



CITY OF BETHEL

FINANCE COMMITTEE

WEDNESDAY, JULY 26, 2023, 6:30 PM

LOCATION: 300 CHIEF EDDIE HOFFMAN HIGHWAY, BETHEL, ALASKA ZOOM MEETING LINK:

[HTTPS://ZOOM.US/J/99674371849?PWD=NWTUNURHC1EVOE15DUVONFJ3NKP.UT09](https://zoom.us/j/99674371849?pwd=NWTUNURHC1EVOE15DUVONFJ3NKP.UT09)

ZOOM MEETING ID: 996 74371849

ZOOM PASSCODE: 507255

877 853 5257 US Toll-free

888 475 4499 US Toll-free

MEMBERS

John Hamilton, Chair

Robert Rey, Vice-Chair

Rose Henderson, Council Rep

Farah Sears

Carol Ann Willard

4 Vacancies

STAFF

Aaron Vassalotti, Ex Officio Member

Alexandra Batchelor, Ex Officio Member

finance@cityofbethel.net

907-543-1381

I. CALL TO ORDER

II. ROLL CALL

III. PEOPLE TO BE HEARD – FIVE MINUTES PER PERSON

- A. Please submit written public comments to finance@cityofbethel.net by 4:00 p.m. the day of the meeting.

IV. APPROVAL OF AGENDA

V. APPROVAL OF MEETING MINUTES

- A. A. 03/27/2023
- B. B. 04/24/2023
- C. C. 05/22/2023
- D. D. 06/26/2023

VI. SPECIAL ORDERS OF BUSINESS

- A. Utility Rate Study

VII. UNFINISHED BUSINESS

VIII. NEW BUSINESS

- A. A. Discuss adding deadline dates for Transient Lodging B.M.C. 04.14.050 (Aaron Vassalotti)
- B. B. Discuss adding a Processing Fee for utility payments taken over the phone in Finance. (Aaron Vassalotti)
- C. C. Discuss proposed changes to B.M.C. 13.04.120 (Alexandra Batchelor)

IX. EX OFFICIO REPORT

X. MEMBER COMMENTS

XI. ADJOURNMENT

Posted July 22, 2023 at City Hall, AC Co., Swanson's, and the Post Office.

Name, Ex-Officio Staff

Posted July 22, 2023 at City Hall, AC Co., Swanson's, and the Post Office.

Name, Ex-Officio Staff

City of Bethel, Alaska

Finance Committee Minutes

March 27th, 2023

Regular Meeting

Bethel, Alaska

I. CALL TO ORDER

A Regular Meeting of the Finance Committee was held on March 27th, 2023, at 6:30 PM in-person and via Zoom.

II. ROLL CALL

Comprising a quorum of the Committee, the following were present: Rose Henderson (City Council – Mayor), Farah Sears, John Hamilton, and Robert Rey via Zoom.

Also in attendance: Xavier Mason (Ex-Officio) and Alexandra Batchelor (Ex-Officio)

Unexcused Absences:

Excused Absences: Carolann Willard

III. PEOPLE TO BE HEARD: NONE

IV. APPROVAL OF AGENDA:

03/27/2023

MOVED BY	Farah Sears	Motion to approve
SECOND BY	Rose Henderson	
VOTE ON MOTION	All in favor	4-0

V. APPROVAL OF MINUTES:

02/27/2023

MOVED BY	Farah Sears	Motion to approve
SECOND BY	Rose Henderson	
VOTE ON MOTION	All in favor	4-0

VI. UNFINISHED BUSINESS –

A. Continued discussion on adding Late Filing Fee to B.M.C. 04.14.150 (Xavier Mason)

MOVED BY	Rose Henderson	Motion to approve	
SECOND BY	Farah Sears		
VOTE ON MOTION	All in favor	4-0	

B. Continued discussion of adding Late Filing Fees to B.M.C. 05.04.050 (Xavier Mason)

REMOVED FROM AGENDA BY	Xavier Mason	

VII. NEW BUSINESS -

A. Finance Department Functions (Rose Henderson)

MOVED BY	Rose Henderson	Motion to approve
SECOND BY	Carolann Willard	
VOTE ON MOTION	All in favor	4-0

B. Comprehensive Plan Review (City Clerk)

NO VOTE - ALL MEMBERS		Motion to approve
APPROVED		4-0

VIII. EX OFFICIO MEMBER REPORTS

IX. COMMITTEE MEMBER COMMENTS:

John Hamilton – Thank you for your patience with me as Chair, progress, and perfection. Remember that.

Rose Henderson – None at this time.

Robert Rey: None for me.

Farah Sears – Great meeting, as usual. I enjoyed meeting with you guys; I appreciate it.

IX. MOTION TO END MEETING:

MOVED BY	Rose Henderson	Motion to approve
SECOND BY	Farah Sears	
VOTE ON MOTION	All in Favor	4-0

The chair called the meeting to an end at 7:19 pm.

John Hamilton, Chair

ATTEST:

Alexandra Batchelor, Recorder

City of Bethel, Alaska

Finance Committee Minutes

April 24th, 2023

Regular Meeting

Bethel, Alaska

I. CALL TO ORDER

A Regular Meeting of the Finance Committee was held on April 24th, 2023, at 6:42 PM via Zoom.

II. ROLL CALL

The following Finance Committee members were present: John Hamilton, Chair; Robert Rey, Vice Chair; CarolAnn Willard.

Also in attendance are Xavier Mason (Ex Officio) and Alexandra Batchelor, Recorder (Ex Officio).

.

Unexcused Absences:

Excused Absences: Farah Sears, Rose Henderson.

A MEETING WAS NOT HELD DUE TO A LACK OF QUORUM

John Hamilton, Chair

ATTEST:

Alexandra Batchelor, Recorder

City of Bethel, Alaska

Finance Committee Minutes

May 22nd 2023

Regular Meeting

Bethel, Alaska

I. CALL TO ORDER

A Regular Meeting of the Finance Committee was held on May 22nd, 2023, at 6:37 PM in Council Chambers at 300 Chief Eddie Hoffman Highway.

II. ROLL CALL

The following Finance Committee members were present: John Hamilton, Chair; Farah Sears; CarolAnn Willard.

Also in attendance are Xavier Mason (Ex Officio) and Alexandra Batchelor, Recorder (Ex Officio).

.

Unexcused Absences:

Excused Absences: Robert Rey, Rose Henderson.

A MEETING WAS NOT HELD DUE TO A LACK OF QUORUM

John Hamilton, Chair

ATTEST:

Alexandra Batchelor, Recorder

City of Bethel, Alaska

Finance Committee Minutes

June 26th 2023

Regular Meeting

Bethel, Alaska

I. CALL TO ORDER

A Regular Meeting of the Finance Committee was held on June 26th, 2023, at 6:35 PM in Council Chambers at 300 Chief Eddie Hoffman Highway.

II. ROLL CALL

The following Finance Committee members were present: John Hamilton, Chair; CarolAnn Willard; and Rose Henderson.

Also in attendance are Aaron Vassalotti (Ex Officio) and Alexandra Batchelor, Recorder (Ex Officio).

.

Unexcused Absences: Robert Ret

Excused Absences: Farah Sears

A MEETING WAS NOT HELD DUE TO A LACK OF QUORUM

John Hamilton, Chair

ATTEST:

Alexandra Batchelor, Recorder



Utility Rate Study

Public Works Committee Meeting

Chase Bozett, Project Consultant
Angie Sanchez Virnoche, Principal

May 16, 2023



City Utility Background

- **10 years since the last rate study**
- **Annual 3% rate increases written in Municipal Code for several years**
 - » Concerns about affordability
- **Study initiated to evaluate the utility's financial sustainability**
- **Piping projects on the horizon**
 - » Better understand the hauled vs piped systems costs



FCS Group Scope

- **Review individual utility past performance**
- **Project forward utility revenues and expenses**
- **Forecast rate increases for individual utility sufficiency**
- **Allocate costs cost to hauled or piped systems and compare to revenue**
- **Validate customer billing data and customer billing statistics**
- **Establish zones and rates related to the cost to serve customers**



Agenda

- **Utility Rate Study Overview**
- **Study Foundation**
- **Initial Results**
 - » Revenue Requirement
 - » Cost of Service
 - » Rate Design
- **Decision Points**



Why Are Rate Studies Important?

Your Utility Is An Enterprise Fund

- Revenues need to cover utility costs
- Quantifies policies, priorities, and initiatives
- Tells the “true” cost of providing service

Transparency

- Communicates impact of financial decisions
- Public meetings



Introduction to Utility Rate Making

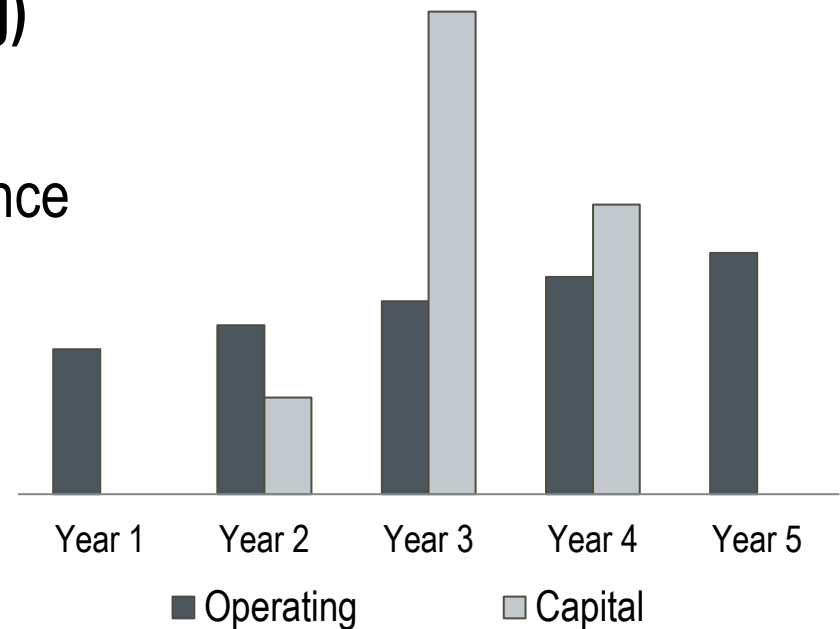
- **Utility rates are set to recover the cost of providing service**

- **Operating costs (regular / ongoing)**

- » Employee salaries and benefits
- » Routine inspections & maintenance
- » Professional services
- » Utilities / power / fuel

- **Capital costs (periodic)**

- » Infrastructure replacement
- » Facility expansions and upgrades

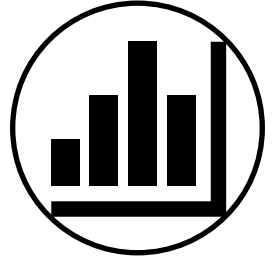




Common Components of a Rate Study

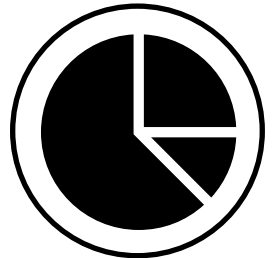
- **Revenue Requirement**

What revenue adjustments are needed to cover each utility's costs?



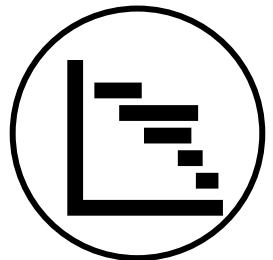
- **Cost of Service Analysis**

Do the utility's rates recover costs equitably from customers?



- **Rate Design**

How should revenue be collected by customer?



Study Foundation



**Forecast
Basis**
FY 2023 Budget



**Customer
Growth**
0.7% - 0.8%
Annual Increase



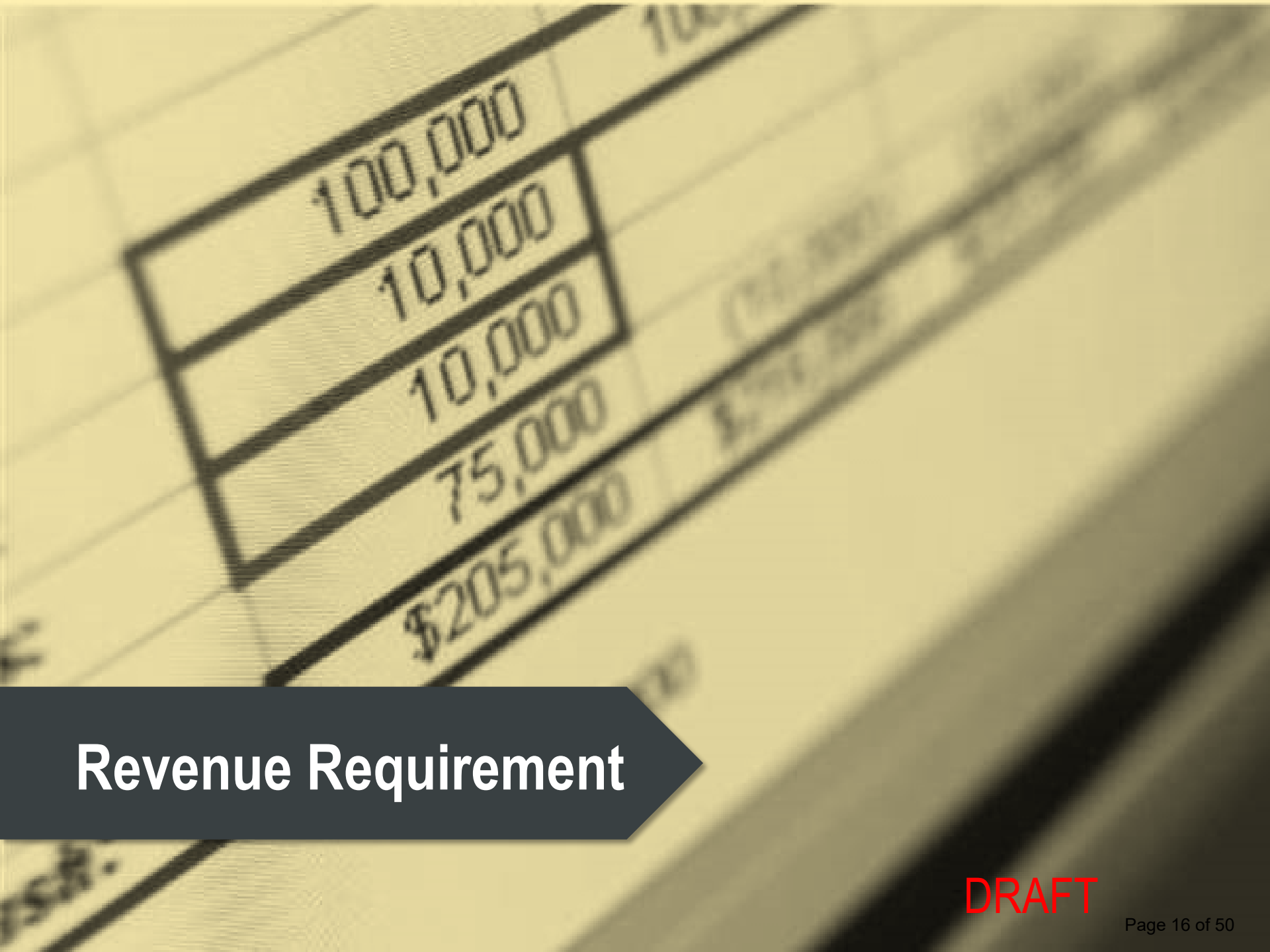
**Expense
Inflation**
3.0% to 8.0%
annual cost inflation



**Operating Reserve
Target**
30 days O&M



**Capital Funding
Target**
\$1 million annually



The background image is a blurred photograph of a financial spreadsheet. A specific section of the spreadsheet is highlighted with a black border, containing the following values:

100,000
10,000
10,000
75,000
\$205,000

Revenue Requirement

DRAFT



Water Utility Baseline

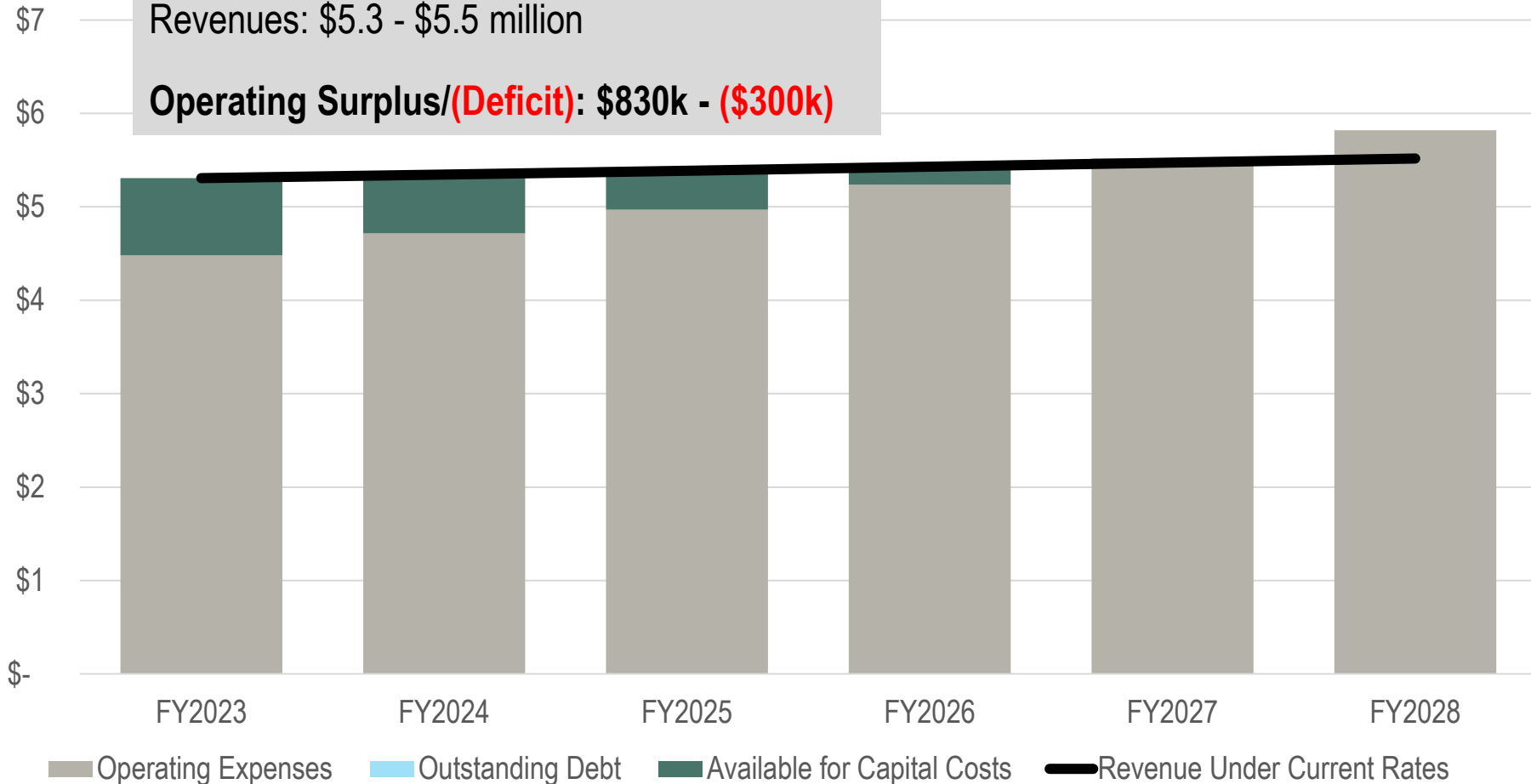
Operating Costs: \$4.5 - \$5.8 million

Outstanding Debt: No debt service

Revenues: \$5.3 - \$5.5 million

Operating Surplus/(Deficit): \$830k - (\$300k)

Millions





Sewer Utility Baseline

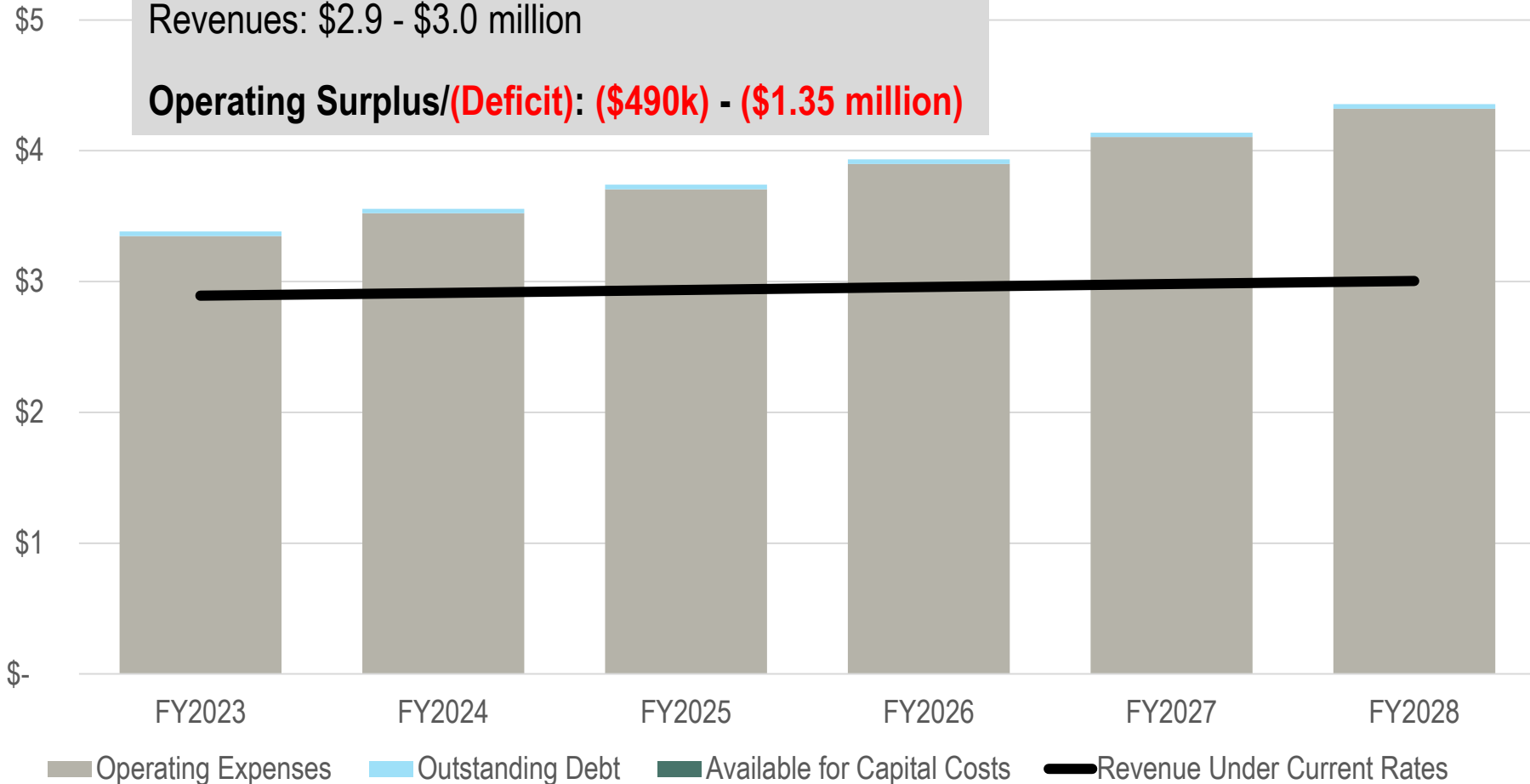
Operating Costs: \$3.35 - \$4.3 million

Outstanding Debt: \$35k annually

Revenues: \$2.9 - \$3.0 million

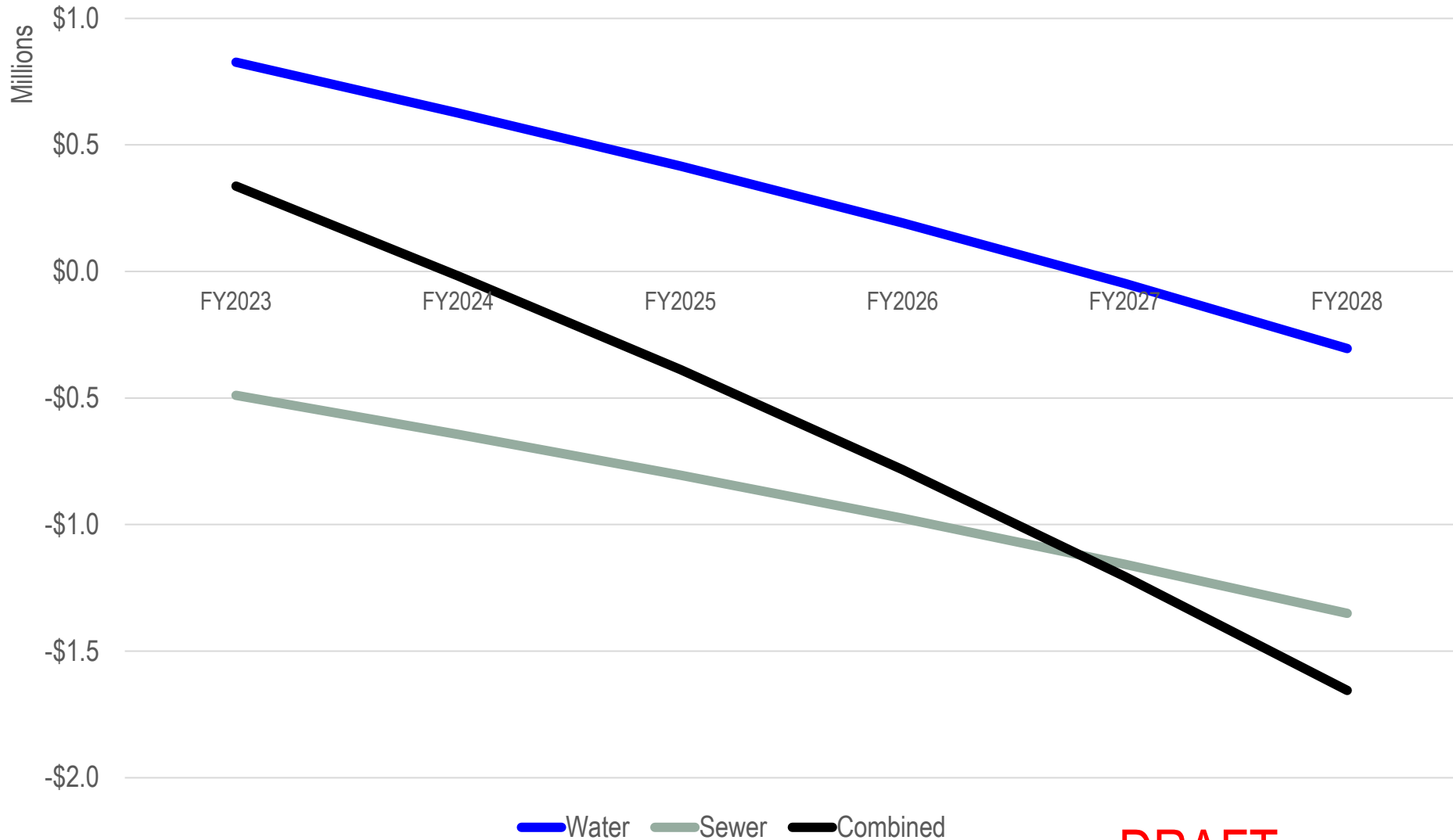
Operating Surplus/(Deficit): (\$490k) - (\$1.35 million)

Millions





Cash Flow Under Current Rates





Proposed Rate Increases (FY 2024 – FY 2028)

- **Water:**

- » Service Charges: 3.5% across the board (ATB) annual increases
- » Subscription Charges: 3.5% annual increases

- **Sewer:**

- » Service Charges: 9.5% across the board (ATB) annual increases
- » Subscription Charges: 3.5% annual increases



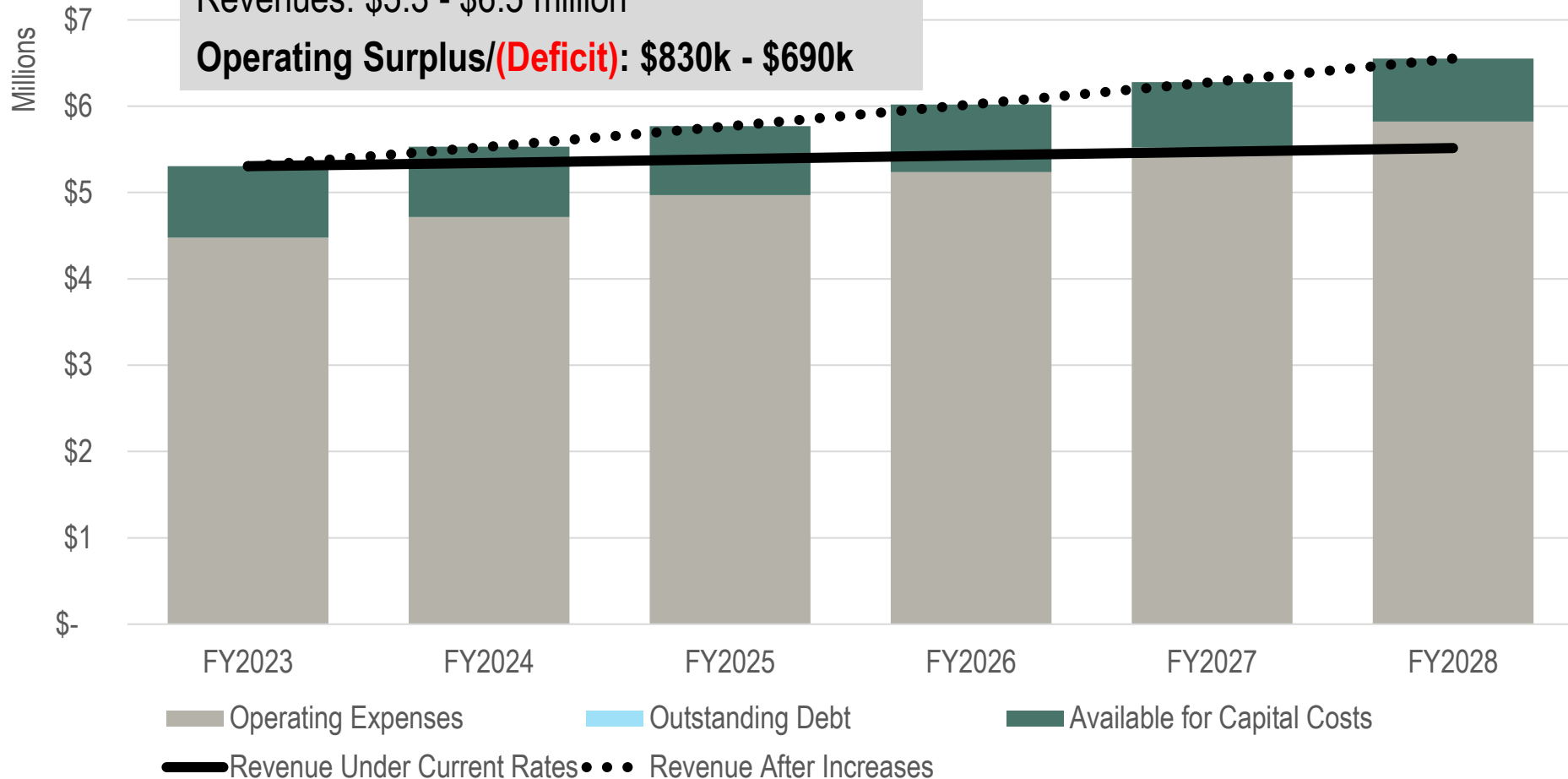
Water Utility After Increases

Operating Costs: \$4.5 - \$5.8 million

Outstanding Debt: No debt service

Revenues: \$5.3 - \$6.5 million

Operating Surplus/(Deficit): \$830k - \$690k



DRAFT



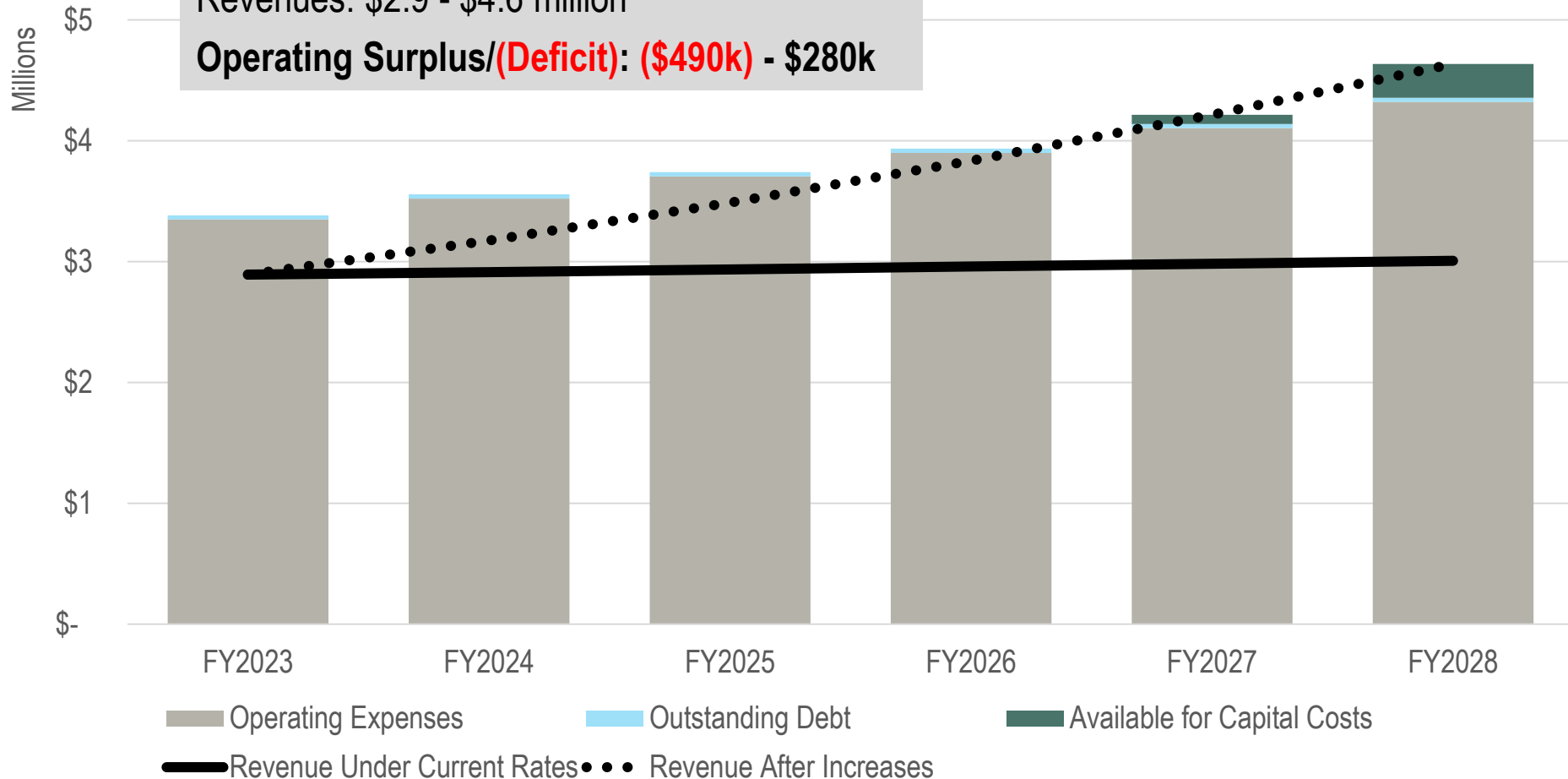
Sewer Utility After Increases

Operating Costs: \$3.35 - \$4.3 million

Outstanding Debt: \$35k annually

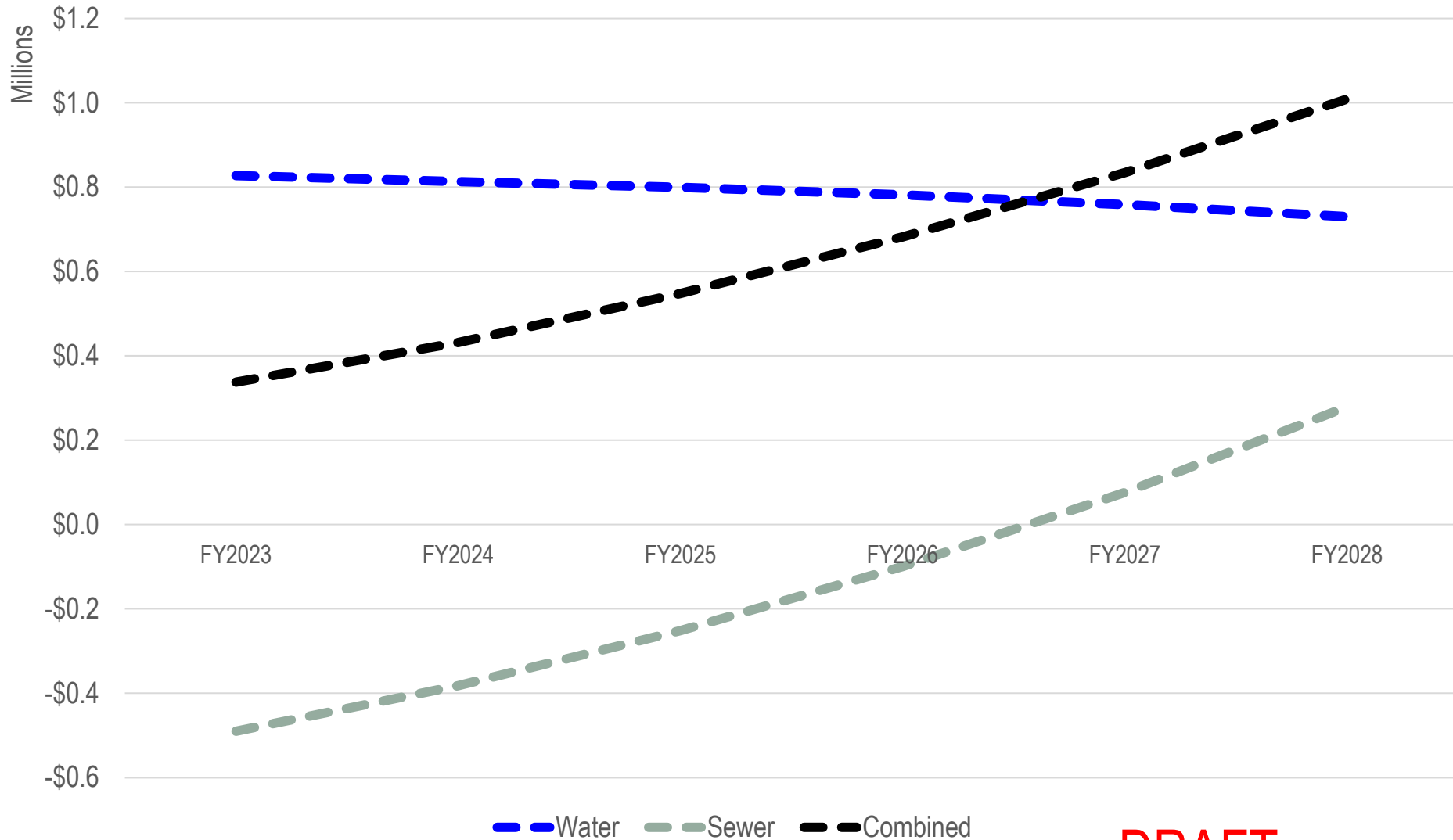
Revenues: \$2.9 - \$4.6 million

Operating Surplus/(Deficit): (\$490k) - \$280k





Combined Cash Flow After Increase



Cost of Service

DRAFT

Cost of Service Objectives

- **Allocate individual line items to hauled or piped utility costs**

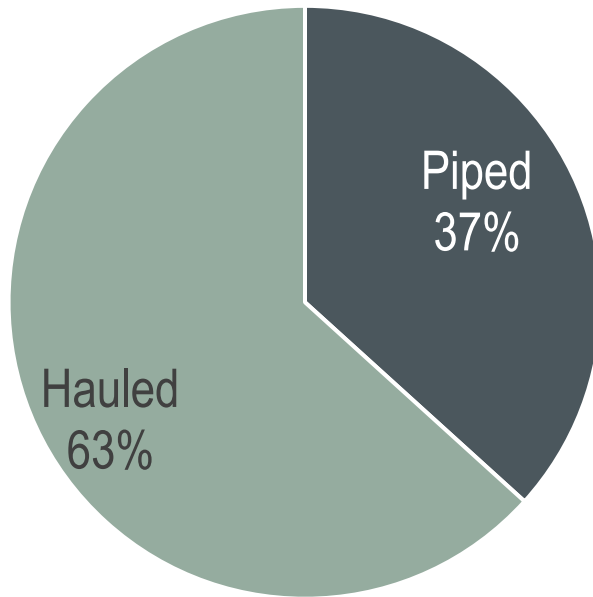
Expense	Allocation Factor	% Hauled	% Piped
Admin	Based on customer counts	75	25
Hauled Budget	All to hauled	100	0
Piped Budget	All to piped	0	100
Water Treatment Budgets	Based on water consumption	35	65
Sewer Lagoon Budgets	Based on sewer disposal	47	53

- **Compare costs to serve customer classes with revenue collection**
- **Make changes to rate to achieve cost of service results**
 - » Typically changes of less than 5% do not require an adjustment

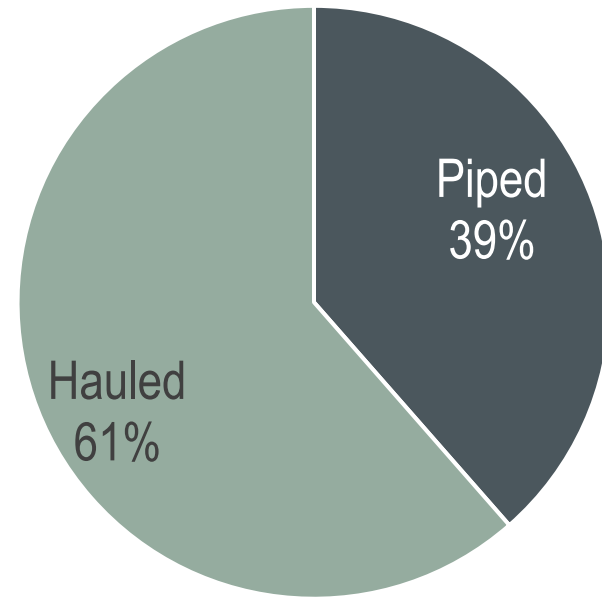


Water Cost of Service

Current Rate Revenue Collection



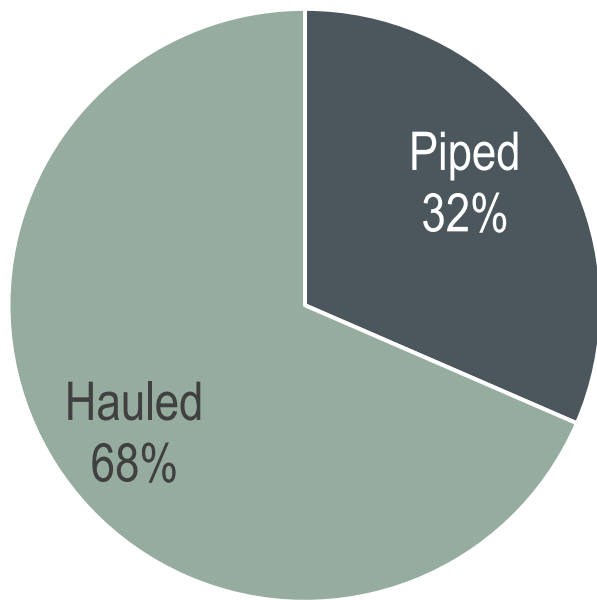
Cost of Service Allocation



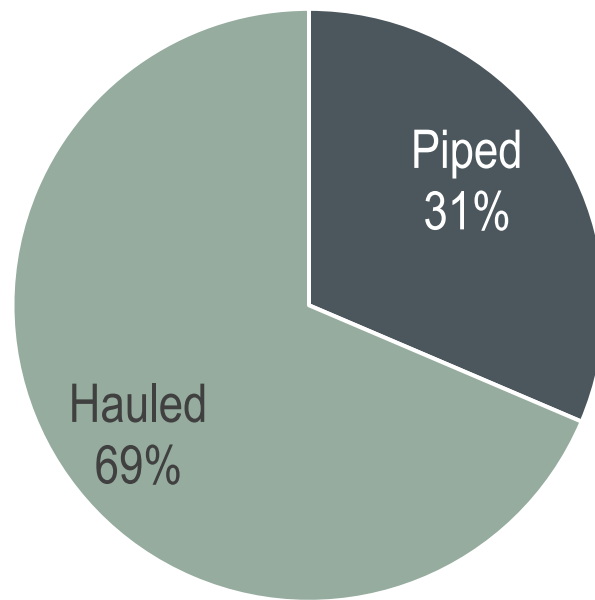
- **Current shifts in Cost of Service less than +/- 5 percent**
- **No changes in revenue collection between classes recommended**

Sewer Cost of Service

Current Rate Revenue Collection



Cost of Service Allocation



- **Current shifts in Cost of Service less than +/- 5 percent**
- **No changes in revenue collection between classes recommended**



Rate Design

DRAFT



Current Hauled Rate Design (Water Zone 1)

Capacity	1 Time/Month	2 Times/Month	1 Time/Week	2 Times/Week	3 Times/Week	4 Times/Week	Extra Haul
100	\$21.15	\$36.86	\$73.47	\$141.45	\$209.45	\$277.46	\$58.36
150	\$22.67	\$39.90	\$80.06	\$154.59	\$229.19	\$307.13	\$71.77
200	\$24.19	\$42.91	\$87.58	\$172.13	\$263.72	\$358.62	\$90.47
250	\$25.73	\$46.46	\$95.11	\$194.66	\$298.66	\$410.39	\$93.82
300	\$27.23	\$51.28	\$105.10	\$215.36	\$330.77	\$451.88	\$97.13
350	\$28.74	\$55.67	\$114.23	\$234.21	\$360.08	\$491.71	\$100.42
400	\$30.26	\$59.63	\$122.45	\$251.26	\$386.51	\$528.13	\$103.75
450	\$31.78	\$63.18	\$129.75	\$266.49	\$410.11	\$560.68	\$107.04
500	\$33.30	\$44.56	\$136.21	\$279.83	\$430.88	\$589.33	\$113.68
550	\$36.00	\$74.14	\$152.56	\$313.67	\$483.34	\$661.51	\$115.34
600	\$37.23	\$76.57	\$157.52	\$323.78	\$498.76	\$686.06	\$117.01
650	\$42.15	\$86.86	\$178.93	\$368.22	\$545.20	\$778.02	\$120.31
700	\$43.52	\$89.67	\$184.68	\$379.95	\$566.88	\$802.37	\$123.62
750	\$44.94	\$92.57	\$190.60	\$392.04	\$604.34	\$827.47	\$126.95
800	\$51.71	\$106.77	\$220.14	\$453.58	\$700.25	\$949.19	\$130.26
850	\$53.38	\$110.21	\$227.13	\$467.79	\$722.04	\$989.85	\$133.59
900	\$55.09	\$113.71	\$234.28	\$482.40	\$744.40	\$1,020.20	\$136.90
1,000	\$58.67	\$121.00	\$249.16	\$512.74	\$790.74	\$1,083.14	\$143.51
1,200	\$70.24	\$145.10	\$299.32	\$616.97	\$951.87	\$1,286.47	\$156.78
1,400	\$81.82	\$169.18	\$349.48	\$721.21	\$1,113.02	\$1,489.78	\$170.03
1,500	\$99.47	\$198.93	\$397.87	\$795.72	\$1,193.59	\$1,591.43	\$176.66
1,750	\$113.80	\$227.61	\$455.21	\$910.41	\$1,365.61	\$1,820.82	\$193.21
2,000	\$128.15	\$256.28	\$512.56	\$1,025.11	\$1,537.66	\$2,050.19	\$209.80
2,500	\$156.82	\$313.63	\$627.24	\$1,256.60	\$1,881.72	\$2,508.95	\$267.12
3,000	\$185.48	\$370.96	\$741.94	\$1,483.87	\$2,225.79	\$2,967.71	\$276.12

City of Bethel
Hauled Water Rates
07/01/2022
Zone 1

Capacity	1 Time/Month	2 Times/Month	1 Time/Week	2 Times/Week	3 Times/Week	4 Times/Week	Extra Haul
3,500	\$214.16	\$428.31	\$856.62	\$1,713.24	\$2,569.87	\$3,426.47	\$309.56
4,000	\$246.43	\$494.53	\$992.83	\$1,993.09	\$3,007.75	\$4,015.80	\$419.72
4,500	\$246.43	\$494.53	\$992.83	\$1,993.09	\$3,007.75	\$4,015.80	\$452.73
5,000	\$313.63	\$627.24	\$1,254.49	\$2,508.96	\$3,667.99	\$5,017.92	\$485.91
6,000							\$515.00
7,000							

DRAFT



Current Hauled Rate Design (Water Zone 2)

Capacity	1 Time/Month	2 Times/Month	1 Time/Week	2 Times/Week	3 Times/Week	4 Times/Week	Extra Haul
100	\$33.82	\$62.17	\$128.29	\$251.13	\$373.99	\$496.80	\$131.12
150	\$35.34	\$65.20	\$134.88	\$264.30	\$393.71	\$523.12	\$132.59
200	\$36.86	\$68.22	\$141.45	\$277.46	\$413.44	\$549.42	\$138.09
250	\$38.36	\$71.27	\$148.04	\$290.61	\$433.17	\$575.76	\$139.60
300	\$39.90	\$74.31	\$154.59	\$303.76	\$452.90	\$602.06	\$141.12
350	\$41.40	\$77.33	\$161.20	\$316.92	\$472.64	\$628.37	\$142.64
400	\$42.91	\$80.37	\$167.78	\$330.08	\$492.38	\$654.67	\$144.16
450	\$44.44	\$83.42	\$174.35	\$343.22	\$512.12	\$681.01	\$145.67
500	\$45.95	\$86.44	\$180.95	\$356.38	\$531.85	\$707.31	\$147.19
550	\$47.46	\$89.49	\$187.50	\$369.54	\$551.59	\$733.62	\$148.72
600	\$49.00	\$92.52	\$194.09	\$382.71	\$571.31	\$759.92	\$150.21
650	\$50.51	\$95.54	\$200.66	\$395.86	\$591.05	\$786.24	\$151.75
700	\$52.03	\$98.60	\$207.25	\$409.02	\$610.79	\$812.56	\$153.26
750	\$51.98	\$101.63	\$213.81	\$422.19	\$630.51	\$838.87	\$154.79
800	\$55.06	\$106.77	\$220.14	\$454.64	\$700.25	\$949.19	\$156.30
850	\$56.58	\$110.21	\$227.13	\$467.79	\$722.04	\$989.85	\$157.82
900	\$58.10	\$113.71	\$234.28	\$482.40	\$744.40	\$1,020.20	\$159.34
1,000	\$61.14	\$121.00	\$249.16	\$512.74	\$790.74	\$1,083.14	\$162.37
1,200	\$70.24	\$145.10	\$299.32	\$616.97	\$951.87	\$1,286.74	\$168.44
1,400	\$81.82	\$169.18	\$349.48	\$721.21	\$1,113.02	\$1,489.78	\$174.52
1,500	\$99.47	\$198.93	\$397.87	\$795.72	\$1,193.59	\$1,591.43	\$177.55
1,750	\$113.80	\$27.61	\$455.21	\$910.41	\$1,365.61	\$1,820.82	\$193.21
2,000	\$128.15	\$256.28	\$512.56	\$1,025.11	\$1,537.66	\$2,050.19	\$209.80
2,500	\$156.82	\$313.63	\$627.24	\$1,256.60	\$1,881.72	\$2,508.95	\$267.12
3,000	\$185.48	\$370.96	\$741.94	\$1,483.87	\$2,225.79	\$2,967.71	\$276.12

City of Bethel
Hauled Water Rates
07/01/2022
Zone 2

Capacity	1 Time/Month	2 Times/Month	1 Time/Week	2 Times/Week	3 Times/Week	4 Times/Week	Extra Haul
3,500	\$214.16	\$428.31	\$856.62	\$1,713.24	\$2,569.87	\$3,426.47	\$309.25
4,000	\$246.43	\$494.53	\$992.83	\$1,993.09	\$3,000.75	\$4,015.80	\$419.62
4,500	\$246.43	\$494.53	\$992.83	\$1,993.09	\$3,000.75	\$4,015.80	\$452.77
5,000	\$313.63	\$627.24	\$1,254.49	\$2,508.96	\$3,667.99	\$5,017.92	\$485.91
6,000	\$295.63	\$591.23	\$1,182.48	\$2,364.95	\$3,547.43	\$4,729.87	\$515
7,000	\$295.63	\$591.23	\$1,182.48	\$2,364.95	\$3,547.43	\$4,729.87	\$552.21

DRAFT



Current Hauled Rate Design (Sewer)

Capacity	1 Time/Month	2 Times/Month	1 Time/Week	2 Times/Week	3 Times/Week	4 Times/Week	Extra Haul
100	\$27.05	\$48.19	\$96.75	\$189.05	\$280.60	\$372.16	\$77.65
150	\$28.20	\$50.48	\$102.43	\$198.95	\$295.48	\$392.00	\$78.80
200	\$29.35	\$52.77	\$107.41	\$208.87	\$310.36	\$411.85	\$83.54
250	\$30.50	\$55.05	\$112.35	\$218.80	\$325.24	\$431.67	\$85.13
300	\$31.63	\$57.33	\$117.31	\$228.73	\$340.12	\$451.51	\$86.72
350	\$32.77	\$59.63	\$122.28	\$238.64	\$355.00	\$471.34	\$88.29
400	\$33.92	\$61.92	\$127.23	\$248.55	\$355.00	\$491.15	\$89.87
450	\$35.06	\$64.20	\$132.20	\$258.47	\$384.74	\$511.00	\$91.45
500	\$36.20	\$66.50	\$137.16	\$268.38	\$399.61	\$530.84	\$93.04
550	\$37.36	\$68.79	\$142.12	\$278.30	\$414.48	\$550.68	\$94.61
600	\$38.50	\$71.07	\$147.08	\$288.21	\$429.37	\$570.50	\$96.19
650	\$39.65	\$73.35	\$152.03	\$298.12	\$444.24	\$590.34	\$97.78
700	\$40.78	\$75.65	\$156.99	\$308.05	\$459.12	\$610.17	\$99.35
750	\$41.94	\$77.93	\$161.96	\$317.97	\$473.99	\$630.02	\$100.93
800	\$43.06	\$80.23	\$166.90	\$327.87	\$488.85	\$649.84	\$102.51
850	\$44.22	\$82.52	\$171.87	\$337.80	\$503.74	\$669.68	\$104.10
900	\$45.95	\$85.95	\$176.81	\$347.73	\$518.62	\$689.50	\$105.68
1,000	\$47.66	\$89.39	\$186.74	\$367.55	\$548.36	\$729.19	\$108.8
1,200	\$52.22	\$98.55	\$206.57	\$407.22	\$607.85	\$808.50	\$115.15
1,400	\$56.80	\$107.70	\$226.41	\$446.89	\$667.36	\$887.85	\$121.52
1,500	\$59.08	\$112.96	\$236.34	\$466.72	\$697.11	\$927.50	\$124.65
1,750	\$64.83	\$123.71	\$261.12	\$516.29	\$771.49	\$1,026.68	\$132.53
2,000	\$70.54	\$135.16	\$285.91	\$565.91	\$845.88	\$1,125.84	\$140.46
2,500	\$81.99	\$158.03	\$335.49	\$665.06	\$994.63	\$1,324.17	\$156.26
3,000	\$93.43	\$180.93	\$385.06	\$764.23	\$1,143.38	\$1,522.52	\$172.06

City of Bethel
Hauled Sewer Rates
07/01/2022

Capacity	1 Time/Month	2 Times/Month	1 Time/Week	2 Times/Week	3 Times/Week	4 Times/Week	Extra Haul
3,500	\$104.86	\$205.13	\$434.65	\$863.39	\$1,292.12	\$1,720.85	\$186.72
4,000	\$135.16	\$264.38	\$565.91	\$1,125.84	\$1,685.81	\$2,245.78	\$276.07
4,500	\$135.16	\$264.38	\$565.91	\$1,125.84	\$1,685.81	\$2,245.78	\$293.72
5,000	\$158.03	\$310.13	\$665.06	\$1,324.17	\$1,983.32	\$2,642.46	\$311.37
6,000	\$175.64	\$345.55	\$741.97	\$1,478.17	\$2,214.40	\$2,950.60	\$320.19
7,000	\$197.87	\$389.98	\$838.25	\$1,670.74	\$2,503.23	\$3,335.71	\$346.68
12,000	\$317.72	\$629.81	\$1,358.16	\$2,710.75	\$4,063.32	\$5,415.89	\$364.33

DRAFT



Rate Design Objectives

- **Determine costs based on actual cost to provide service**
 - » Incorporate distance-based rates
- **Consolidate rate schedule**
- **Provide additional transparency for customers**
- **Ease staff time in billing related tasks**



Explanation of Proposed Zones

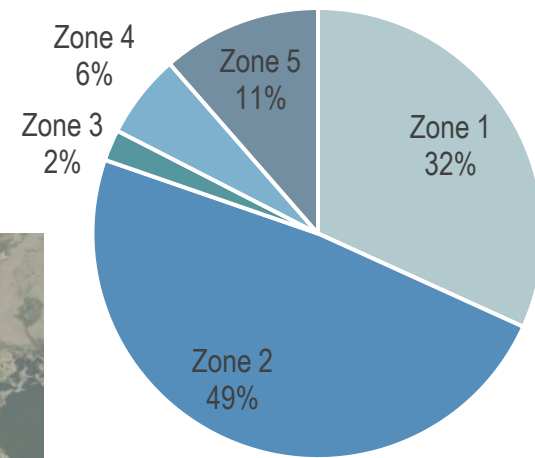
- Based on distance from nearest water treatment plant or distance to nearest sewer drop-off

Subdivision	Nearest Water Treatment	Zone
Bethel Heights 2	0.30	1
City Subdivision 1	0.39	1
Avenues Subdivision	0.53	1
Bethel Heights 1	0.63	1
Brown's Slough West Subdivision	0.64	1
Alligator Acres	0.82	1
Martina Osca Subdivision	0.93	1
Nunvak Estates Subdivision	1.04	2
City Subdivision 2	1.07	2
Uivaq Subdivision	1.36	2
Brown's Slough East Subdivision	1.54	2
Blueberry Field Subdivision	1.76	2
Tundra Ridge Subdivision	1.76	2
Airport	2.71	3
H-Marker Subdivision	2.71	3
Larson Subdivision	3.03	4
Sidney Street	3.42	4
Kasayuli Subdivision	4.74	5

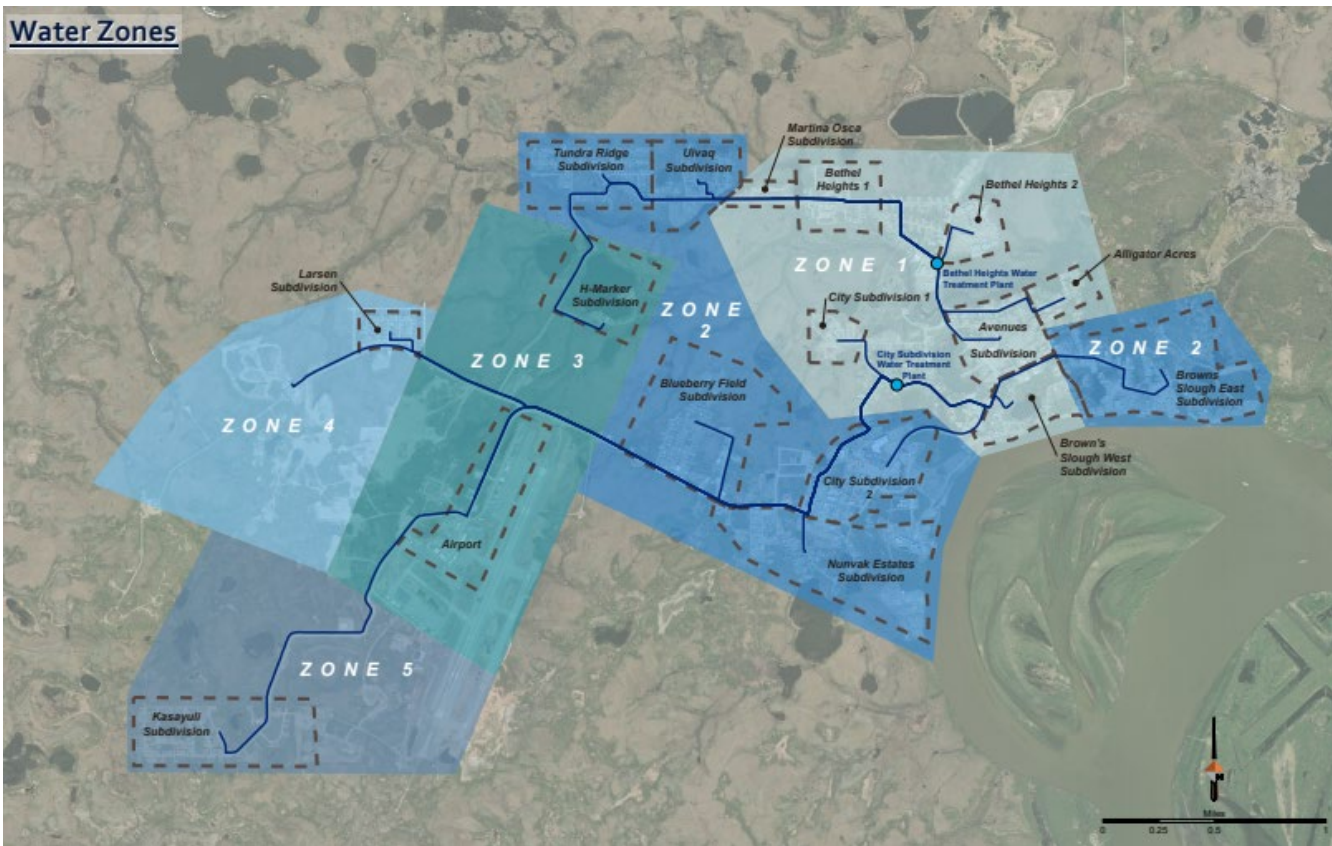
Subdivision	Nearest Sewer Dropoff	Zone
Bethel Heights 1	0.55	1
Blueberry Field Subdivision	0.66	1
Airport	0.88	1
Bethel Heights 1	0.91	1
Nunvak Estates Subdivision	1.12	2
Avenues Subdivision	1.15	2
Larson Subdivision	1.15	2
Martina Osca Subdivision	1.20	2
H-Marker Subdivision	1.23	2
Brown's Slough West Subdivision	1.42	2
Alligator Acres	1.45	2
City Subdivision 2	1.45	2
City Subdivision 1	1.48	2
Sidney Street	1.54	2
Uivaq Subdivision	1.64	2
Tundra Ridge Subdivision	2.03	3
Brown's Slough East Subdivision	2.19	3
Kasayuli Subdivision	2.82	3



Proposed Water Zones



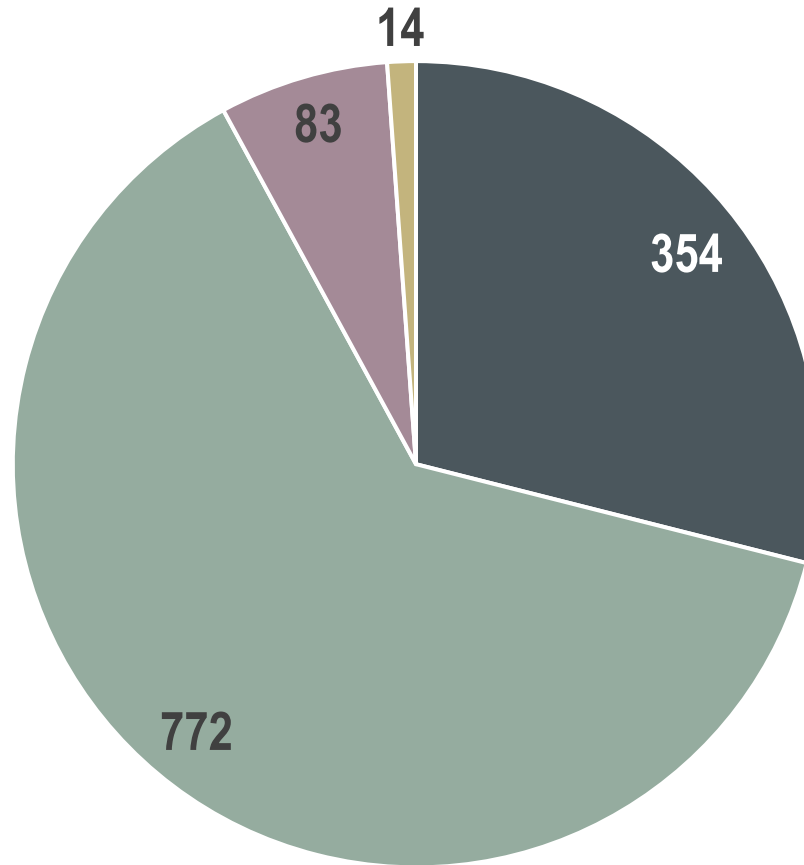
Water Zones



Subdivision	Water Zone
Airport	3
Aiviq Subdivision	2
Alligator Acres	1
Avenues Subdivision	1
Bethel Heights 1	1
Bethel Heights 2	1
Blueberry Field Subdivision	2
Brown's Slough East Subdivision	2
Brown's Slough West Subdivision	1
City Subdivision 1	1
City Subdivision 2	2
H-Marker Subdivision	3
Kasayuli Subdivision	5
Larson Subdivision	4
Martina Osca Subdivision	1
Nunvak Estates Subdivision	2
Sidney Street	4
Tundra Ridge Subdivision	2



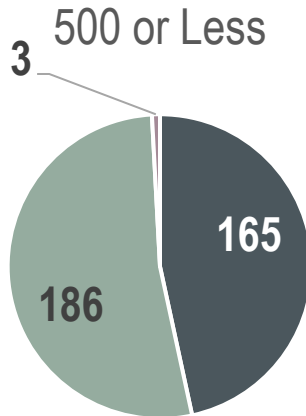
Water Tank Size (Accounts)



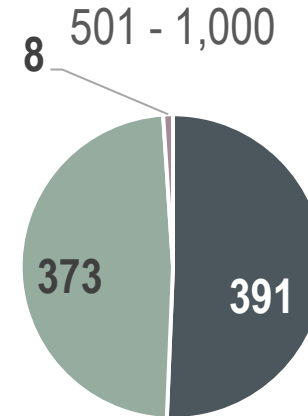
■ 500 gallons or under ■ 501 - 1,000 gallons ■ 1,001 - 2,000 gallons ■ Above 2,000 gallons



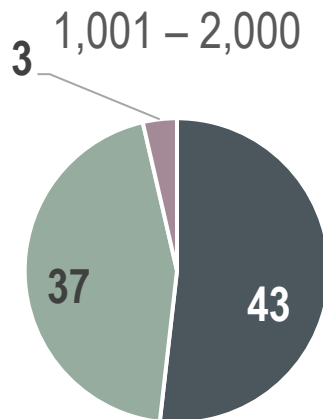
Water Pick-Up Frequency by Gallon Distribution



■ 1-2 per month ■ 1-2 per week ■ 3-4 per week

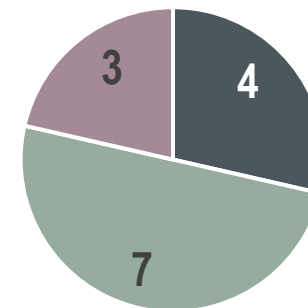


■ 1-2 per month ■ 1-2 per week ■ 3-4 per week



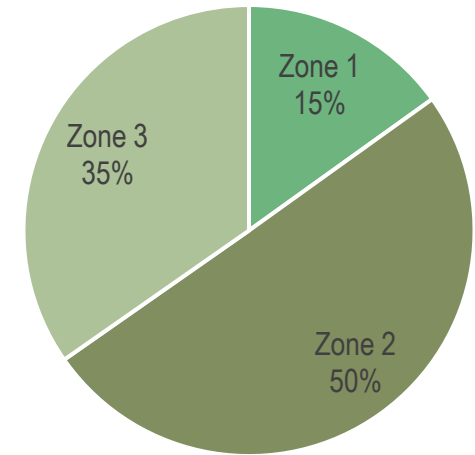
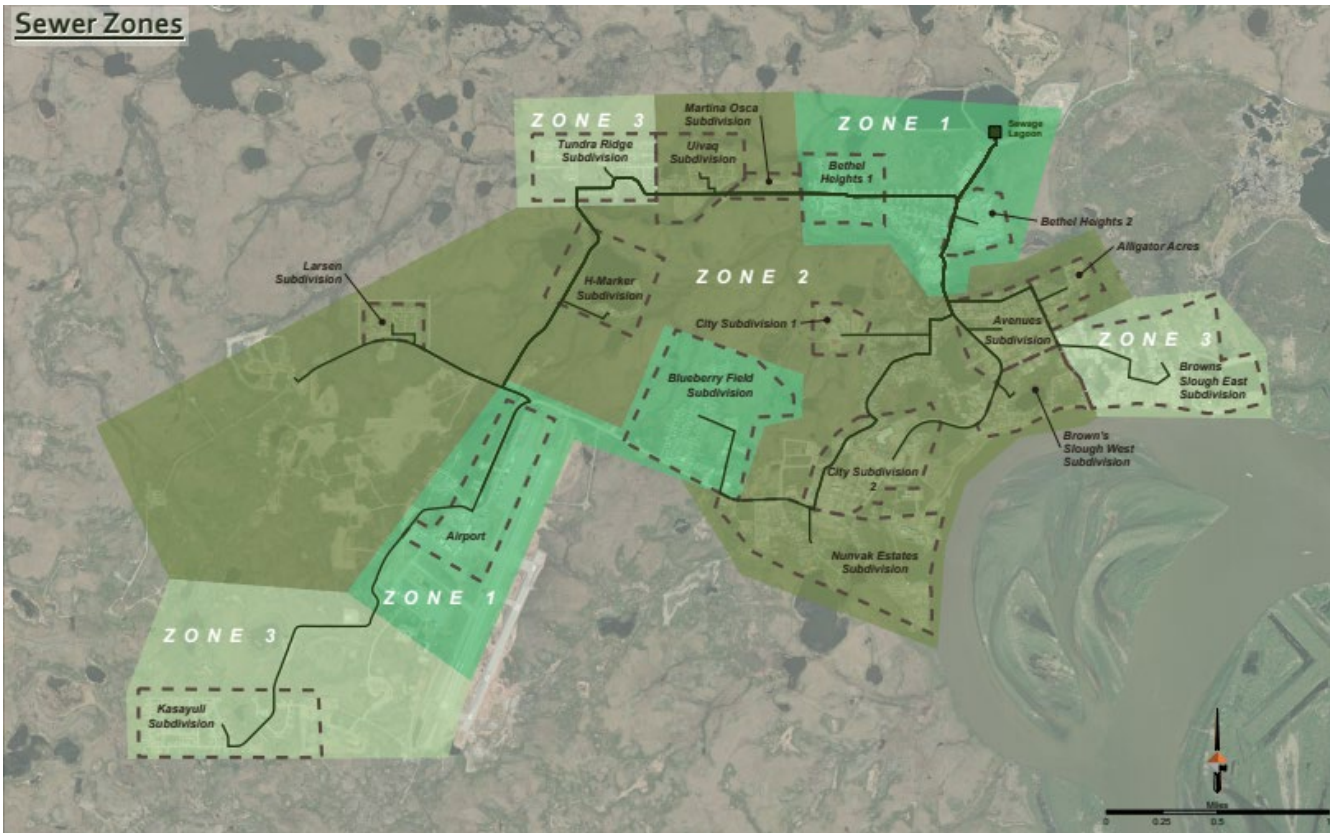
■ 1-2 per month ■ 1-2 per week ■ 3-4 per week

Over 2,000



■ 1-2 per month ■ 1-2 per week ■ 3-4 per week

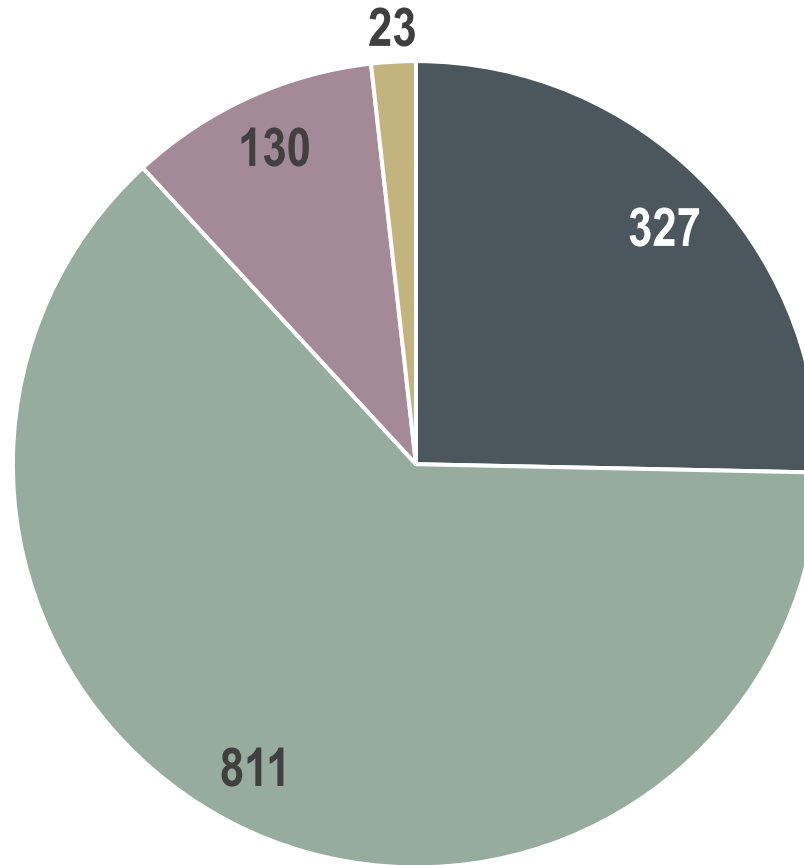
Proposed Sewer Zones



Subdivision	Sewer Zone
Airport	1
Aiviq Subdivision	2
Alligator Acres	2
Avenues Subdivision	2
Bethel Heights 1	1
Bethel Heights 2	1
Blueberry Field Subdivision	1
Brown's Slough East Subdivision	3
Brown's Slough West Subdivision	2
City Subdivision 1	2
City Subdivision 2	2
H-Marker Subdivision	2
Kasayuli Subdivision	3
Larson Subdivision	2
Martina Osca Subdivision	2
Nunvak Estates Subdivision	2
Sidney Street	2
Tundra Ridge Subdivision	3



Sewer Tank Size (Accounts)



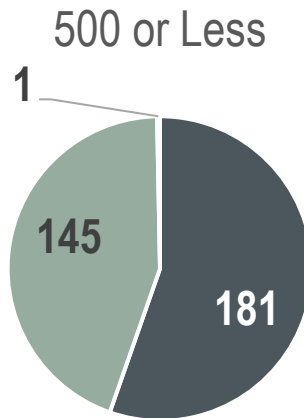
■ 500 gallons or under ■ 501 - 1,000 gallons ■ 1,001 - 2,000 gallons ■ Above 2,000 gallons

FCS GROUP

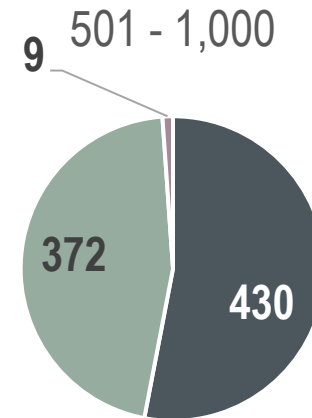
DRAFT



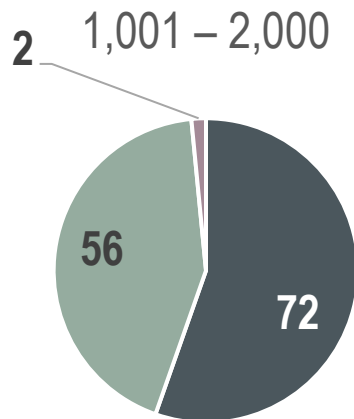
Sewer Pick-Up Frequency by Gallon Distribution



■ 1-2 per month ■ 1-2 per week ■ 3-4 per week

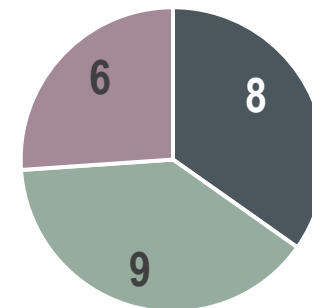


■ 1-2 per month ■ 1-2 per week ■ 3-4 per week



■ 1-2 per month ■ 1-2 per week ■ 3-4 per week

Over 2,000



■ 1-2 per month ■ 1-2 per week ■ 3-4 per week



Comparison of Charges

Component	Current	Proposed
Tank Size	Rates for 100 – 12,000 gallon tanks	Normalized to 1,000 gallons Based on pumping time
Frequency	Monthly – 4 times per week	Charged based on trips per month
Zones	2 water zones 1 sewer zone	5 water zones 3 sewer zones Based on average time to zone



Example of Charge Development

Zone Demand	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Total
Annual Deliveries	15,528	25,352	1,992	2,860	6,284	52,016
Annual Demand	10,948,400	21,568,200	2,182,600	2,536,800	6,761,200	43,997,200

Zone Annual Time Requirement	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Total
Delivery Time Requirement						
Annual Set-Up/Takedown Time, in hours	3,882	6,338	498	715	1,571	13,004
Water Pumping Time, in hours	2,147	4,229	428	497	1,326	8,627
Transit Time Requirement						
Travel Time to/from Zone, in hours	228	899	136	211	704	2,179
Total Time	6,257	11,466	1,062	1,424	3,601	23,810
<i>Allocation Percentage</i>	26.3%	48.2%	4.5%	6.0%	15.1%	100.0%

Zone Cost Allocations	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Total
	\$ 873,054	\$ 1,599,882	\$ 148,239	\$ 198,673	\$ 502,471	\$ 3,322,319

Zone Charges	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Set-up/Takedown Cost per Delivery	\$ 36.93	\$ 39.83	\$ 44.44	\$ 45.20	\$ 50.52
Water Delivery Cost per 1,000 Gallons	27.36	27.36	27.36	27.36	27.36



Rate Schedule (Includes Increases)

Water Rate Design	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Delivery Charge	\$36.93	\$39.83	\$44.44	\$45.20	\$50.52
Cost per 1,000 gallons	\$27.36				

Sewer Rate Design	Zone 1	Zone 2	Zone 3
Haul Away Charge	\$28.90	\$30.60	\$33.40
Cost per 1,000 gallons	\$7.13		



Sample Customer: 500 gallons 2x Month

	Existing		ATB		Proposed Rate Design				
	Zone 1	Zone 2	Zone 1	Zone 2	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Monthly Rate	\$ 64.56	\$ 86.44	\$ 66.82	\$ 89.47					
Delivery Charge					73.87	79.66	88.88	90.40	101.05
Volume Charge					27.36	27.36	27.36	27.36	27.36
Subscription	10.14	10.14	10.49	10.49	10.49	10.49	10.49	10.49	10.49
Total Monthly Bill	\$ 74.70	\$ 96.58	\$ 77.31	\$ 99.96	\$ 111.72	\$ 117.51	\$ 126.73	\$ 128.25	\$ 138.90
<i>Rate Increase Change</i>			\$ 2.61	\$ 3.38					
			<i>Zone 1 ATB Change</i>		\$ 34.41	\$ 40.20	\$ 49.42	\$ 50.94	\$ 61.59
			<i>Zone 2 ATB Change</i>		\$ 11.76	\$ 17.55	\$ 26.77	\$ 28.29	\$ 38.94

	Existing	ATB	Proposed Rate Design		
			Zone 1	Zone 2	Zone 3
Current Charge	\$ 66.50	\$ 72.82			
Delivery Charge			57.79	61.21	66.80
Volume Charge			7.13	7.13	7.13
Subscription	10.14	10.49	10.49	10.49	10.49
Total Monthly Bill	\$ 76.64	\$ 83.31	\$ 75.41	\$ 78.83	\$ 84.42
<i>Rate Increase Change</i>		\$ 6.67			
		<i>ATB Change</i>	\$ (7.90)	\$ (4.48)	\$ 1.11



Sample Customer: 1,000 gallons 1x Month

	Existing		ATB		Proposed Rate Design				
	Zone 1	Zone 2	Zone 1	Zone 2	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Monthly Rate	\$ 58.67	\$ 61.14	\$ 60.72	\$ 63.28					
Delivery Charge					36.93	39.83	44.44	45.20	50.52
Volume Charge					27.36	27.36	27.36	27.36	27.36
Subscription	10.14	10.14	10.49	10.49	10.49	10.49	10.49	10.49	10.49
Total Monthly Bill	\$ 68.81	\$ 71.28	\$ 71.21	\$ 73.77	\$ 74.78	\$ 77.68	\$ 82.29	\$ 83.05	\$ 88.37
<i>Rate Increase Change</i>			\$ 2.40	\$ 2.49					
			<i>Zone 1 ATB Change</i>		\$ 3.57	\$ 6.47	\$ 11.08	\$ 11.84	\$ 17.16
			<i>Zone 2 ATB Change</i>		\$ 1.01	\$ 3.91	\$ 8.52	\$ 9.28	\$ 14.60

	Existing	ATB	Proposed Rate Design		
			Zone 1	Zone 2	Zone 3
Current Charge	\$ 47.66	\$ 52.19			
Delivery Charge			28.90	30.60	33.40
Volume Charge			7.13	7.13	7.13
Subscription	10.14	10.49	10.49	10.49	10.49
Total Monthly Bill	\$ 57.80	\$ 62.68	\$ 46.52	\$ 48.22	\$ 51.02
<i>Rate Increase Change</i>		\$ 4.88			
		<i>ATB Change</i>	\$ (16.16)	\$ (14.46)	\$ (11.66)



Decision Points

- **Piped Customers**
 - » Water: 3.5% ATB annual rate increases
 - » Sewer 9.5% ATB annual rate increases

- **Hauled Customers**
 - » Water
 - 3.5% ATB annual rate increases
 - Adopted new rate design (includes 3.5% annual rate increases)
 - ATB increases after FY 2024
 - » Sewer
 - 9.5% ATB annual rate increases
 - Adopted new rate design (includes 9.5% annual rate increases)
 - ATB increases after FY 2024

- **All customers**
 - » 3.5% annual subscription charge increases

Thank you!

Questions?

Angie Sanchez Virnoche
Principal
(425) 336 - 4157
AngieS@FCSGroup.com

Chase Bozett
Project Consultant
(425) 615 – 6235
ChaseB@FCSGroup.com

www.fcsgroup.com

4.14.050 Tax returns and remittance.

A. ~~Not later than the last day of the month following the quarter a tax return is required to be submitted,~~ Every operator under this chapter shall deliver to the city finance department a tax return, signed by the operator(s), on a form provided by the city finance department for each registered place of business regardless of whether taxes are due for the quarter. Each operator shall remit ~~therewith~~ the entire amount of the tax due from such operator pursuant to this chapter for the ~~immediately~~ preceding calendar quarter. Tax returns and the tax due under this chapter must be actually received by the department within the time required by this section. A tax or report actually received by the department at any time following the ~~tenth (10th)~~ seven (7th) business day of the month following the calendar quarter for which the tax is due is delinquent and subject to penalty and interest under this chapter.

B. Tax returns must be filed for the calendar quarters 1st on March 31st, due before or on April 30th, 2nd June 30th, due before or on July 31st, 3rd September 30, due before or on October 31st, and 4th December 31st, due before or on January 3rd the following year.

C. If the last day of the month following the end of the filing period falls on a Saturday, Sunday, or federal, state, or city holiday, the due date will be extended until the next business day immediately following. Exceptions will be made for proof of remittance (such as certified mail receipt, weigh bill, etc.) showing timely submittal.

D. The tax return shall set forth or include:

1. The number of transient lodging rooms in each separate facility operated by the operator and the address or location of each facility;
2. The gross receipts from each facility, including all receipts that are excluded under BMC [4.14.030\(A\)\(1\)](#), (2), (3) or (4);
3. Receipts from each facility that are exempt under BMC [4.14.030\(A\)\(1\)](#), (2), (3) or (4);
4. Penalties, interest due;
5. Late filing fee of \$25.00 per month the tax return is overdue.
6. Such other relevant information and supporting documents as the department may require. [Ord. 01-28 § 2; Ord. 97-22 § 2.]

The Bethel Municipal Code is current through Ordinance 23-01, and legislation passed through January 10, 2023.

Disclaimer: The city clerk's office has the official version of the Bethel Municipal Code. Users should contact the city clerk's office for ordinances passed ~~subsequent to~~ after the ~~ordinance cited above~~ above-mentioned ordinance.

City Website: www.cityofbethel.org

Code Publishing Company

Xavier-

We would like to propose implementing a fee for taking over-the-phone utility payments from non-senior citizens. There are several reasons that we believe adopting this change would benefit both our customers and the Finance Department.

1. A reduction in the volume of calls would increase customer service.

Currently, the Finance Department handles a large volume of calls daily, including ones that are not Finance specific as our phone number is also often called for general city inquiries. We handle these kinds of miscellaneous questions, utilities calls, sales tax calls, and payment calls on top of our daily duties and helping customers at the front. However, many of these calls are back-to-back and involve customers just wanting to pay their bills over the phone with cards already on file. Due to the high call volume, customers often complain they can't get ahold of us despite our best efforts to answer the phones. When we miss their calls, we try to call them back but often they don't answer or are extremely rude about us not answering their calls the first time. This is frustrating and demoralizing for both the staff and the customers.

2. Over-the-phone payments are frequent distractions that negatively impact workflow and productivity.

For example, we often need to enter large utility checks meant to pay for many different accounts and it's easy to make a mistake in entering crucial information with the constant distraction of the phone ringing. A study done by the University of California Irvine found that it takes about 23 minutes after being interrupted for a person to get back on task. We have only so many hours in a workday to complete critical tasks in our sub-departments and our time would be better served helping customers over the phone with matters they can't handle themselves or giving our in-person customers our full attention.

3. Informing customers about Xpress Bill Pay without an incentive for them to switch hasn't altered their behavior.

We have already tried to persuade customers to pay their bills online without much success. After taking their payments over the phone, we have been informing them about the option to use the Xpress BillPay website instead, but we are often laughed at or mocked for our efforts.

The general response has been why would they go through the trouble of signing up and logging into a website when they can just call us instead. There is little incentive currently for customers to sign up for Xpress Bill Pay and every phone call we get takes away our focus and time for more critical tasks.

4. Customers calling us in large volumes to make their payments is not a good use of the City's money or resources.

For example, we are paying for Xpress Bill Pay services which are currently being underutilized by customers. Also, the time, energy, and focus of our staff are finite and would be better used by the City to help with tasks more complicated than clicking a few buttons on a website for the customer. The money generated by this fee would help offset the financial loss of having our staff take these kinds of simple payments over the phone. We believe the fee would need to be at least \$10 to persuade those able to access the internet to pay their bills themselves though considering the cost of living in Bethel, perhaps \$20 would be more appropriate.

In conclusion, if we reduce the number of unnecessary phone calls the Finance Department receives, we will increase productivity, lower the potential for mistakes, and improve the overall quality of service we can provide for our customers. Answering the phone is a necessary duty, but for every phone call answered to take a payment, there is another potentially urgent call being missed, or an in-person customer being neglected. For these reasons, we ask that a fee be considered by City Council for taking over-the-phone utility payments from non-senior citizens.