



City of Yelm

105 Yelm Avenue West
Yelm, WA 98597

Utility Rate Increases – Sewer, Stormwater, & Water Rates Frequently Asked Questions (FAQ)

City Council approved rate increases for all utilities (*sewer, stormwater and water*) to responsibly provide residents with clean, safe drinking water, funding needed for capital improvements, and to properly fund the stormwater utility. This is required to remain compliant with State and Federal standards, not overburden the general fund with stormwater funded activities, and necessary to meet water flow standards in the case of a fire helping keep your insurance rates low. Utility rates were adjusted after three public hearings and multiple public meetings to debate and discuss making necessary improvements to our aging system. Although no one ever wants rates to go up, Your City Council explored multiple options to minimize customer impact while still finding dedicated resources to make critical investments for your safety.

The new rates will go into effect on January 1, 2018. The following FAQ and answers are provided to keep you informed. If you have any questions not answered below, please contact Chad Bedlington, Public Works Director, via email at chadb@yelmwa.gov, or by phone at 360-458-8412.

Sewer Utility

What do sewer rates pay for?

Sewer rate revenues go into a dedicated fund that is split between five focus areas including: Maintenance, Operations, Preservation, Improvement, and Administration. These are all key components necessary to fund in order to keep the system operating efficiently and plan for the future needs of the utility.

Why are my rates going up?

The Water Reuse Facility requires extensive replacements and upgrades to remain viable. Reinvestment into our wastewater collections and treatment systems has not kept up with the needs of our infrastructure since the last significant upgrades in 1999.

Many of the mechanical features of the Water Reuse Facility have reached the end of their useful life and need to be replaced. Several other areas of the facility had deferred maintenance due to insufficient revenues in the past to support the improvements and replacements of aging infrastructure. Our historic facility was the first of its kind in Washington State and is responsible for processing all the wastewater from homes and businesses into reclaimed water we use for irrigation and ground water recharge. We must continue investing in this critical, historic infrastructure to remain compliant with State and Federal regulations, and continue providing quality service to our customers today and into the future.

What will the increase be?

Sewer rates are scheduled to increase on average 9.25% for customers starting in 2018, and continuing to increase 9.25% in 2019 and 2020. The monthly rate for an average single family residential customer's sewer bill will be approximately \$64.56 in 2018, which is an approximate increase of **\$5.47** for your average single family household.

Stormwater Utility

What is polluted stormwater runoff?

Stormwater runoff is the number one cause of stream pollution in urban areas. It is created when rain falls on roads, driveways, parking lots, rooftops, and other paved surfaces and picks up the chemicals, oil, grease, fertilizers, animal waste, litter, pesticides, and other toxins from our cars and buildings.

What is a stormwater management system?

Roads, driveways, parking lots, rooftops and other surface prevent water from soaking into the ground or to our landscape greatly increases the runoff volume created during storms. To manage the impact these structures have on the environment and our drinking water sources, stormwater control measures are constructed to help regulate the flow of stormwater runoff to manage treatment of contaminants and control any potential flooding.

What is the city's responsibility for stormwater?

The City is responsible for managing all aspects of storm water within city boundaries. The city operates and maintains drainage facilities located within the public right of way or public easements. We do not maintain facilities located on private property or fall under the jurisdiction of other governmental entity. However, the City is responsible to assure that all private facilities are maintained and operating as designed to prevent impacts to your groundwater and drinking water. Some of the other important components of this program include:

- Monitoring and reduction of illicit discharges and pollutants
- Public information and education concerning stormwater issues
- Regular maintenance and repair of the City's stormwater system
- Development and implementation of stormwater design standards and regulations
- Field inspections and enforcement of these standards
- Construction of stormwater infrastructure as required with capital improvement projects

What is a Stormwater Utility?

A stormwater utility is an enterprise funded utility. Meaning any funds collected as stormwater fees and charges must be used to fund stormwater management activities. It is a dedicated fund for a dedicated purpose. A Stormwater Utility is to stormwater what a sewer utility is to sewage, and a water utility is to drinking water. A stormwater utility is responsible for funding the operation, construction and maintenance of storm water management devices, for stormwater system planning, and management.

How is the stormwater utility funded?

The Stormwater Utility is funded through monthly service charges paid by all customers owning developed property in Yelm, and is included on the utility bill customers receive every month. In addition, grant opportunities from state and federal agencies are pursued to help fund planning efforts and capital construction projects.

How much is my stormwater service charge?

Currently the stormwater utility collects a monthly service charge of \$2.50 per single family residency. Multi-family is charged \$1.25 per unit, and Commercial properties are charged a flat fee of \$4.00 plus an additional fee based on the amount of impervious surface on the property. This fee has not been changed since it was adopted into Yelm Municipal Code in 1999. The utility collects approximately \$100,000 annually through the service charges.

Effective January 1, 2018, stormwater monthly service charges will be increasing to properly support the utility and will increase each year for three years to catch-up to actual operating & capital costs the City incurs. The new rates for 2018, 2019, and 2020 are shown in the table below:

Rate Category	% Impervious	Monthly Service Charges (Per Unit/Gross Acre)		
		2018 Rate (Effective 01/01/18 to 12/31/18)	2019 Rate (Effective 01/01/19 to 12/31/19)	2020 Rate (Effective 01/01/20 to 12/31/20)
1. Single-family or duplex	N/A	\$6.75 per unit	\$8.50 per unit	\$10.25 per unit
2. Multiple-family	N/A	\$3.38 per unit	\$4.25 per unit	\$5.13 per unit
3. Condominium	N/A	\$6.75 per unit	\$8.50 per unit	\$10.25 per unit
4. Commercial/ Industrial-light	0 – 32% of site imperv.	\$9.75 base rate and \$3.75 per acre	\$11.50 base rate and \$5.50 per acre	\$13.25 base rate and \$7.25 per acre
5. Commercial / Industrial-moderate	33 – 66% of site imperv.	\$9.75 base rate and \$4.20 per acre	\$11.50 base rate and \$5.95 per acre	\$13.25 base rate and \$7.70 per acre
6. Commercial / Industrial-heavy	67 – 100% of site imperv.	\$9.75 base rate and \$6.55 per acre	\$11.50 base rate and \$8.30 per acre	\$13.25 base rate and \$10.05 per acre

Why is my stormwater service charge increasing?

Stormwater utility revenues do not cover expenses. In the past, the Street fund, which is a General Fund account, was used to subsidize stormwater maintenance activities (approximately \$200,000 annually) instead of funding federally required stormwater operations and maintenance.

Water Utility

Why did the City of Yelm raise my water rates?

Your water bill funds the infrastructure and operations to maintain and upgrade a complex system that allows us to collect, treat and deliver safe, reliable water and provide essential fire protection services.

Yelm completed a financial analysis of the water utility in 2017. The findings of that study showed that overall, the utility was generally financially healthy and modest water rate increases are necessary to continue that trend and keep up with inflation.

The primary reason for any increase in water rates centers around the utilities requirements to have adequate water storage (primarily for fire flows) to meet the needs of residents and businesses today and into the future. If careful planning wasn't done and action wasn't taken, including planning for projects to ensure adequate fire flow capabilities, this could lead to residents and businesses having higher insurance premiums. To ensure consistent and proper function of this complex system, continued investment isn't just important, it is essential to the well-being of our entire community.

How much is my water bill going up?

That depends on the type of customer you are, how much water you use and your meter size. Every customer will see a slight increase to their monthly metered and consumption base rate. If you're like the majority of Yelm's residential customers, you will see a monthly access fee increase of approximately **\$2.63**. Rates will also increase 5% in 2019 and 5% in 2020.

In 2021, the City's water rates will change to an annual cost-of-living increase level tied to the regional consumer price index to help cover ongoing costs to repair and upgrade the system. The annual cost to maintain the water system is approximately \$1.9 million. \$12.3 million in capital improvements are needed from 2017-2022 to maintain service standards and rates to support those capital improvements will be re-evaluated in 2020 with your City Council.

Why did the City add an annual cost-of-living rate increase to the rates?

Accounting for inflation of costs provides a stable revenue source to meet the ongoing maintenance needs in the both the water systems. This has not been done in the past, which is why we are facing these challenges and cost increases today. Without this action, our maintenance and capital backlog would only increase, putting the reliability of the system at risk which would not be responsible.

Who approved these rate increases and when were they approved?

The City Council has been working during open public meetings for over six months to develop a sustainable funding plan. The rate increases were approved on December 12, 2017 and became effective January 1, 2018.

What can I do to reduce my water consumption?

For most households, the vast majority of water is used indoors. You can get the biggest water savings in your home by installing efficient fixtures and fixing leaks. The choices you make in your yard can also save

you money on your water bill. Please contact the City's Public Works Department (360-458-8406) to find out more about conservation measures.

I've used less water. Am I being penalized for conservation?

We always encourage conservation and the efficient use of water. In fact, rates would be higher without customers' conservation efforts. If it were not for continued conservation efforts, we would need to build more storage, treatment and distribution facilities to keep up with the demand for water.

No one likes paying higher bills, but consider the overall value of water. Most City of Yelm Water customers will pay about \$12 for 1,000 gallons of water. And while rates are going up, Yelm is committed to keeping water affordable, particularly for the essential indoor water use that is vital for drinking, cooking and sanitation.

Is there assistance available for low-income customers?

Customers who are 65 years of age or older, or are permanently disabled, and have a total household income less than the Thurston County very low-income figures as established by the U.S. Department of Housing and Urban Development may qualify for reduced rates. For more information please contact Yelm's Finance Department at 360-458-3244 or by email at Utility@yelmwa.gov.

Who do I call if I still have questions about my utility bill?

If you'd like to discuss your bill with someone, contact Yelm's Customer Service team at 360-458-3244.