 193.85	5.4%	$ 9.90
3,000	$ 201.75	$ 211.65	4.9%	$ 9.90
3,500	$ 219.55	$ 229.45	4.5%	$ 9.90
4,000	$ 239.95	$ 249.85	4.1%	$ 9.90
4,500	$ 260.35	$ 270.25	3.8%	$ 9.90
5,000	$ 280.75	$ 290.65	3.5%	$ 9.90
10,000	$ 484.75	$ 494.65	2.0%	$ 9.90
15,000	$ 688.75	$ 698.65	1.4%	$ 9.90
25,000	$ 1,096.75	$ 1,106.65	0.9%	$ 9.90
35,000	$ 1,504.75	$ 1,514.65	0.7%	$ 9.90
45,000	$ 1,912.75	$ 1,922.65	0.5%	$ 9.90
55,000	$ 2,320.75	$ 2,330.65	0.4%	$ 9.90
60,000	$ 2,524.75	$ 2,534.65	0.4%	$ 9.90

4"

Line #	Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
9	500	$ 186.60	$ 204.20	9.4%	$ 17.60
10	600	$ 190.16	$ 207.76	9.3%	$ 17.60
11	700	$ 193.72	$ 211.32	9.1%	$ 17.60
12	800	$ 197.28	$ 214.88	8.9%	$ 17.60
13	900	$ 200.84	$ 218.44	8.8%	$ 17.60
14	1,000	$ 204.40	$ 222.00	8.6%	$ 17.60
15	2,000	$ 240.00	$ 257.60	7.3%	$ 17.60
16	3,000	$ 275.60	$ 293.20	6.4%	$ 17.60
17	4,000	$ 311.20	$ 328.80	5.7%	$ 17.60
18	5,000	$ 352.00	$ 369.60	5.0%	$ 17.60
19	7,000	$ 433.60	$ 451.20	4.1%	$ 17.60
20	10,000	$ 556.00	$ 573.60	3.2%	$ 17.60
24	30,000	$ 1,372.00	$ 1,389.60	1.3%	$ 17.60
25	35,000	$ 1,576.00	$ 1,593.60	1.1%	$ 17.60
26	40,000	$ 1,780.00	$ 1,797.60	1.0%	$ 17.60
27	45,000	$ 1,984.00	$ 2,001.60	0.9%	$ 17.60
28	50,000	$ 2,188.00	$ 2,205.60	0.8%	$ 17.60
29	55,000	$ 2,392.00	$ 2,409.60	0.7%	$ 17.60

ber 2015

Appendix Table B - 3
2014 Cost of Service/
Typical Bill Comparison
Existing vs. Proposed Rates
Residential and Commerical Outside City Limit

Line	Outside City Limits						
	Existing			**Proposed**			
1	Customer Charge	1" or Less	$ 15.15	Meter Charge By Size	1" or Less	$ 15.15	
2		1.5"	$ 34.08		1.5"	$ 34.08	
3		2"	$ 60.58		2"	$ 60.58	
4		3"	$ 136.32		3"	$ 136.32	
5		4"	$ 242.34		4"	$ 242.34	
6		6"	$ 545.26		6"	$ 545.26	
7		8"	$ 969.36		8"	$ 969.36	
	Commodity		$/CF	Commodity		$/CF	
8	First 1,200 CF	1" or Less	$ 0.05376	First 1,200 CF	1" or Less	$ 0.0538	0.00%
9	Excess 1,200 CF	1" or Less	$ 0.06402	Excess 1,200 CF	1" or Less	$ 0.0640	0.00%
10	First 1,800 CF	1.5"	$ 0.05376	First 1,800 CF	1.5"	$ 0.0538	0.00%
11	Excess 1,800 CF	1.5"	$ 0.06402	Excess 1,800 CF	1.5"	$ 0.0640	0.00%
12	First 2,400 CF	2"	$ 0.05376	First 2,400 CF	2"	$ 0.0538	0.00%
13	Excess 2,400 CF	2"	$ 0.06402	Excess 2,400 CF	2"	$ 0.0640	0.00%
14	First 3,600 CF	3"	$ 0.05376	First 3,600 CF	3"	$ 0.0538	0.00%
15	Excess 3,600 CF	3"	$ 0.06161	Excess 3,600 CF	3"	$ 0.0616	0.00%
16	First 4,800 CF	4"	$ 0.05376	First 4,800 CF	4"	$ 0.0538	0.00%
17	Excess 4,800 CF	4"	$ 0.06161	Excess 4,800 CF	4"	$ 0.0616	0.00%
18	First 7,200 CF	6"	$ 0.05376	First 7,200 CF	6"	$ 0.0538	0.00%
19	Excess 7,200 CF	6"	$ 0.06161	Excess 7,200 CF	6"	$ 0.0616	0.00%
20	First 9,600 CF	8"	$ 0.05376	First 9,600 CF	8"	$ 0.0538	0.00%
21	Excess 9,600 CF	8"	$ 0.06161	Excess 9,600 CF	8"	$ 0.0616	0.00%

Existing Rate Revenue	$ 30,664
Proposed Rate Revenue	$ 30,664
Proposed Rate Increase	0.0%

1" or Less

Line #	Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
1	5	$ 15.42	$ 15.42	0.0%	$ -
2	10	$ 15.69	$ 15.69	0.0%	$ -
3	25	$ 16.49	$ 16.49	0.0%	$ -
4	50	$ 17.84	$ 17.84	0.0%	$ -
5	100	$ 20.53	$ 20.53	0.0%	$ -
6	150	$ 23.21	$ 23.21	0.0%	$ -
7	200	$ 25.90	$ 25.90	0.0%	$ -
8	300	$ 31.28	$ 31.28	0.0%	$ -
9	400	$ 36.65	$ 36.65	0.0%	$ -
10	500	$ 42.03	$ 42.03	0.0%	$ -
11	600	$ 47.40	$ 47.40	0.0%	$ -
12	700	$ 52.78	$ 52.78	0.0%	$ -
13	800	$ 58.15	$ 58.15	0.0%	$ -
14	900	$ 63.53	$ 63.53	0.0%	$ -
15	1,000	$ 68.91	$ 68.91	0.0%	$ -
16	1,100	$ 74.28	$ 74.28	0.0%	$ -
17	1,200	$ 79.66	$ 79.66	0.0%	$ -
18	1,500	$ 98.86	$ 98.86	0.0%	$ -
19	1,800	$ 118.07	$ 118.07	0.0%	$ -
20	2,100	$ 137.28	$ 137.28	0.0%	$ -
21	2,400	$ 156.49	$ 156.49	0.0%	$ -
22	2,700	$ 175.69	$ 175.69	0.0%	$ -
23	3,000	$ 194.90	$ 194.90	0.0%	$ -

1.5"

Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
500	$ 60.96	$ 60.96	0.0%	$ -
1000	$ 87.84	$ 87.84	0.0%	$ -
2000	$ 151.86	$ 151.86	0.0%	$ -
3000	$ 215.88	$ 215.88	0.0%	$ -
4000	$ 279.91	$ 279.91	0.0%	$ -
5000	$ 343.93	$ 343.93	0.0%	$ -
6000	$ 407.96	$ 407.96	0.0%	$ -
7000	$ 471.98	$ 471.98	0.0%	$ -
8000	$ 536.00	$ 536.00	0.0%	$ -
9000	$ 600.03	$ 600.03	0.0%	$ -
10000	$ 664.05	$ 664.05	0.0%	$ -
11000	$ 728.08	$ 728.08	0.0%	$ -
12000	$ 792.10	$ 792.10	0.0%	$ -
13000	$ 856.12	$ 856.12	0.0%	$ -
14000	$ 920.15	$ 920.15	0.0%	$ -
15000	$ 984.17	$ 984.17	0.0%	$ -
16000	$ 1,048.20	$ 1,048.20	0.0%	$ -
17000	$ 1,112.22	$ 1,112.22	0.0%	$ -
18000	$ 1,176.24	$ 1,176.24	0.0%	$ -
19000	$ 1,240.27	$ 1,240.27	0.0%	$ -
20000	$ 1,304.29	$ 1,304.29	0.0%	$ -
22000	$ 1,432.34	$ 1,432.34	0.0%	$ -
25000	$ 1,624.41	$ 1,624.41	0.0%	$ -

2"

Line #	Monthly Usage CF	Monthly Bill Existing	Monthly Bill Proposed	% Inc. / (Dec.)	$ Inc. / (Dec.)
1	500	$ 87.46	$ 87.46	0.0%	$ -
2	700	$ 98.21	$ 98.21	0.0%	$ -
3	900	$ 108.96	$ 108.96	0.0%	$ -
4	1,100	$ 119.71	$ 119.71	0.0%	$ -
5	1,300	$ 130.46	$ 130.46	0.0%	$ -
6	1,500	$ 141.21	$ 141.21	0.0%	$ -
7	1,700	$ 151.97	$ 151.97	0.0%	$ -
8	1,900	$ 162.72	$ 162.72	0.0%	$ -
9	2,000	$ 168.09	$ 168.09	0.0%	$ -
10	2,200	$ 178.84	$ 178.84	0.0%	$ -
11	2,400	$ 191.65	$ 191.65	0.0%	$ -
12	3,000	$ 230.06	$ 230.06	0.0%	$ -
13	3,500	$ 262.07	$ 262.07	0.0%	$ -
14	4,000	$ 294.09	$ 294.09	0.0%	$ -
15	5,000	$ 358.11	$ 358.11	0.0%	$ -
16	6,000	$ 422.13	$ 422.13	0.0%	$ -
17	7,000	$ 486.16	$ 486.16	0.0%	$ -
18	8,000	$ 550.18	$ 550.18	0.0%	$ -
19	9,000	$ 614.21	$ 614.21	0.0%	$ -

ORDINANCE NO. 2015-

AN ORDINANCE TO AMEND SECTION 3-127 OF THE CITY CODE; TO INITIATE A 2.6% INCREASE IN REVENUES CHARGED TO CUSTOMERS FOR SERVICE FROM THE WATER SYSTEM OF THE CITY EFFECTIVE WITH THE OCTOBER 2015 BILLING; TO PROVIDE FOR BILLING THEREOF; TO REPEAL SECTION 3-127; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

Section 1. Amendment. Section 3-127 of the Municipal Code of Seward, Nebraska, is amended to read as follows:

MUNICIPAL WATER DEPARTMENT; WATER RATES. A tariff of monthly water rates will be charged for each meter installed in the Water System of the City. The W/WWTW Superintendent or his duly authorized agent may make a determination to forego the meter charge on irrigation systems when the meter is winterized and shut-off, if it is in the best interest of the City to do so. The following rates are hereby established:

URBAN GENERAL SERVICE RATES

Rates effective October 2015 billing:

Meter Size	Customer Chg.	Rate per Cubic Feet
1" or less	$ 11.76	First 1,200 CF, $.0368 per CF
		Over 1,200 CF, $.0438 per CF
1.5"	$ 26.46	First 1,800 CF, $.0368 per CF
		Over 1,800 CF, $.0438 per CF
2"	$ 47.04	First 2,400 CF, $.0368 per CF
		Over 2,400 CF, $.0438 per CF
3"	$105.84	First 3,600 CF, $.0368 per CF
		Over 3,600 CF, $.0422 per CF
4"	$188.16	First 4,800 CF, $.0368 per CF
		Over 4,800 CF, $.0422 per CF
6"	$423.36	First 7,200 CF, $.0368 per CF
		Over 7,200 CF, $.0422 per CF
8"	$752.64	First 9,600 CF, $.0368 per CF
		Over 9,600 CF, $.0422 per CF

RURAL GENERAL SERVICE RATES

Rates effective October 2015 billing:

Meter Size	Customer Chg.	Rate per Cubic Feet
1" or less	$ 15.22	First 1,200 CF, $.0523 per CF Over 1,200 CF, $.0623 per CF
1.5"	$ 34.24	First 1,800 CF, $.0523 per CF Over 1,800 CF, $.0623 per CF
2"	$ 60.87	First 2,400 CF, $.0523 per CF Over 2,400 CF, $.0623 per CF
3"	$136.96	First 3,600 CF, $.0523 per CF Over 3,600 CF, $.0600 per CF
4"	$243.49	First 4,800 CF, $.0523 per CF Over 4,800 CF, $.0600 per CF
6"	$547.85	First 7,200 CF, $.0523 per CF Over 7,200 CF, $.0600 per CF
8"	$973.95	First 9,600 CF, $.0523 per CF Over 9,600 CF, $.0600 per CF

Section 2. REPEAL. All ordinances or provision or portions of ordinances in conflict here with are hereby repealed.

Section 3. WHEN OPERATIVE. This ordinance shall take effect and be in full force from and after its passage, approval and publication in pamphlet form as required by law.

Passed and approved this 6th day of October, 2015.

CITY OF SEWARD, NEBRASKA

ATTEST:

____
Joshua Eickmeier, Mayor

____
Bonnie Otte
Administrator Assistant/
City Clerk-Treasurer/
Budget & Human Resource Director

(SEAL)