

Proposed by:	Administration
Attorney Review:	03/29/2018
Finance Review:	04/05/2018
Vote:	6 Aye 0 Nay 0 Absent

## **MUNICIPALITY OF SKAGWAY, ALASKA**

### **RESOLUTION NO. 18-08R**

#### **A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING WATER AND WASTEWATER SERVICE RATES AND REPEALING RESOLUTION NO. 05-14R.**

**WHEREAS**, in June of 2015 the Municipality of Skagway contracted with FCS Group to complete a Water, Wastewater, Solid Waste, and Harbor Service Rate Study, to assist the Municipality in maintaining financially stable utilities and promote a fair and equitable allocation of system costs to its customers; and

**WHEREAS**, the study concluded that the revenue received by the Municipality under the existing rates is not adequate to meet the forecasted needs of the utilities; and

**WHEREAS**, under current conditions, the Water Fund and Wastewater Fund collects less user revenue than required to cover expenditures requiring subsidy from outside sources; and

**WHEREAS**, the study recommends these enterprise funds should collect revenues from sources that use the services provided by these enterprise funds; and

**WHEREAS**, the Municipal Water and Wastewater Utilities experience a substantial service load increase and maximum capacity impacts for the months of May-September due to cruise ship passengers and crew water and sewer use far exceeding the use of residents and other visitors to Skagway, which constitutes a service provided to the cruise ship vessels and/or cruise ship passenger within the Alaska statutory guidelines for the use of Commercial Passenger Vessel (CPV) funds; and

**WHEREAS**, Scenario 2 as outlined in the study of the Water and Wastewater funds proposes that rates increase of regular annual increase should be employed in order to decrease the projected deficits in the Water and Wastewater funds; and

**WHEREAS**, the Finance Committee met on March 15, 2018, to discuss a potential rate increase for each, and voted to recommend that the Assembly approve annual increases of 5% for water and 7% for wastewater each year for the following 5 years;

**NOW, THEREFORE BE IT RESOLVED**, by the Borough Assembly of the Municipality of Skagway that the following annual water and wastewater rate increases are approved and established:

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	<i>PROPOSED INCREASE</i>	<i>5.00%</i>	<i>5.00%</i>	<i>5.00%</i>	<i>5.00%</i>	<i>5.00%</i>
	FREQUENCY	FY18 NEW RATES	FY19 RATES	FY20 RATES	FY21 RATES	FY22 RATES
<b>WATER UTILITY RATES</b>						
Residential, single-family	Per Quarter	\$63.00	\$66.15	\$69.46	\$72.93	\$76.58
Residential, multiple-family (per unit)	Per Quarter	\$63.00	\$66.15	\$69.46	\$72.93	\$76.58
Residential, shared wash & sanitary facilities (per bedroom)	Per Quarter	\$17.64	\$18.52	\$19.45	\$20.42	\$21.44
Residential, shared cooking facilities surcharge (per bedroom)	Per Quarter	\$11.97	\$12.57	\$13.20	\$13.86	\$14.55
Residential, shared laundry facilities surcharge (per bedroom)	Per Quarter	\$10.84	\$11.38	\$11.95	\$12.54	\$13.17
Food service, with seating (per table)	Per Quarter	\$21.61	\$22.69	\$23.82	\$25.02	\$26.27
Food service, without seating, w/cook & wash facilities	Per Quarter	\$63.00	\$66.15	\$69.46	\$72.93	\$76.58
Banquet or group food service surcharge	Per Quarter	\$31.82	\$33.41	\$35.08	\$36.83	\$38.67
Limited food service w/B-1	Per Quarter	\$36.16	\$37.97	\$39.87	\$41.86	\$43.96
B-1a Cocktail beverage service surcharge	Per Quarter	\$31.82	\$33.41	\$35.08	\$36.83	\$38.67
B-1b Surcharge per public restroom	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Retail and commercial home occupation	Per Quarter	\$63.00	\$66.15	\$69.46	\$72.93	\$76.58
Retail with employee restroom (per restroom)	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Retail with public restroom (per restroom)	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Grocery, food processing or preparation surcharge	Per Quarter	\$108.36	\$113.78	\$119.47	\$125.44	\$131.71
Hair salon (per chair)	Per Quarter	\$51.66	\$54.24	\$56.96	\$59.80	\$62.79
Automotive service station (includes one restroom)	Per Quarter	\$111.20	\$116.75	\$122.59	\$128.72	\$135.16
Automotive service station with vehicle washing surcharge	Per Quarter	\$19.91	\$20.90	\$21.95	\$23.05	\$24.20
Automotive service station public restroom surcharge	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Laundry service (per washing machine)	Per Quarter	\$36.92	\$38.76	\$40.70	\$42.74	\$44.87
Offices (per employee restroom)	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Offices with employee showers surcharge	Per Quarter	\$38.81	\$40.75	\$42.79	\$44.93	\$47.17
Offices with public restrooms surcharge	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Public accommodations - room with bath (per room)	Per Quarter	\$18.96	\$19.91	\$20.91	\$21.95	\$23.05
Public accommodations - room with shared bath (per room)	Per Quarter	\$16.51	\$17.33	\$18.20	\$19.11	\$20.06
Public accommodations - room w/cooking facilities surcharge	Per Quarter	\$9.70	\$10.19	\$10.70	\$11.23	\$11.79
Trailer parks or campgrounds	Per Quarter	\$63.00	\$66.15	\$69.46	\$72.93	\$76.58
Trailer parks or campgrounds central wash facilities surcharge (per restroom)	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Trailer parks or campgrounds w/water hookups surcharge (per stall)	Per Quarter	\$13.86	\$14.55	\$15.28	\$16.04	\$16.85
Trailer parks or campgrounds public shower surcharge (per shower)	Per Quarter	\$74.34	\$78.06	\$81.96	\$86.06	\$90.36
Trailer parks or campgrounds wastewater dump station surcharge (per stall)	Per Quarter	\$23.31	\$24.48	\$25.70	\$26.98	\$28.33
Trailer parks or campgrounds water station surcharge (per stall)	Per Quarter	\$7.81	\$8.20	\$8.61	\$9.04	\$9.50
Vehicle, aircraft, equipment maintenance (per employee restroom)	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Vehicle, aircraft, equipment maintenance employee shower surcharge	Per Quarter	\$38.81	\$40.75	\$42.79	\$44.93	\$47.17
Commercial vehicle/aircraft washing (15 passenger van or less, per vehicle)	Per Quarter	\$13.10	\$13.76	\$14.45	\$15.17	\$15.93
Commercial vehicle/aircraft washing (16 - 40 passenger van, per vehicle)	Per Quarter	\$28.98	\$30.43	\$31.95	\$33.55	\$35.23
Commercial vehicle/aircraft washing (41+ passenger van, per vehicle)	Per Quarter	\$51.66	\$54.24	\$56.96	\$59.80	\$62.79
Vessel watering (volume, metered service)	Per 1,000 Gallons	\$10.71	\$11.25	\$11.81	\$12.40	\$13.02
Food or fish processing (metered); plus \$6 quarterly service fee	Per 1,000 Gallons	\$4.41	\$4.63	\$4.86	\$5.11	\$5.36
Standby fire protection system	No Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lodge with restroom (per restroom)	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Lodge with restroom - kitchen surcharge	Per Quarter	\$31.82	\$33.41	\$35.08	\$36.83	\$38.67
Churches	No Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Residential occupancy within a church	Per Quarter	\$63.00	\$66.15	\$69.46	\$72.93	\$76.58
Theater (per public restroom)	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Museum or display area (per public restroom)	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Public transportation terminals	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Medical or dental services with employee shower	Per Quarter	\$38.81	\$40.75	\$42.79	\$44.93	\$47.17
Medical or dental services with public restroom	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Daycare (per restroom)	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Daycare - kitchen surcharge	Per Quarter	\$31.82	\$33.41	\$35.08	\$36.83	\$38.67
Government vehicle maintenance facility	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
Water or wastewater treatment facility (metered); plus \$6 quarterly fee	Per 1,000 Gallons	\$4.41	\$4.63	\$4.86	\$5.11	\$5.36
Public restrooms	Per Quarter	\$65.84	\$69.13	\$72.58	\$76.21	\$80.02
Boat harbor (metered); plus \$6 quarterly service fee	Per 1,000 Gallons	\$4.41	\$4.63	\$4.86	\$5.11	\$5.36
Government offices or library	Per Quarter	\$48.83	\$51.27	\$53.83	\$56.52	\$59.35
School (metered); plus \$6 quarterly service fee	Per 1,000 Gallons	\$4.41	\$4.63	\$4.86	\$5.11	\$5.36
Contract services approved by Assembly; plus \$6 quarterly service fee	Per 1,000 Gallons	\$4.41	\$4.63	\$4.86	\$5.11	\$5.36
Water on/off service fee	Each Instance	\$37.80	\$39.69	\$41.67	\$43.76	\$45.95

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	<i>PROPOSED INCREASE</i>	<i>7.00%</i>	<i>7.00%</i>	<i>7.00%</i>	<i>7.00%</i>	<i>7.00%</i>
	FREQUENCY	FY18 NEW RATES	FY19 RATES	FY20 RATES	FY21 RATES	FY22 RATES
<b>WASTEWATER UTILITY RATES</b>						
Residential, single-family	Per Quarter	\$32.42	\$34.69	\$37.12	\$39.72	\$42.50
Residential, multiple-family (per unit)	Per Quarter	\$32.42	\$34.69	\$37.12	\$39.72	\$42.50
Residential, shared wash & sanitary facilities (per bedroom)	Per Quarter	\$11.62	\$12.43	\$13.30	\$14.24	\$15.23
Residential, shared cooking facilities surcharge (per bedroom)	Per Quarter	\$8.92	\$9.55	\$10.22	\$10.93	\$11.70
Residential, shared laundry facilities surcharge (per bedroom)	Per Quarter	\$8.54	\$9.14	\$9.78	\$10.46	\$11.19
Food service, with seating (per table)	Per Quarter	\$13.35	\$14.29	\$15.29	\$16.36	\$17.50
Food service, without seating, w/cook & wash facilities	Per Quarter	\$32.42	\$34.69	\$37.12	\$39.72	\$42.50
Banquet or group food service surcharge	Per Quarter	\$18.17	\$19.44	\$20.80	\$22.26	\$23.82
Limited food service w/B-1	Per Quarter	\$20.09	\$21.50	\$23.01	\$24.62	\$26.34
B-1a Cocktail beverage service surcharge	Per Quarter	\$18.17	\$19.44	\$20.80	\$22.26	\$23.82
B-1b Surcharge per public restroom	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Retail and commercial home occupation	Per Quarter	\$32.42	\$34.69	\$37.12	\$39.72	\$42.50
Retail with employee restroom (per restroom)	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Retail with public restroom (per restroom)	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Grocery, food processing or preparation surcharge	Per Quarter	\$53.22	\$56.95	\$60.93	\$65.20	\$69.76
Hair salon (per chair)	Per Quarter	\$27.22	\$29.13	\$31.17	\$33.35	\$35.68
Automotive service station (includes one restroom)	Per Quarter	\$54.57	\$58.39	\$62.48	\$66.85	\$71.53
Automotive service station with vehicle washing surcharge	Per Quarter	\$12.58	\$13.46	\$14.41	\$15.41	\$16.49
Automotive service station public restroom surcharge	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Laundry service (per washing machine)	Per Quarter	\$20.48	\$21.91	\$23.45	\$25.09	\$26.84
Offices (per employee restroom)	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Offices with employee showers surcharge	Per Quarter	\$21.25	\$22.74	\$24.33	\$26.03	\$27.85
Offices with public restrooms surcharge	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Public accommodations - room with bath (per room)	Per Quarter	\$12.20	\$13.05	\$13.97	\$14.94	\$15.99
Public accommodations - room with shared bath (per room)	Per Quarter	\$11.04	\$11.82	\$12.64	\$13.53	\$14.47
Public accommodations - room w/cooking facilities surcharge	Per Quarter	\$7.96	\$8.52	\$9.11	\$9.75	\$10.43
Trailer parks or campgrounds	Per Quarter	\$32.42	\$34.69	\$37.12	\$39.72	\$42.50
Trailer parks or campgrounds central wash facilities surcharge (per restroom)	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Trailer parks or campgrounds w/sewer hookups surcharge (per stall)	Per Quarter	\$9.89	\$10.58	\$11.32	\$12.11	\$12.96
Trailer parks or campgrounds public shower surcharge (per shower)	Per Quarter	\$37.62	\$40.25	\$43.07	\$46.09	\$49.31
Trailer parks or campgrounds wastewater dump station surcharge (per stall)	Per Quarter	\$102.72	\$109.91	\$117.60	\$125.84	\$134.64
Vehicle, aircraft, equipment maintenance (per employee restroom)	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Vehicle, aircraft, equipment maintenance employee shower surcharge	Per Quarter	\$21.25	\$22.74	\$24.33	\$26.03	\$27.85
Commercial vehicle/aircraft washing (15 passenger van or less, per vehicle)	Per Quarter	\$9.54	\$10.21	\$10.93	\$11.69	\$12.51
Commercial vehicle/aircraft washing (16 - 40 passenger van, per vehicle)	Per Quarter	\$16.82	\$18.00	\$19.26	\$20.61	\$22.05
Commercial vehicle/aircraft washing (41+ passenger van, per vehicle)	Per Quarter	\$27.22	\$29.13	\$31.17	\$33.35	\$35.68
Food or fish processing (metered); plus \$6 quarterly service fee	Per 1,000 Gallons	\$1.73	\$1.85	\$1.98	\$2.12	\$2.27
Standby fire protection system	No Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lodge with restroom (per restroom)	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Lodge with restroom - kitchen surcharge	Per Quarter	\$20.09	\$21.50	\$23.01	\$24.62	\$26.34
Churches	No Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Residential occupancy within a church	Per Quarter	\$32.42	\$34.69	\$37.12	\$39.72	\$42.50
Theater (per public restroom)	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Museum or display area (per public restroom)	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Public transportation terminals	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Medical or dental services with employee shower	Per Quarter	\$21.25	\$22.74	\$24.33	\$26.03	\$27.85
Medical or dental services with public restroom	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Daycare (per restroom)	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Daycare - kitchen surcharge	Per Quarter	\$18.17	\$19.44	\$20.80	\$22.26	\$23.82
Government vehicle maintenance facility	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
Water or wastewater treatment facility (metered); plus \$6 quarterly fee	Per 1,000 Gallons	\$1.73	\$1.85	\$1.98	\$2.12	\$2.27
Public restrooms	Per Quarter	\$33.77	\$36.13	\$38.66	\$41.37	\$44.26
Government offices or library	Per Quarter	\$25.87	\$27.68	\$29.62	\$31.70	\$33.91
School (metered); plus \$6 quarterly service fee	Per 1,000 Gallons	\$1.73	\$1.85	\$1.98	\$2.12	\$2.27
Contract services approved by Assembly; plus \$6 quarterly service fee	Per 1,000 Gallons	\$1.73	\$1.85	\$1.98	\$2.12	\$2.27
Wastewater sludge dumping fee	Per Cubic Yard	\$25.68	\$27.48	\$29.40	\$31.46	\$33.66

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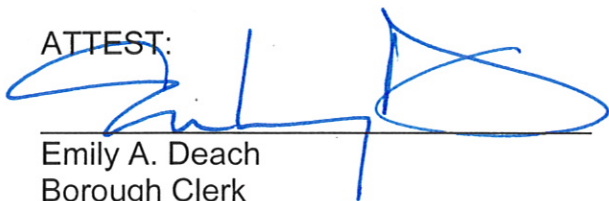
**BE IT FURTHER RESOLVED**, that the utility rates established by this resolution shall take immediately upon adoption.

**PASSED AND APPROVED** by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 5<sup>th</sup> day of April, 2018.



\_\_\_\_\_  
Monica Carlson, Mayor

ATTEST:



\_\_\_\_\_  
Emily A. Deach  
Borough Clerk

(SEAL)

