

Staff Report

STORMWATER BILLING

25

November 23, 2010

Background

Since its inception, the City's Storm Sewer Utility has generated revenue based on a uniform flat monthly fee per utility account. In response to a citizen request, the City Council directed City staff to develop alternatives for billing based on impervious area. At a November 17, 2009 workshop, the Council considered four alternatives that reflected this new billing philosophy. At that meeting the Council then directed staff to explore two additional alternatives for consideration. The City Council was subsequently presented with those six alternatives at a September 21, 2010 workshop. Staff was then directed to bring back those alternatives for a final decision. **The original six alternatives, as well as one additional alternative and examples of the various rates with a 15% revenue increase, are reflected in this updated report.**

Storm Sewer Funding

The money collected for and paid into the Storm Sewer Fund is expended for the purpose of constructing, operating, repairing, and maintaining all kinds of conduits, drains, storm water detention devices, flow impediments, ponds, ditches, sloughs, streams, filter strips, rip-raps, erosion control devices, and all other facilities useful to the proper control, management, collection, drainage, and disposition of stormwater in the City. Capital Improvement Plan projects financed from the Storm Sewer Fund include the Storm Sewer Intake Rehabilitation Program, the Storm Sewer Facility Rehabilitation Program, Low Point Drainage Improvements, Southwest Ames Storm Water Management Improvements (improvements to Greenbriar Park), and Storm Sewer Outlet Erosion Control (College Creek Restoration project as part of this program from 2008-2010). Activities included in the City's operating budget include Illicit discharge detection and elimination, storm sewer maintenance and cleaning, permit administration, public outreach/education, construction site erosion control inspection, pesticide and fertilizer management, Geographic Information System (GIS) mapping of the storm sewer network, the rain barrel grant program, the rain garden grant program, the stream bank stabilization grant program, and the annual Clean Water Festival.

Existing Billing

At present, the City charges a flat fee per utility account for stormwater. This charge is currently \$3.00. There are approximately 24,780 utility accounts in the City. This generates approximately \$74,340 a month in revenue for stormwater improvements, or \$892,080 annually. There are currently 18,276¹ residential utility accounts in the City, which accounts for 74% of the total utility accounts.

Impervious/Pervious Analysis

The first step in looking at impervious fee scenarios is to analyze the data in our GIS. In 2008, Ames had planimetrics taken with aerial photography. This data included streets,

¹ This is the number of utility accounts on parcels with a residential Assessor designation and the estimate of residential accounts on mixed use property. It is not based on current residentially billed accounts.

sidewalks, driveways, and any structures over 150 square feet in size. Using the GIS, we were able to look at the City and generate the percentage of imperviousness per classification. The percentages are shown below and were derived from City Assessor classifications²:

- Residential 46.9%
- Commercial 32.9%
- Industrial 7.1%
- Tax Exempt 13.0%
- Agriculture 0.1%

Iowa State University is not included in these calculations, since the University has its own Municipal Separate Storm Sewer System (MS4). In discussions with the Iowa Department of Natural Resources (DNR), they clarified that Iowa State's permit covers all land owned and/or used by the University within the City's corporate limits. It is also the opinion of Legal staff and the DNR that this would prevent them from being billed by the City based on impervious area³.

Billing for Impervious/Pervious

In researching how other cities are billing for impervious area, it was found that many are using the Estimated Residential Unit (ERU) process (see Attachment 1). This process is accomplished by using GIS to estimate the average impervious area on residential lots. This number is then used to divide the impervious area of all properties to give each property an ERU value.

Staff used the City's GIS to calculate an average impervious area for residential parcels within the City. The GIS showed that an average residential parcel in Ames has 3,050 square feet of impervious area. After analyzing the data, staff recommended that one ERU would equal 4,000 square feet. This was suggested since our planimetrics do not capture all impervious area on a parcel. Things not captured would include patios and non-public sidewalks on residential parcels. This calculation did not include mixed use parcels which include residential units. The 4,000 square feet would also potentially reduce the number of appeals of ERU calculations.

This formula was then used to do all the analysis for this and the preceding reports. An example of this formula would be that a parcel with 8,000 square feet of impervious area would have an ERU equal to two ($8,000 \text{ sf} / 4,000 \text{ sf} = 2 \text{ ERUs}$). Properties having 4,000 square feet equal to one ERU comprise 87.2% of residential properties and 80.2% of all properties in the City being less than or equal to one ERU.

Assumptions

Staff had to make some assumptions to analyze an ERU system for billing. The first assumption is that the minimum ERU would be equal to one. This means that properties with less than 4,000 square feet of impervious area would be charged one ERU. The second assumption is that, for the purpose of billing, the calculated ERU would be rounded to the nearest half ERU. An example would be that a property with a calculated ERU of 10.24 would be rounded to ten ERUs for the purpose of billing. The rounding calculation of

² Does not include Iowa State University land or City of Ames properties; only billable parcels.

³ Iowa City does not charge the University of Iowa properties

ERUs results in 93.6% of residential properties and 86.6% of all properties being less than or equal to one ERU. All calculations in this report are done with these two assumptions for the purpose of billing.

Staff has also assumed that Assessor codes would be used when looking at residential versus other classifications. Currently, the City's utility billing system has different residential versus commercial classifications based on the type of utility. An example would be on a commercially classed parcel that contains apartments. For the Electric utility, the apartments would be billed as residential while common area Electric accounts of the apartment would be billed as commercial. For the purpose of this report, staff has assigned all accounts by their assessor codes. In the example above, all accounts of the parcel would be assigned as commercial.

For the purposes of this study, staff assumed that mixed use development is residential. This is due to the fact that residential utility accounts are 99% of the accounts in the mixed use parcels.

ERU Billing Analysis

In looking at a system to bill by ERUs, staff has developed seven alternatives. It should be noted that these calculations use the assumptions noted above. The seven alternatives are as follows:

- Alternative 1: Leave existing flat fee in place
- Alternative 2: Billing per parcel ERUs
- Alternative 3: Billing Residential at one ERU per utility account and all others on ERUs
- Alternative 4: Billing a minimum of one ERU per utility account on all parcels. Only use ERUs for properties with more ERUs than utility accounts.
- Alternative 5: Billing per parcel ERUs with a minimum per utility account
- Alternative 6: Billing per ERU with flat fee for four categories
- Alternative 7: Billing per ERU with a service charge

The seven alternatives each have a corresponding table below showing the revenue that would be generated per month. **For all seven alternatives, it was assumed that the basic ERU charge for the residential classification will be \$3.00, which is the current charge per utility account. The other classifications' charges are then modified to get approximately the same gross revenue as the current system.**

In addition to the information on each option presented at the previous Council meetings, each alternative below also shows the impact of a 15% increase in revenue on the values. This illustrates one possible rate increase scenario. It seems wise to consider a possible rate increase for FY 2011/12 in order to begin to address the many additional stormwater management needs identified during last summer's flash flooding. For the basis of this revenue increase, it was assumed that a change in the ERU charge for residential could be modified.

Alternative 1: Leave the existing flat fee in place

This alternative would involve leaving the existing flat fee in place. The flat fee is assigned to all utility accounts in the City. This means that on a parcel basis, a residential eight-plex that has ten utility accounts would pay the fee on all ten accounts regardless of

classification of the eight-plex. This alternative would maintain the current system, but we could add any properties not currently billed as in other alternatives.

Table 1: Alternative 1 Revenue

Classification	Accounts	Revenue Neutral		Increased Revenue	
		Charge per Account	Total Per Month	Charge per Account	Total Per Month
Residential	18,276	\$3.00	\$54,828	\$3.45	\$63,052
All Others	6,504	\$3.00	\$19,152	\$3.45	\$22,439
	Total Revenue per Month		\$74,340	Increased Revenue Total	\$85,491

Alternative 2: Billing based on ERUs per parcel

This alternative would use the rounded ERU number for the basis of billing regardless of classification per parcel. For the purposes of billing, the ERU number for the parcel would be divided by the number of utility accounts. An example would be a parcel that has three ERUs and ten utility accounts. If this parcel was designated as residential, the accounts would be billed at 0.30 ERUs (.30 x \$3.00). If the same parcel was commercial, it would also be billed at 0.30 ERUs per account. This alternative is the closest to mirroring the impervious nature of properties; however, some properties under this alternative would pay less than the cost to issue the bill, as in the case of apartment complexes.

Table 2: Alternative 2 Revenue

Classification	ERUs	Revenue Neutral		Increased Revenue	
		Charge per ERU	Total Per Month	Charge per ERU	Total Per Month
Residential	13,338.5	\$3.00	\$40,016	\$3.30	\$44,045
All Others	11,505.5	\$3.00	\$34,517	\$3.30	\$41,375
	Total Revenue per Month		\$74,533	Increased Revenue Total	\$85,420

Alternative 3: Billing Residential at one ERU per utility account with all others based on ERUs

This alternative would use the current system for stormwater billing on residential properties only. This means that each utility account of a residential property would be charged one ERU. All other classifications of properties would be charged by the ERU per parcel. Using the same example of a parcel with three ERUs and ten utility accounts for this alternative would show that a residential parcel would pay ten ERUs. A commercial parcel would pay 0.3 ERUs per account under this alternative. This alternative keeps residential rates the same so apartment accounts would pay the same as single family dwellings.

Table 3: Alternative 3 Revenue

Classification	ERUs	Revenue Neutral		Increased Revenue	
		Charge per ERU	Total Per Month	Charge per ERU	Total Per Month
Residential	18,484.5	\$3.00	\$55,453	\$2.76	\$51,017
All Others	12,538.0	\$1.65	\$20,688	\$2.76	\$34,605
	Total Revenue per Month		\$76,141	Increased Revenue Total	\$85,622

Alternative 4: Billing a minimum of one ERU per utility account on all parcels. Only use ERUs for properties with more ERUs than utility accounts

This alternative would use a minimum of one ERU per utility account on all parcels. This would mean that a parcel would pay one ERU per utility account unless the ERUs divided by the number of utility accounts was greater than one. For the example used above, this would mean that the parcel of three ERUs and ten utility accounts would pay ten ERUs regardless of classification of the parcel. In this scenario, a parcel with ten utility accounts would have to have an ERU of 10.5 or greater to show more than one ERU per utility account. An example of this would be that a parcel with 12 ERUs and ten utility accounts would pay 1.2 ERUs per utility account. This alternative mirrors Alternative 2 except that each account would have to pay at least one ERU. This would alleviate the issue of some accounts not paying enough to cover the cost of billing.

Table 4: Alternative 4 Revenue

Classification	ERUs	Revenue Neutral		Increased Revenue	
		Charge per ERU	Total Per Month	Charge per ERU	Total Per Month
Residential	18,967.0	\$3.00	\$56,901	\$2.46	\$46,659
All Others	15,770.0	\$1.20	\$18,924	\$2.46	\$38,794
	Total Revenue per Month		\$75,825	Increased Revenue Total	\$85,453

Alternative 5: Billing per parcel based on ERUs with a minimum per utility account

This alternative would use the rounded ERU number as in Alternative 2, but would add a minimum charge component to each utility account. This would set the minimum, and each account would pay that amount regardless of ERUs on the parcel. It is important to note that all of the City's other utilities currently have a service charge that is billed each month in addition to usage charges. As an example, a typical residential customer would be billed the following service charges: Electric \$5.25, Water \$8.05, and Sewer \$6.55. This alternative uses the same methodology as Alternative 2, but adds a minimum charge to cover the cost of billing.

Table 5-1: Alternative 5 Revenue Neutral

Classification	ERUs	Charge per ERU	Total Per Month
Residential ⁴	11,917.1	\$3.00	\$35,751
All Others	11,713.4	\$2.70	\$31,626
Minimum Charge Accounts	8,557	\$1.00	\$8,557
	Total Revenue per Month		\$75,934

Table 5-2: Alternative 5 Revenue Increased

Classification	ERUs	Charge per ERU	Total Per Month
Residential ⁵	12,466.60	\$3.24	\$40,641
All Others	11,864.45	\$3.24	\$38,678
Minimum Charge Accounts	7,108	\$1.00	\$7,108
	Total Revenue per Month		\$86,427

⁴ Does not include Residential accounts that are included in the minimum charge

⁵ Does not include Residential accounts that are included in the minimum charge

Alternative 6: Billing per ERU with flat fee for four categories

This alternative closely mirrors Alternative 1 (the current system) in that a flat fee is charged per utility account. However, Alternative 6 divides properties into four statistically generated impervious area classifications. Class 1 includes accounts from all classifications and includes all residential properties regardless of impervious area. Classes 2-4 include commercial, industrial, and exempt properties, respectively. Each classification is assigned a flat fee amount and billed per utility account. As in previous methods, the Alternative 6 illustration remains revenue neutral and leaves residential accounts virtually unchanged from current practice. This alternative would expand the current flat fee system to allow for incremental changes as the impervious areas increase.

Table 6: Alternative 6 Revenue

Classification	ERU Range	Accounts	Revenue Neutral		Increased Revenue	
			Charge per Account	Total Per Month	Charge per Account	Total Per Month
Class 1	1.0 – 8.5	22170	\$3.00	\$66,510	\$3.00	\$66,510
Class 2	9.0 – 41.0	2181	\$3.25	\$7,088	\$5.00	\$10,905
Class 3	41.5 – 127.0	445	\$3.50	\$1,558	\$12.00	\$5,340
Class 4	127.5 – 371.5	116	\$4.00	\$464	\$24.00	\$2,784
		Total Revenue per Month		\$75,620	Increased Revenue Total	\$85,539

Alternative 7: Billing based on minimum charge per account plus billing based on ERUs over 1

This new alternative was developed in response to Council discussion at the September 21 meeting, and is somewhat similar to how other City of Ames utilities are charged. There would be a minimum charge for each account, after which the account would be billed for ERUs based on the parcel. The minimum charge would include the first ERU on all properties, so ERUs would be adjusted for all properties by subtracting one from the total rounded ERU. The adjusted ERUs would then be split among all accounts on a property. For example a residential property with a calculated ERU of 1 would have an adjusted ERU of 0 and would only pay the minimum charge. A commercial property with 12 ERUs and 10 accounts would pay the minimum charge on all 10 accounts and the adjusted ERU of 11 would be split among the 10 accounts or 1.1 ERU for each account.

Table 7: Alternative 7 Revenue

Classification	Adjusted ERUs	Accounts	Charge per Account/ Adj. ERU	Total Per Month	Charge per Account/ Adj. ERU	Total Per Month
Residential Accounts	-	21,747	\$3.00	\$55,389	\$3.00	\$55,389
All Other Accounts	-	2,161	\$3.00	\$19,347	\$3.00	\$19,347
Residential ERUs	2275.00	-	\$0.05	\$114	\$0.81	\$1,843
All Other ERUs	10979.00	-	\$0.05	\$549	\$0.81	\$8,893
		Total Revenue per Month		\$75,399	Increased Revenue Total	\$85,472

Table 8-1 and 8-2 shows the minimum and maximum charges per utility account for the seven alternatives. It should be noted that Table 8-1 and 8-2 are not representative of the largest impervious area as it is per utility account. A given parcel can have one or many utility accounts.

Table 7-1: Maximum and Minimum Charges per utility account for Alternatives for revenue neutral

Billing Strategy	Residential		All Others	
	Minimum Charge	Maximum Charge	Minimum Charge	Maximum Charge
Alternative 1	\$3.00	\$3.00	\$3.00	\$3.00
Alternative 2	\$0.12	\$40.50	\$0.12	\$577.50
Alternative 3	\$3.00	\$3.00	\$0.06	\$317.63
Alternative 4	\$3.00	\$40.50	\$1.20	\$231.00
Alternative 5	\$1.00	\$40.50	\$1.00	\$519.75
Alternative 6	\$3.00	\$3.00	\$3.00	\$4.00
Alternative 7	\$3.00	\$3.63	\$3.00	\$12.58

Table 7-2: Maximum and Minimum Charges per utility account for Alternatives for increased revenue

Billing Strategy	Residential		All Others	
	Minimum Charge	Maximum Charge	Minimum Charge	Maximum Charge
Alternative 1	\$3.45	\$3.45	\$3.45	\$3.45
Alternative 2	\$0.13	\$44.55	\$0.13	\$635.25
Alternative 3	\$2.76	\$2.76	\$0.11	\$531.30
Alternative 4	\$2.46	\$33.21	\$2.46	\$473.55
Alternative 5	\$1.00	\$43.74	\$1.00	\$623.70
Alternative 6	\$3.00	\$5.00	\$3.00	\$24.00
Alternative 7	\$3.00	\$13.13	\$3.00	\$158.12

To illustrate the impact of these seven alternatives on different types of properties, aerial photographs for the following five examples are attached. At the bottom of each photograph is a summary of the storm sewer fees that would be charged for all seven alternatives.

- Figure 1 – 2500 Northwestern Avenue (Single Family Residential)
- Figure 2 – 2900 Hoover Avenue (St. Cecilia Church)
- Figure 3 – 1921 Ames High Drive (Ames High School)
- Figure 4 – 3311 E. Lincoln Way (Barilla)
- Figure 5 – 2801 Grand Avenue (North Grand Mall)

Staff Costs to Set Up ERU Billing System

Before the City can begin billing on an ERU system, there will be associated start-up steps needed to set up the system. The first is that there are approximately 357 parcels in the City that have impervious area but no utility account. These parcels will need to be entered and set up with a utility account under the ERU system. Using GIS, we have also identified approximately 96 parcels that have been constructed since the 2008 planimetrics (e.g. the new Fareway store) that will need to have the impervious area mapped in GIS. It is

anticipated that both of these tasks will cost approximately \$3,500 in staff time to accomplish. By using the GIS, it is anticipated that minimal staff time will be needed to insert the ERU numbers into our utility billing system. It is also anticipated that there will be staff time devoted to verifying and checking the calculated ERU values for accuracy.

Changes with Billing by ERU

With the change to an ERU system, it is anticipated that more staff time will be required from the Customer Service staff. Currently, the Utility Customer Service Program costs are allocated to the Sanitary Sewer, Water, and Electric utilities based on the number of charges billed. If the Storm Sewer Utility was calculated into this same system, it would account for 28.6% of the Customer Service Program costs. Using the financial amount from the latest fiscal year, this would amount to approximately \$292,390 that would be charged to the Stormwater fund.

Currently, the Stormwater utility does not pay any of the costs of the Customer Service Program. The amount calculated above using the charges billed would account for 33% of the current funding generated by the Storm Sewer fee. A more feasible option is to cover only the incremental increase generated by the new system. This strategy will cost approximately \$6,134 using the same fiscal information.

Another item that affects the Customer Service Department is classification of billing. If the cost per ERU is the same for all accounts there will be no issue with this. However, if we do different costs per ERU for residential versus all other classifications, it will require extra coordination for implementation. This is due to the fact that utility accounts might have different classifications for their current utility account than how the parcel is classified (i.e. an apartment on a commercial parcel is currently billed as residential). One option for this is to set the cost per ERU as a dollar amount, but then apply an adjustment factor to ERUs for non-residential properties. Since the ERU calculation will be done in GIS, this need would be addressed before any classification issues.

Besides the Customer Service function, it is anticipated that there will be minimal additional staff time devoted to an ERU System. By utilizing the existing Development Review Committee (DRC) process, it will be possible to calculate the ERUs for all non-residential projects. For residential homes, the Public Works Stormwater Specialist currently reviews each lot for compliance with our stormwater ordinance. As part of that process, we will add the review of ERUs for each lot. It is not anticipated that we will need to re-calculate ERUs for lots based on additions, but rather to review the ERU calculations when new planimetrics are received. This is currently on a 5-year cycle.

Additional Staff Comments

In order to keep the administration of this new approach as simple as possible to avoid further costs, the proposed ERU system under any one of the proposed alternatives would not offer credits for ERU reduction. The only way to change the ERU would be to reduce impervious area (i.e. reducing paved parking area or installing pervious pavements).

Regardless of which alternative is ultimately selected by the Council, it is recommended that every property that has impervious service be charged a stormwater fee. Currently, only those properties with a utility account are charged.

The City Council should remember that, as part of our federal MS4 storm water permit, the City will soon be required to implement water *quality* standards on top of the existing water *quantity* standards. This will involve added up-front and on-going costs to developers, as well as more administrative costs for City staff.

It is important to emphasize that the basic alternatives above are revenue neutral. However, while the revenue total generated by each option equals the current budgeted level, individual customers with larger impervious areas will pay more per month with this switch in billing philosophy.

In addition, the impact of the new fee structure on owners of large impervious areas (such as churches, schools, large commercial or industrial areas, etc.) will likely be further increased in the near future. With the major damage caused by this summer's flash flooding, there has been a widespread call to improve storm water facilities throughout the City. This could result in a need to significantly increase the overall revenue generated by the Storm Water Utility fee. For this report, it was assumed that at least a 15% increase would be needed to finance added improvements to our storm water facilities. The attached examples illustrate the impacts which such a rate increase would make, based on the seven options.



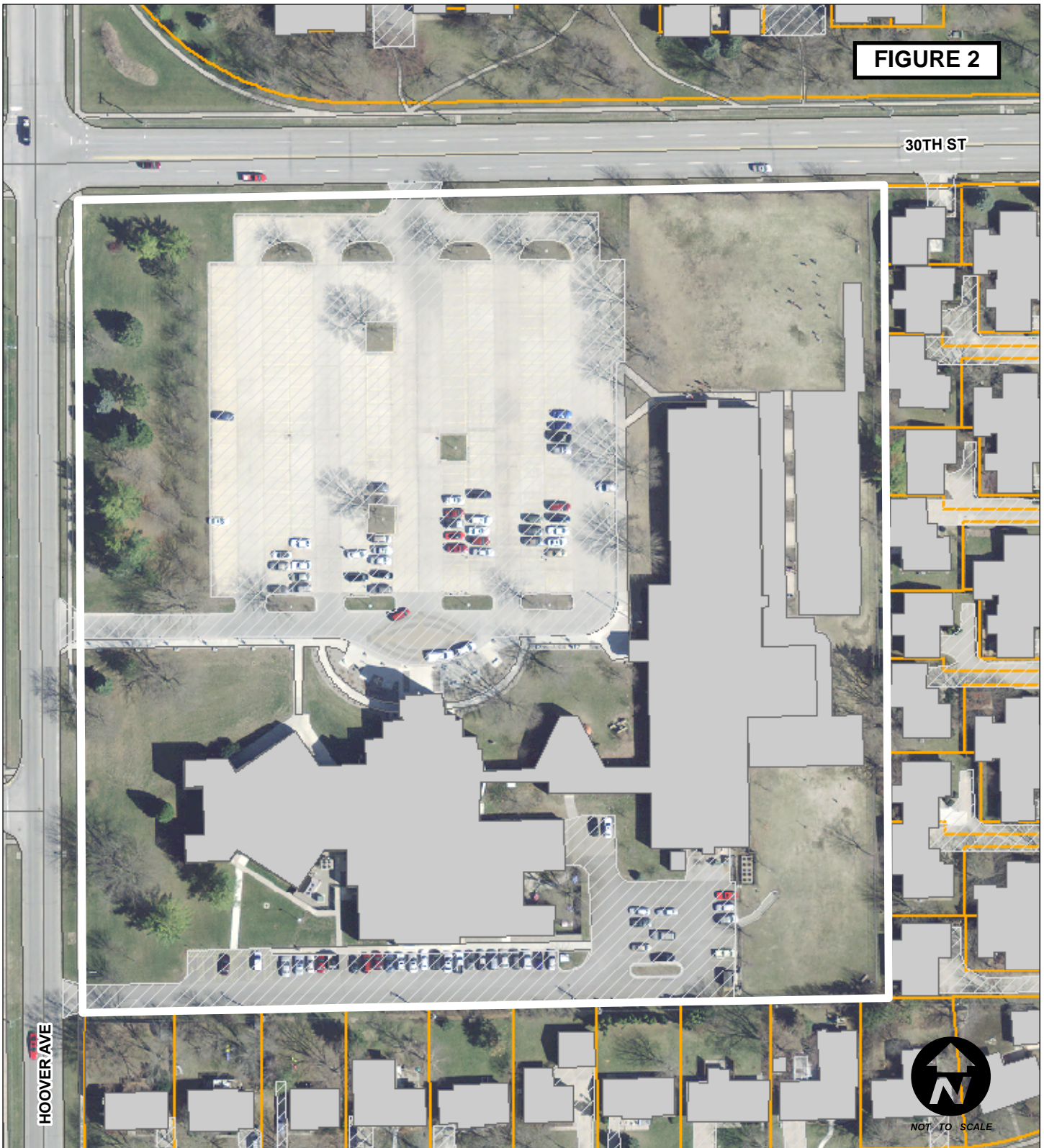
FIGURE 1

ADDRESS: 2500 NORTHWESTERN AVE

ERUs (Rounded): 1
Assessor Classification R

Alternative	Utility Accounts	ERUs/Class	ERU per Account	Revenue Neutral		Increased Revenue	
				Monthly Charge per Account	Total Monthly Charge	Monthly Charge per Account	Total Monthly Charge
#1	1	N/A	N/A	\$3.00	\$3.00	\$3.45	\$3.45
#2	1	1	1.00	\$3.00	\$3.00	\$3.30	\$3.30
#3	1	1	1.00	\$3.00	\$3.00	\$2.76	\$2.76
#4	1	1	1.00	\$3.00	\$3.00	\$2.46	\$2.46
#5	1	1	1.00	\$3.00	\$3.00	\$3.24	\$3.24
#6	1	1	N/A	\$3.00	\$3.00	\$3.00	\$3.00
#7	1	0	0.00	\$3.00	\$3.00	\$3.00	\$3.00

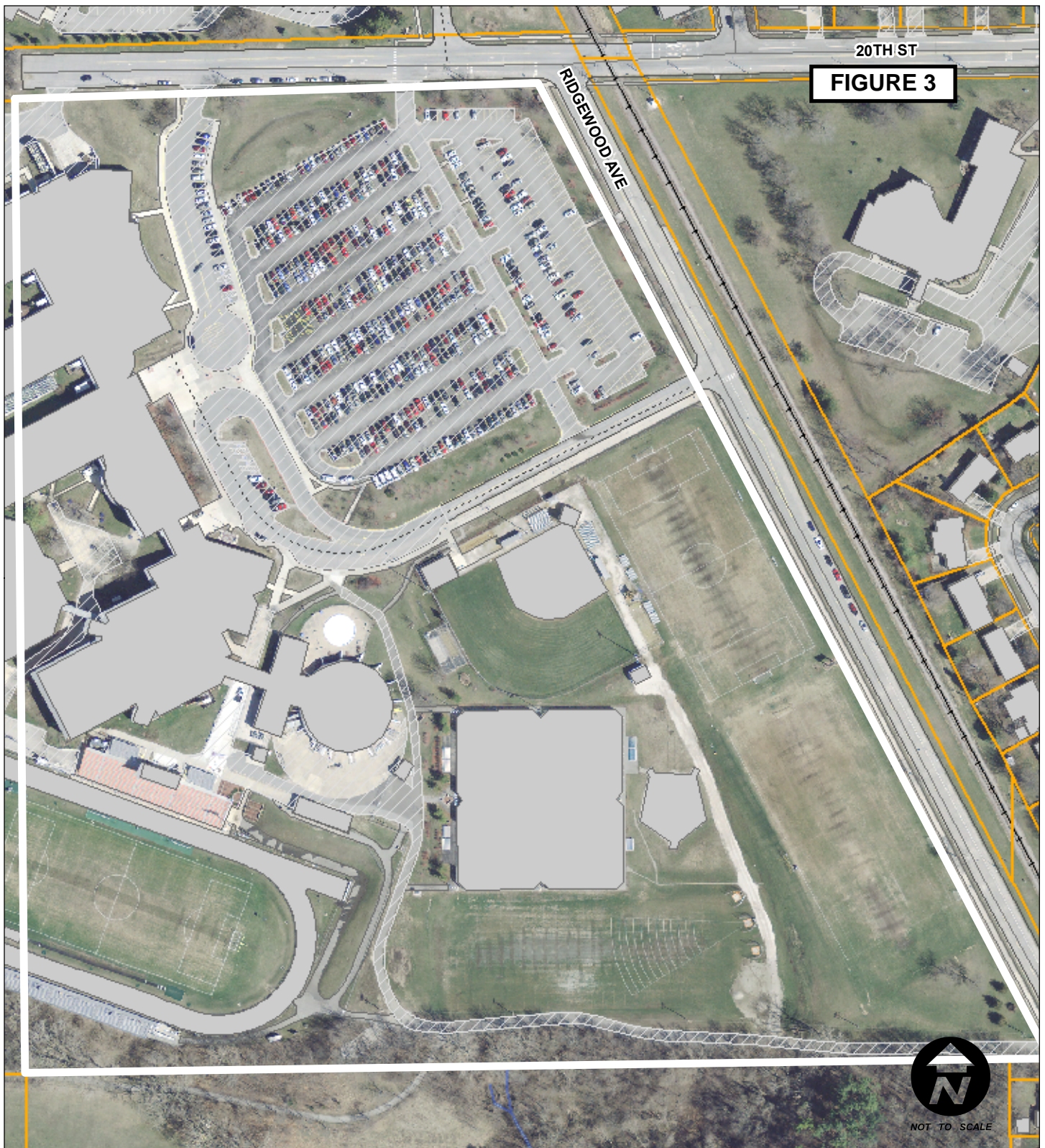
FIGURE 2



ADDRESS: 2900 HOOVER AVE

ERUs (Rounded): 53.0
Assessor Classification E

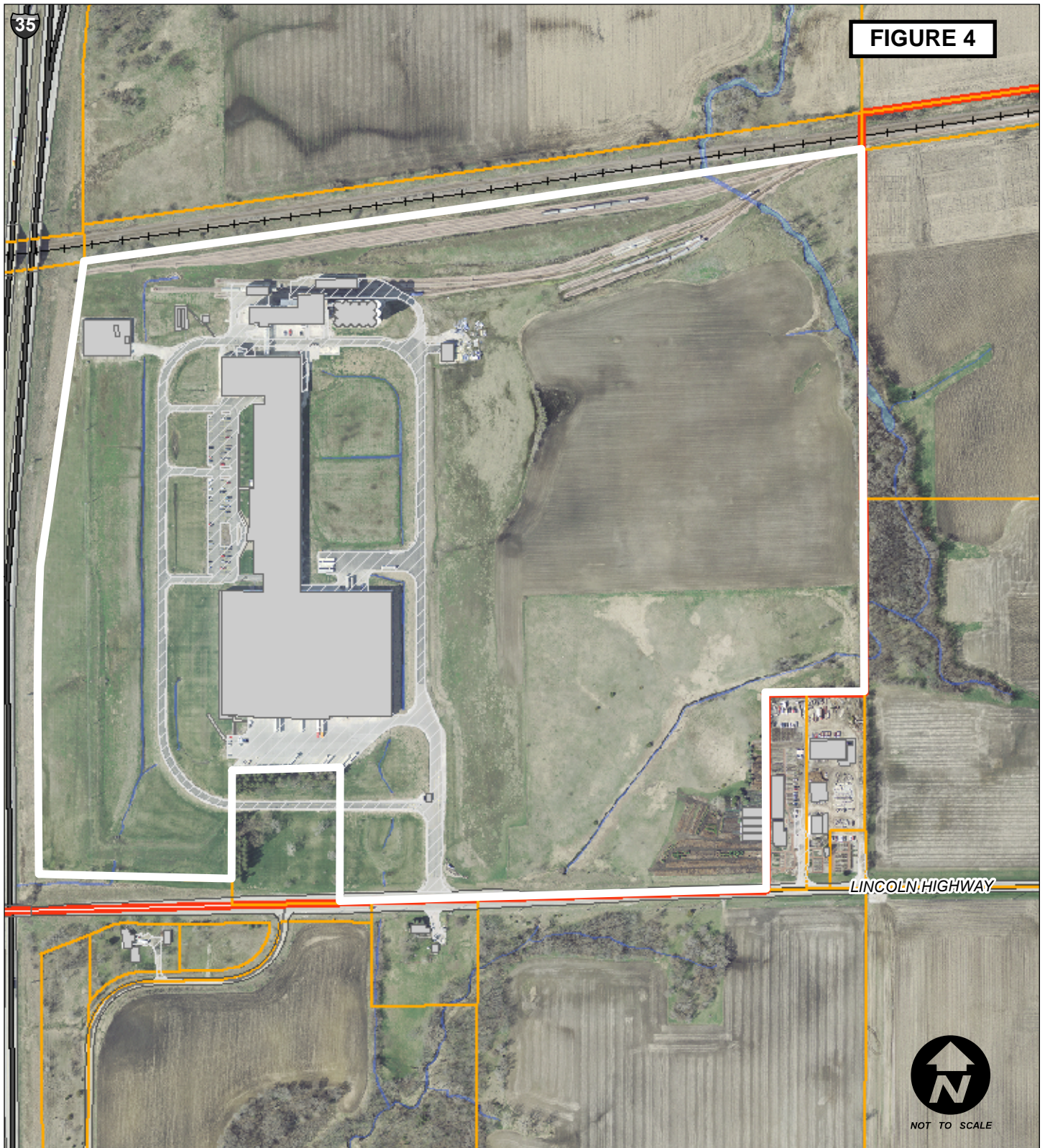
Alternative	Utility Accounts	ERUs/Class	ERU per Account	Revenue Neutral		Increased Revenue	
				Monthly Charge per Account	Total Monthly Charge	Monthly Charge per Account	Total Monthly Charge
#1	3	N/A	N/A	\$3.00	\$9.00	\$3.45	\$10.35
#2	3	53	17.67	\$53.01	\$159.03	\$58.31	\$174.93
#3	3	53	17.67	\$29.16	\$87.48	\$48.77	\$146.31
#4	3	53	17.67	\$21.20	\$63.60	\$43.47	\$130.41
#5	3	53	17.67	\$47.71	\$143.13	\$57.25	\$171.75
#6	3	1	N/A	\$3.50	\$10.50	\$12.00	\$36.00
#7	3	52	17.33	\$3.87	\$11.61	\$17.04	\$51.12



ADDRESS: 1921 AMES HIGH DR

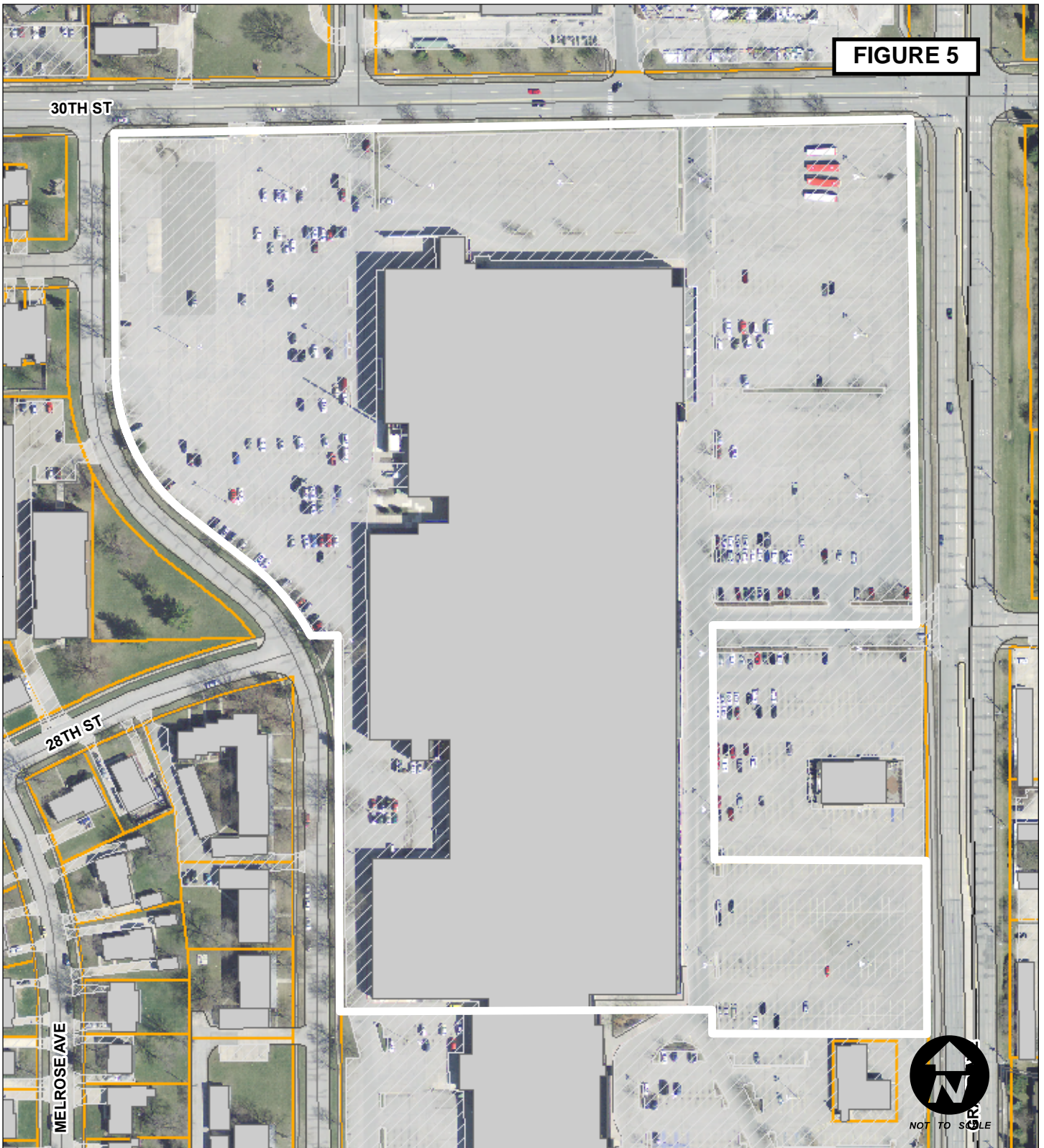
ERUs (Rounded): 134.5
Assessor Classification E

Alternative	Utility Accounts	ERUs/Class	ERU per Account	Revenue Neutral		Increased Revenue	
				Monthly Charge per Account	Total Monthly Charge	Monthly Charge per Account	Total Monthly Charge
#1	0	N/A	N/A	\$3.00	\$0.00	\$3.45	\$0.00
#2	0	134.5	134.50	\$403.50	\$403.50	\$443.85	\$443.85
#3	0	134.5	134.50	\$221.93	\$221.93	\$371.22	\$371.22
#4	0	134.5	134.50	\$161.40	\$161.40	\$330.87	\$330.87
#5	0	134.5	134.50	\$363.15	\$363.15	\$435.78	\$435.78
#6	0	1	N/A	\$4.00	\$4.00	\$24.00	\$24.00
#7	0	133.5	133.50	\$9.68	\$9.68	\$111.14	\$111.14



Alternative	Utility Accounts	ERUs/Class	ERU per Account	Revenue Neutral		Increased Revenue	
				Monthly Charge per Account	Total Monthly Charge	Monthly Charge per Account	Total Monthly Charge
#1	3	N/A	N/A	\$3.00	\$9.00	\$3.45	\$10.35
#2	3	209.5	69.83	\$209.49	\$628.47	\$230.44	\$691.32
#3	3	209.5	69.83	\$115.22	\$345.66	\$192.73	\$578.19
#4	3	209.5	69.83	\$83.80	\$251.40	\$171.78	\$515.34
#5	3	209.5	69.83	\$83.80	\$251.40	\$226.25	\$678.75
#6	3	4	N/A	\$4.00	\$12.00	\$24.00	\$72.00
#7	3	208.5	69.50	\$6.48	\$19.44	\$59.30	\$177.90

FIGURE 5



ADDRESS: 2801 GRAND AVE

ERUs (Rounded): 207.0
Assessor Classification C

Alternative	Utility Accounts	ERUs/Class	ERU per Account	Revenue Neutral		Increased Revenue	
				Monthly Charge per Account	Total Monthly Charge	Monthly Charge per Account	Total Monthly Charge
#1	61	N/A	N/A	\$3.00	\$183.00	\$3.45	\$210.45
#2	61	207	3.39	\$10.17	\$620.37	\$11.19	\$682.59
#3	61	207	3.39	\$5.59	\$340.99	\$9.36	\$570.96
#4	61	207	3.39	\$4.07	\$248.27	\$8.34	\$508.74
#5	61	207	3.39	\$9.15	\$558.15	\$10.98	\$669.78
#6	61	3	N/A	\$4.00	\$244.00	\$24.00	\$1,464.00
#7	61	206	3.38	\$3.17	\$193.37	\$5.74	\$350.14

ATTACHMENT 1		
Cities Researched that are using ERU Billing in Iowa		
City	ERU = Square feet	Fee Per ERU monthly
Urbandale	3200	\$1.50 Per ERU for non-residential , All Residential charged 1 ERU
Waukee	2973	4.75 Per ERU for non-residential , All Residential charged 1 ERU
Des Moines	2349	\$7.87
Ankeny	4000	\$4 one and two family residences. \$3 for commercial, industrial, and multi-family.
West Des Moines	4000	\$4.25
Clive	3667	\$5.00
Forest City	2200 residential, 3520 nonresidential units	\$5 Residential \$8.30 non-residential unit
Davenport	All single family pay 1 ERU (2600), all non-residential pay based on ERU	\$1.60 single family, \$0.80 duplexes, non residential \$1.60 X ERU's (2600)
Dubuque	2917	\$5.25
Bettendorf	2500; Charge 1-5 ERU's	\$2.00
Iowa City	Flat fee + \$2.00 ERU for other than residential	2.00 for Residential single family , \$1.00 for each Apartment
Cities Researched that are using Flat Fee Billing in Iowa		
City	Flat Fee	Fee Per Month
Dewitt Iowa	Flat Fee	\$2.75 Residential, \$6.50 commercial, \$11.00 Industrial
Hiawatha	Flat Fee for Residence	\$2.00 non-residential, \$1.50 Residential
Perry	Flat Fee	\$3.00
State Center	Flat Fee	\$3.06, \$6.16, \$10.27 residential, commercial, industrial
Sac City Iowa	Flat Fee	\$3, \$7, \$15, \$10 (Based on Classification)
Manhattan, KS	Flat Fee	Residential \$3.50
Cedar Rapids	Flat Fee (Currently exploring ERU)	Residential \$3.60
Ames	Flat Fee	Residential \$3.00