



CITY OF BINGEN NEWSLETTER – OCTOBER 2009

Proposed Water and Sewer Rates

The City will hold a public hearing November 3 at 7:00 p.m. on proposed water and sewer rates for 2010.

Revenue from water and sewer rates provides for the operation and maintenance costs of both systems. In addition, sewer revenue pays for a portion of the operation and maintenance of the wastewater treatment plant. Funds are also set aside for capital improvements and equipment purchases and to make debt payments.

The city adopted a water system plan in 2009 that includes a number of capital improvements that must be made to the water system. One of the improvements has been to replace aging meters with wireless radio read meters. This will allow the public works crew to read meters year round. The public works crew recently completed installing the 200th meter. Additional meters will be replaced in 2010.

Monthly Base Sewer Rates

Type of User	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	2010 Proposed	% Change
Residential	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	\$40.00	5%
Commercial	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	\$40.00	5%
Light Industrial/Agricultural	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	\$40.00	5%
Heavy Industrial	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	\$40.00	5%

Overage charges for sewer will stay the same – \$14.00 per ½ ERU. Residential customers are not charged overage charges for sewer.

Water Rates

In reviewing water rates the city council has determined it is necessary to change the water rate structure. Currently a single-family residential user is billed a base rate of \$27.00 per month which includes 6,000 gallons of water. A residential user that uses 6,000 gallons of water pays the same amount as a residential user who uses 3,000 gallons of water.

The proposed rate structure will include a base fee that is billed whether water is used or not and whether the water is on or not. Water will then be billed at price per 1,000 gallons which will result in the user of 6,000 gallons paying a different price than the user of 3,000 gallons.

The following page shows the new rate structure and a few examples are given for single-family residential and multi-family accounts.

The base fee for commercial, multi-family, industrial and light industrial accounts will be based on the meter size. A flat usage rate is applied to these types of accounts.

Single-family residential accounts will have a usage structure that encourages water conservation.

Please contact city hall to have an account analysis provided to see how the new rate structure would affect your account.

Type of Account	2009 Rate	Proposed 2010 Rates
Residential (Single-Family) Base Rate	27.00	22.25
Overage (>6,000 gallons) per thousand	1.20	
Usage (0-10,000 gallons) per thousand		1.25
Usage (10,001 – 20,000 gallons) per thousand		2.10
Usage (>20,000 gallons) per thousand		3.15
Multi-Family Base Rate (* # of units)	27.00	
Overage (>6,000 * # of units) per thousand	1.20	
Commercial Base Rate	47.00	
Overage (>10,000 gallons) per thousand	1.20	
Light Industrial/Agriculture Base Rate	142.00	
Overage (>10,000 gallons) per thousand	1.20	
Industrial Base Rate	473.00	
Overage (>10,000 gallons) per thousand	1.20	
New Base Rates for Commercial, Light Industrial, Industrial, Multi-Family		
3/4 inch meter		34.00
1 inch meter		54.00
1-1/2 inch meter		108.00
2 inch meter		162.00
3 inch meter		335.00
4 inch meter		469.00
6 inch meter		704.00
Usage per 1,000 gallons		1.90

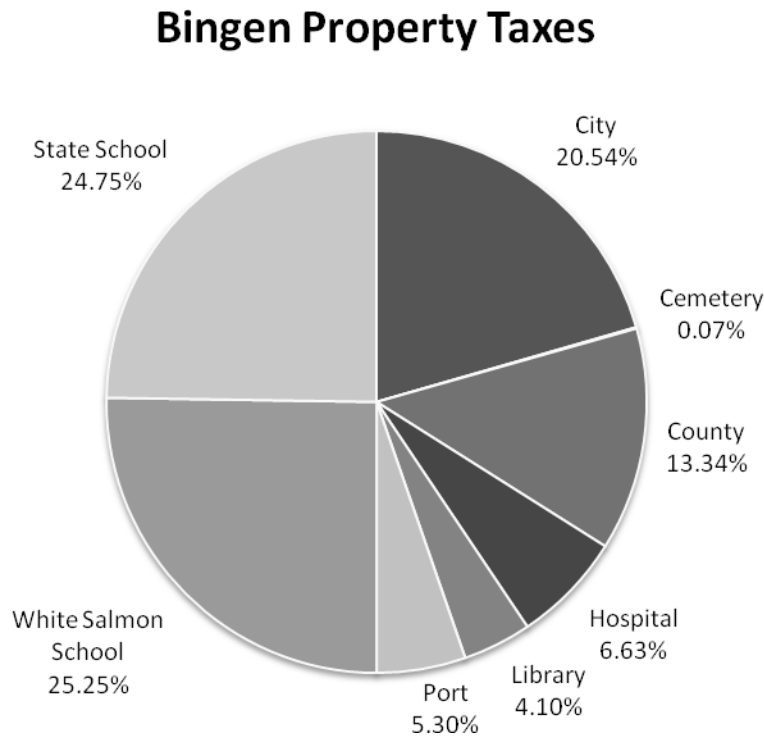
Single-Family Dwelling Sample	2009 Bill	Proposed 2010 Bill	Multi-Family Dwelling Sample (3/4" meter – 2 Units)	2009 Bill	Proposed 2010 Bill
Uses 3,000 gallons			Uses 10,000 gallons		
Base Fee	27.00	22.25	Base Fee	54.00	34.00
Usage/Overage	0.00	3.75	Usage/Overage	0.00	19.00
Total Bill	27.00	26.00	Total Bill	54.00	53.00
Uses 6,000 gallons			Uses 20,000 gallons		
Base Fee	27.00	22.25	Base Fee	54.00	34.00
Usage/Overage	0.00	7.50	Usage/Overage	9.60	38.00
Total Bill	27.00	29.75	Total Bill	63.60	72.00
Uses 10,000 gallons			Uses 30,000 gallons		
Base Fee	27.00	22.25	Base Fee	54.00	34.00
Usage/Overage	4.80	12.50	Usage/Overage	21.60	57.00
Total Bill	31.80	34.75	Total Bill	75.60	91.00

A commercial or light industrial business that has a 3/4 meter can use the chart above as a sample of what the 2010 bill would be based on using 10,000, 20,000 or 30,000 gallons.

Property Tax Levy

The City of Bingen will hold a public hearing on the proposed property tax levy on November 3 at 7:00 p.m. The City is legally allowed to increase the total property tax levy the city receives by 1%. The property tax levy for 2009 was \$181,263.57. An increase of 1% means the city would receive \$183,076.21 in property taxes for 2010 – an increase of \$1,812.64.

Property taxes for Bingen residents go to the following entities:



**Property taxes on a property valued at \$100,000 in 2009 were \$825.59.
Bingen would have received \$169.58 of the total taxes.**

If the total assessed valuation of all property in Bingen goes up more than 1% than the levy rate per thousand will decrease. In 2008 the levy rate for Bingen was \$2.5797. Because of the substantial increase in assessed valuation the levy rate for 2009 decreased to \$1.6958. Even though property valuations increased substantially, the city's total income from property taxes did not increase more than 1%.

In addition to other revenues the city receives, property taxes in Bingen are used to fund police, fire, parks, planning, streets, and city hall. A public hearing on the proposed 2010 revenue budget will also be held on November 3. Copies of the preliminary 2010 budget are available on line or from city hall.

Upcoming Public Hearings

- Water/Sewer Rate Increase
- 2010 Proposed Revenues
- 2010 Proposed Property Tax Levy

The City will hold public hearings on these items at its **November 3** city council meeting scheduled at **7:00 p.m.** at Bingen City Hall.

Information on these items or copies of documents can be obtained from city hall or by calling 509-493-2122.

Public comment will be taken at the hearings. Written comment can also be submitted to City Hall by 5:00 p.m. on November 3.

Bingen Council Members and Staff

Brian Prigel, Mayor
Sandi Dickey, Council Member
Laura Mann, Council Member
Betty Barnes, Council Member
Catherine Kiewit, Council Member
Clinton Bryan, Council Member

Jan Brending, City Administrator
Dena Riggleman, Deputy Clerk
David Spratt, Public Works Superintendent
Jay Hicks, Public Works Maintenance
Tom Hons, Treatment Plant Manager
James Buckland, Treatment Plant Operator

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