

8/29/2023

AGENDA

MEETING PACKET



BLANCHARD CITY COUNCIL and
BMIA BOARD OF TRUSTEED
SPECIAL MEETING

5:30 P.M.

MUNICIPAL COURTHOUSE
300 N. MAIN STREET
BLANCHARD, OK 73010

NOTICE AND AGENDA SPECIAL JOINT MEETING

CITY COUNCIL OF THE CITY OF BLANCHARD, OKLAHOMA AND THE
BOARD OF TRUSTEES OF THE BLANCHARD MUNICIPAL IMPROVEMENT AUTHORITY

SPECIAL MEETING

5:30 P.M. Tuesday, August 29, 2023

Municipal Court House, 300 N. Main, Blanchard, Oklahoma 73010

IN COMPLIANCE WITH THE STATUTES OF THE STATE OF OKLAHOMA, THE CITY COUNCIL OF THE CITY OF BLANCHARD WILL HOLD A SPECIAL MEETING BEGINNING AT 5:30 P.M. ON TUESDAY, AUGUST 29, 2023, AD CALLED BY THE MAYOR ON TUESDAY, AUGUST 22nd AND A JOINT SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE BLANCHARD MUNICIPAL IMPROVEMENT AUTHORITY AND THE CITY COUNCIL OF THE CITY OF BLANCHARD WILL HOLD A JOINT SPECIAL MEETING ON TUESDAY, AUGUST 29, 2023, IMMEDIATELY FOLLOWING THE CITY COUNCIL SPECIAL MEETING BEGINNING AT 6:00 P.M. OR IMMEDIATELY FOLLOWING, AS CALLED BY THE MAYOR/CHAIRMAN OF THE CITY/BMIA, TO BE HELD IN THE MUNICIPAL COURT HOUSE LOCATED AT 300 N. MAIN, BLANCHARD, OKLAHOMA TO ADDRESS THE AGENDA ITEMS STATED IN THIS NOTICE AND AGENDA AND CONSISTING OF THE DISCUSSION, CONSIDERATION AND POSSIBLE APPROPRIATE ACTION ON THE FOLLOWING ITEMS:

1. CALL TO ORDER BY THE MAYOR OF THE CITY OF BLANCHARD AND THE CHAIRMAN OF THE BMIA:
2. ROLL CALL:
 - A. CITY COUNCIL; and
 - B. BMIA BOARD OF TRUSTEES.
3. CITY BUSINESS AGENDA:
 - A. Discussion and possible action re: PowerPoint Presentation by Blanchard Public School Superintendent Brady Barnes; and the adoption of Resolution No. 2023-___ supporting a BPS Bond Issue.
4. BMIA/CITY BUSINESS AGENDA:
 - A. Discussion and possible action to increase the Utility Rates for water/sewer/sanitation services due to increases with the cost of services from water providers (OKCWUT and City of Newcastle), sewer treatment costs and compliance with ODEQ Consent Order, and solid waste collection (Waste Connections). Action by the BMIA may include the adoption of a Resolution addressing utility fee increases and action by the City of

Blanchard may include the adoption of a Resolution and/or an Ordinance changing utility rates, as desired.

5. ADJOURNMENT.

This Agenda was posted in prominent public view on the City's website at www.cityofblanchard.us and the City Hall Bulletin Board on or before 5:00 p.m., Friday, the 25th day of August, 2023, in accordance with the Oklahoma Open Meeting Act.

Diana Daniels

City Clerk

MEETING CONVENED



1





CALL TO ORDER





2





ROLL CALL





3





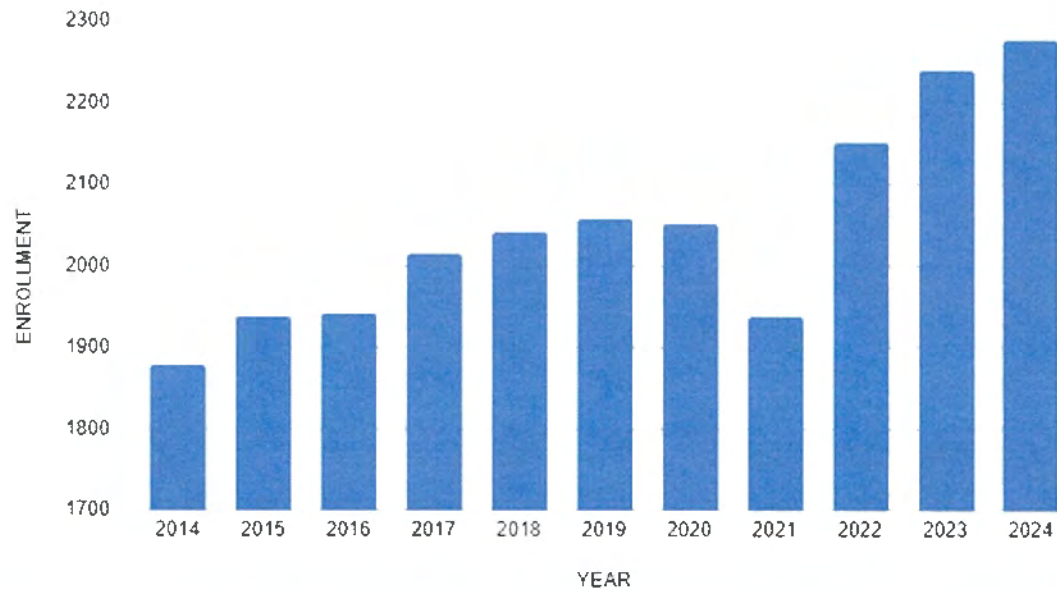
**BLANCHARD PUBLIC SCHOOLS
AUGUST 29, 2023
CITY OF BLANCHARD MEETING**



GROWTH OF BLANCHARD PUBLIC SCHOOLS

10 YEAR AVERAGE GROWTH OF 36.2 STUDENTS PER YEAR

ENROLLMENT vs. YEAR



VALUED PARTNERSHIP BETWEEN BLANCHARD PUBLIC SCHOOLS AND CITY OF BLANCHARD

- New drive at the Elementary School
- Addition of 12" water line at High School
- Penny sales tax for city roads
- TIF #2 Committee

HOW COULD A BLANCHARD PUBLIC SCHOOL BOND ISSUE HELP THE CITY OF BLANCHARD?

- Increased economic impact through additional activities.
- Schools are the #1 building block for a community.
- Better school and facilities translates to a more attractive City of Blanchard.
 - Blanchard Public School has some of the highest test scores in the area.
 - Blanchard Public School excels in extra-curricular activities.
 - Blanchard Public School needs to continue to upgrade their facilities.

PROPOSED OCTOBER 10TH, 2023 BOND ELECTION ITEMS

- Fieldhouse for Football and Soccer
- Baseball / Softball Facility
- High School Classrooms (8) / Safe Room Addition for entire High School faculty, staff, and students
- 5 year Technology Budget
- 5 year Transportation Budget
- Remodel existing Middle School and High School classrooms
- Funds earmarked to repair/replace parking lots
- Funds earmarked to provide safer entry access points to exterior doors
- Purchase additional property for future growth

HOW DOES THIS BOND ISSUE PROVIDE A SAFER SCHOOL FACILITY FOR OUR **STUDENTS?**

- Provides new buses for transportation
- Builds a safe room big enough for entire faculty and students at high school
- Relocates activities to the current high school
- Provides funds to go towards safer entry access points for exterior doors
- Provides funds to repair/replace parking lots



WHY DOES BLANCHARD PUBLIC SCHOOL NEED A NEW FIELDHOUSE?

- Provide more locker room space for our growing activities.
- Since we have a significant growth in students, there is a need to add additional extra-curricular activities.
- Provides the opportunity to add an Athletic Training Program.
- What do other area schools close to our size provide for their student athletes?



NOBLE PUBLIC SCHOOL FIELDHOUSE

HIGH SCHOOL ENROLLMENT - 858



NEWCASTLE PUBLIC SCHOOL FIELDHOUSE

HIGH SCHOOL ENROLLMENT - 754



TUTTLE PUBLIC SCHOOL FIELDHOUSE

HIGH SCHOOL ENROLLMENT - 638



PURCELL PUBLIC SCHOOL FIELDHOUSE

HIGH SCHOOL ENROLLMENT 399



WASHINGTON PUBLIC SCHOOLS FIELDHOUSE

HIGH SCHOOL ENROLLMENT - 350



ALEX PUBLIC SCHOOLS FIELDHOUSE

HIGH SCHOOL ENROLLMENT - 81

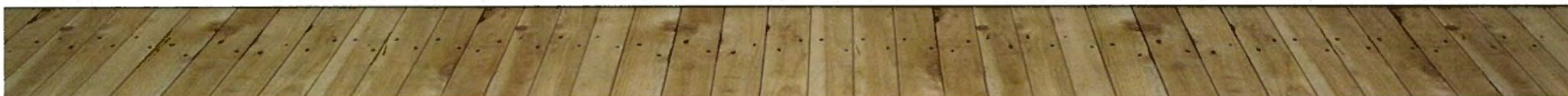


CURRENT BLANCHARD PUBLIC SCHOOL FIELDHOUSE

HIGH SCHOOL ENROLLMENT - 775



PROPOSED BLANCHARD PUBLIC SCHOOL FIELDHOUSE



BASEBALL / SOFTBALL COMPLEX



5 YEAR TECHNOLOGY BUDGET



6-8 YEAR FACILITY PLAN EARLY CHILDHOOD CENTER

What would this possibly look like?

Early Childhood Center	Grades Pre-K - 1
Elementary School	Grades 2 - 4
Intermediate School	Grades 5 - 6
Middle School	Grades 7 - 8
High School	Grades 9 - 12

5 YEAR TRANSPORTATION BUDGET



FILE IMAGE



WHAT ARE THE TAX IMPLICATIONS? **NO TAX RATE INCREASE!**

When the bond issue passes, the sinking fund millage rate will remain the same. This can be accomplished due to the fact that the Blanchard Public School District has grown substantially in recent years. This issue is asking for a total spendable dollars of \$37,250,000. After repayment including interest, the total is \$70,725,000. This is a 16 year bond issue with the last series being issued in 2039.

HOW IS A TAX NEUTRAL BOND ISSUE POSSIBLE?

This bond issue is structured with an anticipation of 6% growth.

The valuation of the Blanchard Public School District over the past 25 years averages over 8% growth per year.

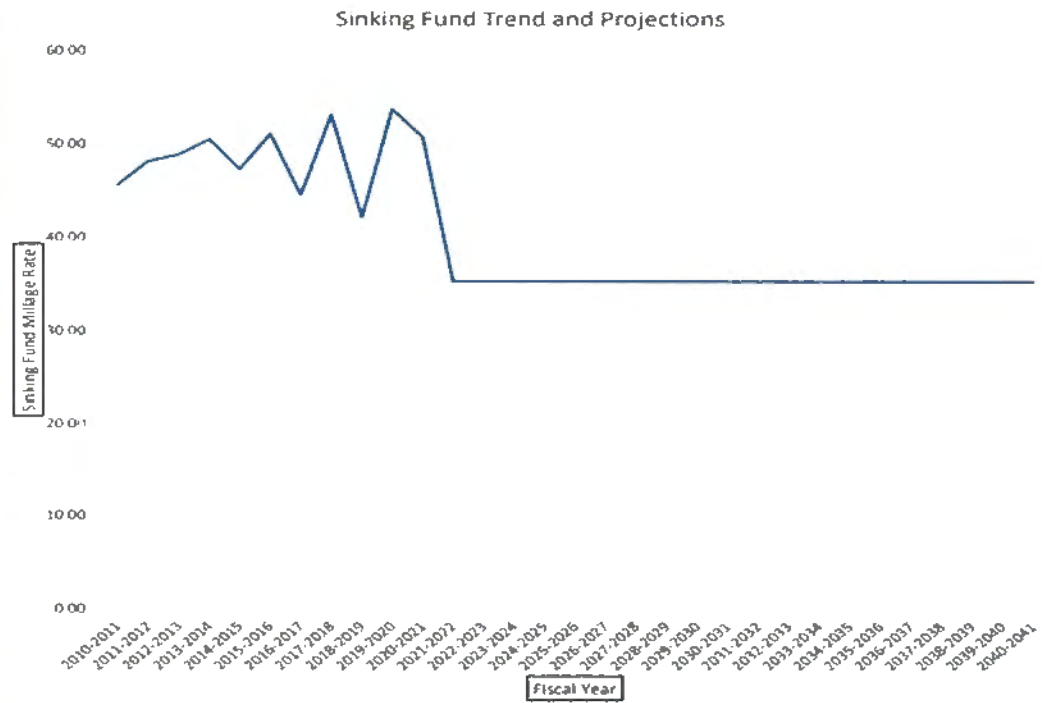
2022 growth - 11.02%

2023 growth - 11.97%

If those numbers were to continue, the bond issue would pay off faster and the total interest payment would be smaller.

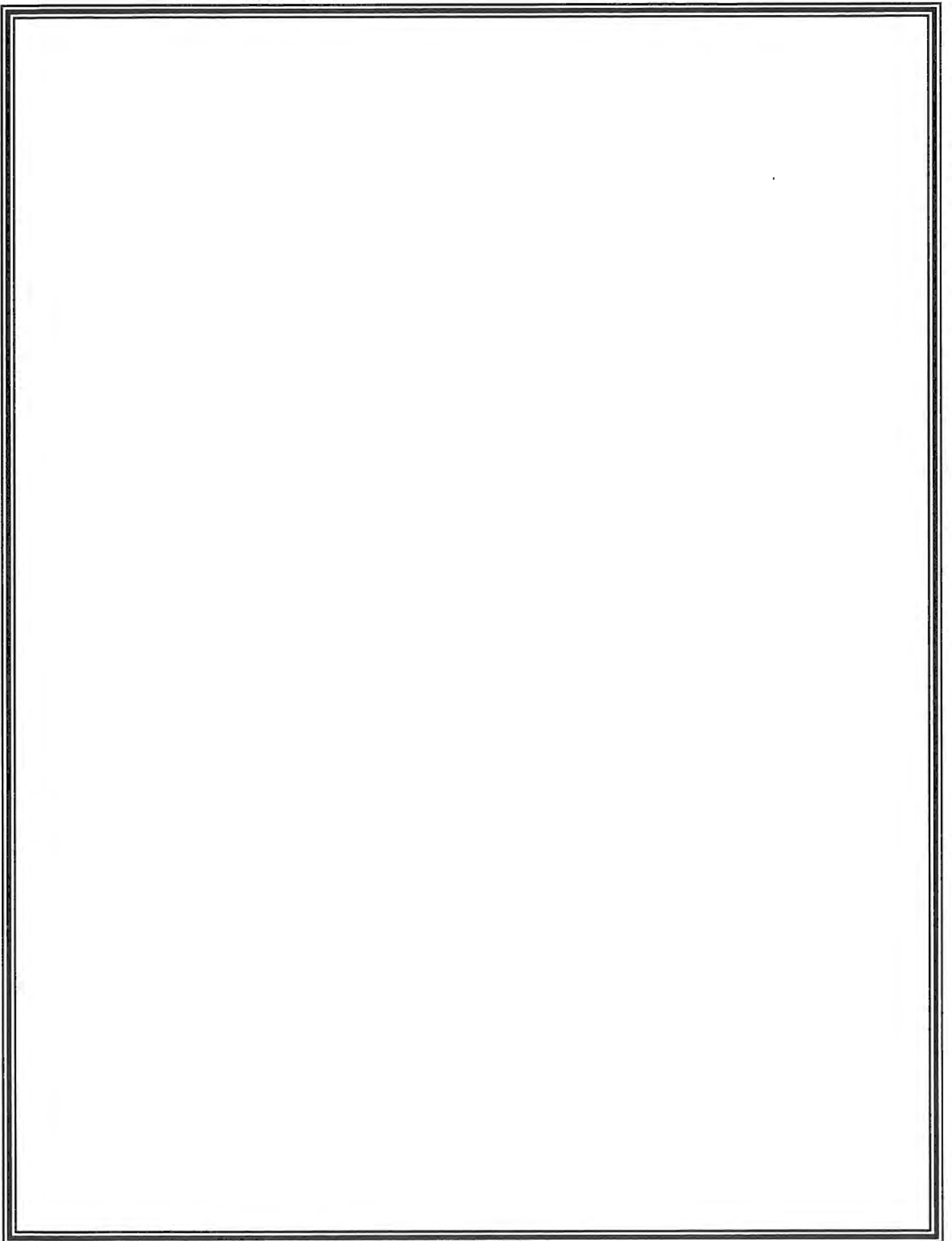
INDEPENDENT SCHOOL DISTRICT NO 29
 MCCLAIN COUNTY, OKLAHOMA
 (Blanchard Board of Education)

Fiscal Year	Sinking Fund Millage Rate	
2010-2011	45.66	Actual
2011-2012	48.14	
2012-2013	48.85	
2013-2014	50.48	
2014-2015	47.30	
2015-2016	51.07	
2016-2017	44.52	
2017-2018	53.15	
2018-2019	42.10	
2019-2020	53.80	
2020-2021	50.73	
2021-2022	35.24	
2022-2023	35.23	
2023-2024	35.23	
2024-2025	35.23	Projected
2025-2026	35.23	
2026-2027	35.23	
2027-2028	35.23	
2028-2029	35.23	
2029-2030	35.23	
2030-2031	35.23	
2031-2032	35.23	
2032-2033	35.23	
2033-2034	35.23	
2034-2035	35.23	
2035-2036	35.23	
2036-2037	35.23	
2037-2038	35.23	
2038-2039	35.23	
2039-2040	35.23	
2040-2041	35.23	



BLANCHARD SCHOOL DISTRICT RECENT GROWTH IN VALUATION

	Valuation	\$ Increase	% Increase
2018-19	\$66,830,329.00	\$5,815,640.00	9.53%
2019-20	\$72,148,773.00	\$5,318,444.00	7.96%
2020-21	\$78,554,776.00	\$6,406,003.00	8.88%
2021-22	\$83,574,481.00	\$5,019,705.00	6.39%
2022-23	\$92,786,920.00	\$9,212,439.00	11.02%
2023-24	\$103,888,941.00	\$11,102,021.00	11.97%



RESOLUTION NO. 2023-____

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF BLANCHARD SUPPORTING THE BLANCHARD PUBLIC SCHOOL BOND ELECTION.

WHEREAS the Blanchard Public School District serves the Blanchard community by striving to provide quality education for Blanchard students through academic programs, excellent facilities and quality educators and support personnel; and

WHEREAS the Board of Education has called a bond election to take place on Tuesday, October 10th, 2023, to fund various projects for the school district; and

WHEREAS this bond election seeks voter approval to address safety issues, educational issues to include additional classrooms, provides for school activities, and provide for better transportation of students; and

WHEREAS the proposed projects are for the betterment and overall health, safety and welfare of the Blanchard community; and

WHEREAS the Blanchard City Council is supportive of the Blanchard Public Schools' efforts and recognizes that the proposed projects will help meet the on-going needs of a growing community and a growing school system and its students; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLANCHARD that this Resolution hereby expresses support of the Blanchard Public School District's efforts and encourages all citizens of Blanchard and the unincorporated areas of McClain and Grady Counties within the school district to go to the polls on October 10th to consider the propositions set forth in the Bond Election benefiting the Blanchard Public Schools.

PASSED and APPROVED by the City Council of the City of Blanchard, Blanchard, Oklahoma, this 29th day of August, 2023.

Mayor, Ward 2

Councilperson, At-Large

Councilman, Ward 1

Councilman, Ward 3

Councilman, Ward 4

ATTEST: (Seal)

City Clerk



4





BUSINESS AGENDA



**THE FOLLOWING ITEM(S) ARE HEREBY DESIGNATED FOR
DISCUSSION, CONSIDERATION AND POSSIBLE ACTION TO INCLUDE
BUT NOT LIMITED TO, THE APPROVAL, DENIAL, AMENDMENT,
REVISION OR CONDITIONAL APPROVAL, IN WHOLE OR IN PART OF:**

Trustee Agenda



DATE: 29 August 2023

TO: *Robert L. Floyd*, Blanchard City Manager

FROM: *Daniel Ofsthun* – Finance Director
Dustin Downey – Capital Projects Manager

RE: Analysis of Rates and Usage for Blanchard Water and Sewer.

Water

BACKGROUND:

After review of all revenue and expenditures, the Water Utility Department is running at a deficit.

Total revenues for the last three (3) years:

2023 (unaudited)	\$1,510,251.00
2022	\$1,373,929.00
2021	\$1,402,787.00

Total expenditures for the last three (3) years:

2023 (unaudited)	-\$1,572,935
2022	-\$1,477,855
2021	-\$1,576,027

The Net Loss in Water for the last three (3) years:

2023 (unaudited)	-\$62,684
2022	-\$105,946
2021	-\$173,240

Expenditures:

Overall, the cost of running a water system has increased substantially over the last 5 years. The expenditure with this highest impact is the purchase of water from both Newcastle and Oklahoma City. Water purchases from Newcastle and Oklahoma

City consists of over 54% of all expenses. Since 2015, the rates from both Oklahoma City and Newcastle have increased.

Oklahoma City Since 2020, has increased their rates 5% over the course of 4 years

2023 1.1%

2022 1.1%

2021 1.1%

2020 1.7%

With more rate increases up thru 2026.

Newcastle has increased their rates almost 23% since we connected to their system in 2015.

In July 2023, Newcastle has altered and proposed a new contract for the City of Blanchard. The new rate will increase 21%. The difference between the contracts will be the wheeling charge of \$2.81, an increase to the reservation rate from no reservation rate to a rate whether we use it or not (\$2.11 per thousand and \$.56 per thousand), and the meter charge of \$714.00 a month.

The Authority is considering isolating the eastern portion of Blanchard to be served solely by Newcastle (this would include Rockwell, MacArthur, Fox Run, Quail Hollow, Cole and Dibble, etc.). There are a total of 341 meters and an average daily usage approximately 153,333 gallons a day. The following figure shows what Blanchard spends for servicing those 341 meters versus what it will be projected on Newcastle's Rate.

OKC:	\$23,500
Newcastle	\$29,230

Salaries and wages have increased expenditures for the water department. Water and Admin salaries makes up 30% of all expenses, leaving only 16% of all expenses towards infrastructure, capital purchases, testing, maintenance, and repairs.

The Authority has replaced older waterlines, with CDBG grants, however, 70% of our current water lines are older than 15 years. With an aging water system, we will need more revenue (thru water rate increases, grants, loans, or federal funding) to replace and upgrade our aging infrastructure.

Revenue:

The source of revenue for water is the rates for all customers, late penalties, water tap and meter installation for new customers, bulk water, impact fees for new customers, deposits, and misc. revenue.

Rates:

Rates for utilities is the primary revenue for operating the system.

Rates are based on the consumption of water per 1,000 gallons established by the governing body.

The following chart is the breakdown of the current rates for each user type:

C1	Commercial Rate	
	Base Charge:	\$14.00
	First 2000	\$7.00
	2001 - 7000	\$5.65
	7001-18000	\$5.70
	Over 18,000	\$5.75
C2	Bulk Water	\$19.50 per 1000
G3	Dibble/Cole	
	First 440,000	\$5.70
	Over 440,000	\$5.90
NR1	Water for Non-Resident	
	Base Charge	\$20.00
	2000 - 3000	\$11.35
	3001- 4000	\$11.75
	4001 - 5000	\$12.05
	Over 5001	\$12.05
R1	Residential Rate	
	Base Charge	\$10.00
	2000 - 3000	\$5.70
	3001- 4000	\$5.90
	4001 - 5000	\$6.05
	Over 5001	\$6.05

There have been no increase to the water rates in 8 years, since July of 2015.

In 2018, the water rates were increased .05%

During a recent analysis of surrounding cities Blanchard's rates (as seen above) were 30% lower than the average of the 13 cities. (See Attachment for the total analysis)

Bulk water increased in 2022 from \$15.00 to \$19.50. This has provided a boost in almost 28% bulk water revenue increase for Blanchard. This is primarily due to the fact that oil/gas activity uses a considerable amount of bulk water as well as the construction industry.

With no significant increase of rates, the Water department has been operating at a loss.

Without water rate increases the only way for the Water Utilities to make money is by adding new customers or consumption increases. The Blanchard Municipal Improvement Authority runs a utility system for roughly 2,652 water customers (commercial, government, and residential). The system has increased in both consumption and total customers:

1. Since 2015, the city total number of customers has increased from 2,070 total water accounts to 2,652. This is an increase of 22%.
2. From 2015, total consumption has increased from roughly a monthly average of 12,494,000 to a monthly average of 19,183,102. This is a 40% change in total consumption.

These numbers have certainly helped Blanchard but we have still fallen short.

1. More users puts more strain on the system and we are spending more money to maintain our lines.
2. The system is aging and we are repairing more lines and having replace more infrastructure.
3. Additional crews to maintain our water lines.
4. More testing and increase cost of testing.
5. Cost of materials is rising.

The current rates are not meeting the needs of the department overall. However, the additional new subdivision will have a major impact on future growth. There are a number of new subdivisions being planned in and around Blanchard. Some of these subdivisions are as follows:

Outside City Limits	Rockwell and 40 th	44
Outside City Limits	West of Town (Grady)	240
Outside City Limits	N County Line	240
Inside City Limits	TIF #2	350
Inside City Limits	TIF #3 (Indian Ridge)	743

Other revenue factors:

In 2022, the Authority increased the impact fees from \$650 to \$1000, however permits were down in 2023 and we did not see a substantial increase in impact fees.

Deposits for Services were increased 40% in 2021.

In 2022, the Authority approved a 20% increase on all meter taps, meters, and installation and fees.

In 2022, The Authority increased the late fee from \$1.50 to 10%. The City has seen a 33% increase in revenue as a result of the increase late fee.

These items are onetime costs and have helped cover the gap between revenue and expenses but we are still short.

In order to manage the net loss and help cover the increases to expenses, the city will need to increase roughly 35% to be able to cover all expenses.

Information for Consideration:

Consumption

Residential monthly consumption average is 6,068 (2023).

Outside City Limits monthly consumption average is 6,563 (2023).

The median consumption overall was roughly 4,650 in the sample analysis (2023).

Blanchard's consumption is very high. In comparison to the national average, EPA says that the average residential household in America (2015 data) uses 82 gallons a day. In a thirty day month that is 2,460 gallons on average. Blanchard, by the average monthly consumption, is 60% higher than the national average. By our median consumption Blanchard is 47% higher than the national averages. DEQ's Oklahoma average is around 100 gallons a day (3000 gallons a month), which is still well below Blanchard's median and average.

During a recent analysis of usage in the area for isolation with the Newcastle water connection, staff reviewed 341 total meters and found that the area has a large number of high users.

	Number of Accounts	Percentage of Accounts
High-Volume (at least one month over 18,600 gal)	128	37.54%
High-Volume (average consumption over 13,950 gal per month)	42	12.32%
Ultra-High-Volume (at least one month over 46,500 gal)	43	12.61%
Ultra-High-Volume (average consumption over 23,250 gal per month)	12	3.52%
Total Number of Accounts (July 2023)	341	100.00%

Consumption Data from January 2022 to July 2023 Billing Cycles (19 months)

Higher charges for higher consumption is an item for consideration.

Also, lowering the base rate from 2000 to 1000 is another item for consideration.

There is a fee for ACH. Each transaction is \$1.75 to pay with banking information on our new Front Desk portal. Previously this was a free service. The citizen's pay for this service. City Hall has received a number of complaints with the new fee. Staff would like the Authority's board to consider absorbing the costs. More customers who use the ACH system would ensure that bills are paid on time.

DEQ administrative Code allows for a meter charge. A possible consideration would be charging a fee for testing the system overall. The City is charged a little over \$5,500 a year in all testing with DEQ.

CDBG

If we want to apply for CDBG assistance we have to have a rate table that is within a certain point system.

Example if the authority provides water and sewer services, and the cost of 5000 gallons is greater than \$56.00 then 10 points will be given towards the calculation for award.

If an authority provides water and sewer services, and the cost of 5000 gallons is less than \$30.00 then 0 points will be given towards the calculation for award.

Currently the rate for water and Sewer is \$27.65 for water at 5000 gallons and 17.65 for 5000 gallons. (See Attachment for the Requirements).

This cost is roughly \$45.70 and puts us at a point of 7. If we want 10 points we would have to increase our rates by 9 dollars at 5,000 gallons

Sewer

BACKGROUND:

The Blanchard Municipal Improvement Authority runs a sewer utility system for roughly 1614 sewer customers (commercial, government, and residential). The breakdown of average number of customers is as follows:

The BMIA has the following Sewer Rates:

- CS1 Sewer Commercial
- RS1 Sewer Residential
- RS2 Sewer Only Residential
- SE2 Sewer Only Commercial

Sewer

Type	Number of Customers
Commercial	142
City	9
Sewer Only Accounts (Residential)	2
Residential	1461
Total	1614

The BMIA has the following Sewer Rates:

- CS1 Commercial Rate
 - Base Charge: \$7.00
 - 0 -10,000 \$2.60
 - 10,001 and up \$2.65
- RS1 Residential Rate
 - Base Charge \$5.00
 - 0 -10,000 \$2.55
 - 10,001 and up \$2.60
- RS2 Residential Average
 - Base Charge \$5.00
 - 0 -10,000 \$2.55
 - 10,001 and up \$2.60

SE1 Sewer Only Residential
FLAT RATE \$15.50

SE2 Sewer Only Commercial
FLAT RATE \$38.00

Sanitation

BACKGROUND:

The Blanchard Municipal Improvement Authority runs a sanitation department for roughly 3,555 sanitation customers (commercial, government, and residential). The breakdown of average number of customers is as follows:

Type	Number of Customers
Commercial	158
City	4
(Transfer Site) Out-Side City Limits	146
Residential	3247
Total	3,555

The Authority has a contract with Waste Connections to pick up all polycarts and dumpsters at commercial sites and the City own Transfer Site.

The average number of customers have increased over 44% since 2015.

The contract with Waste Connections has increased in the following manner:

2023 3%
2022 3%
2021 2.2%
2020 no increase
2019 no increase
2018 1.5%

The Authority has increased the Trash rates every year in the following manner to stay with the rate increases with Waste Connections:

2023 3%
2022 3%
2021 2.2%
2020 no increase
2019 no increase
2018 5%

In 2022, the City increased the Transfer Site Rate from \$15.00 to \$30.00

In 2022, the Authority added a fee of \$35 dollars for large bulk drop off, oversize loads, or one-time passes. We have collected over \$3,000 in this additional fee since Oct 2022.

The Sanitation revenue versus expenditures has a net gain.

The Net Gain in Sanitation for the last three (3) years is as follows:

2023 (unaudited)	\$91,665.47
2022	\$155,795.00
2021	\$151,968.00
2020	\$96,343.00

The reason for this gain is due to the fact the Authority has raised the rates every year Waste Connection has raised the rates. Also, we are charging the citizen a higher rate than Waste Connections charges the City. A rate that is 22% to 25% higher than our contract. This difference pays for the transfer site, which is free for all citizens, however, they pay for it within the City's rate.



Last Three Years of Water Revenue vs. Expenses

2023 Un-Audited

Water Revenue:	\$1,510,250.97
Water Expenses:	(\$1,572,934.97)
Net Loss:	(\$62,684.00)

Revenue

Water, Sewer, and Trash Penalties	\$25,521.77
Water Impact Fees	\$47,750.00
Water Misc. Revenue	\$4,921.99
Water Tap	\$61,493.40
Water Sales	\$1,370,593.81
Total	\$1,510,250.97

Expenses

Water Purchases:	OKC:	(\$768,565.38)	
	Newcastle:	(\$76,772.00)	Total (\$845,337.00)
Water Salaries:		(\$186,034.00)	
Repairs, Services, All-Other Purchases:		(\$222,288.61)	
Admin Salaries and Expenses		(\$319,274.98)	
TOTAL:		(\$1,572,934.97)	

2022 Audited

Water Revenue:	\$1,371,929.00
Water Expenses:	(\$1,477,855.00)
Net Loss:	(\$105,946.00)

Revenue

Water, Sewer, and Trash Penalties	\$17,297.00
Water Impact Fees	\$48,967.00
Water Misc. Revenue	\$5,106.00
Water Tap	\$65,265.00
Water Sales	\$1,235,294.00
Total	\$1,371,929.00

Expenses

Water Purchases:	OKC:	(\$681,297.00)	
	Newcastle:	(\$62,099.00)	Total (\$743,396.00)
Water Salaries:		(\$129,597.00)	
Admin Salaries and Services:		(\$284,904.00)	
Repairs, Services, All-Other Purchases:		(\$319,958.00)	
TOTAL:		(\$1,477,855.00)	

2021 Audited

Water Revenue:	\$1,402,787.00
Water Expenses:	(\$1,576,027.00)
Net Loss:	(\$173,240.00)

Revenue

Water, Sewer, and Trash Penalties	\$17,180.00
Water Impact Fees	\$61,875.00
Water Misc. Revenue	\$1,805.00
Water Tap	\$90,049.00
Water Sales	\$1,231,969.00
Total	\$1,402,787.00

Expenses

Water Purchases:	OKC:	(\$769,606.10)	
	Newcastle:	(\$299,070.90)	TOTAL: (\$1,068,677.00)
Water Salaries:		(\$132,721.00)	
Repairs, Services, All-Other Purchases:		(\$163,466.00)	
Admin Salaries and Expenses		(\$211,163.00)	
TOTAL:		(\$1,576,027.00)	

2020 Audited

Water Revenue:	\$1,319,313.00
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Water Expenses:	(\$1,064,296.00)
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Net Gain:	\$255,017.00
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Revenue

Water, Sewer, and Trash Penalties	\$17,180.00
Water Impact Fees	\$61,875.00
Water Misc. Revenue	\$1,805.00
Water Tap	\$90,049.00
Water Sales	\$1,231,969.00
Total	\$1,402,787.00

Expenses

Water Purchases:	OKC:	(\$657,436.05)	
	Newcastle:	(\$8,745.91)	TOTAL: (\$666,181.96)

Water Salaries:	(\$168,160.00)
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Repairs, Services, All-Other Purchases:	(\$229,954.04)
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TOTAL:	(\$1,064,296.00)
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Last Three Years of Sewer Revenue vs. Expenses

2023 Un-Audited

Sewer Revenue:	\$378,629.57
Sewer Expenses:	(\$358,716.03)
Net Gain:	\$19,913.54

Revenue

Sewer Impact Fees	\$35,850.00
Sewer Tap	\$4,950.00
Sewer Sales	\$337,829.57
Total	\$378,629.57

Expenses

Sewer Salaries:	(\$75,135.38)
Repairs, Services, All-Other Purchases:	(\$204,882.63)
Admin Salaries and Expenses	(\$78,698.02)
TOTAL:	(\$358,716.03)

2022 Audited

Sewer Revenue:	\$343,990.00
Sewer Expenses:	(\$345,750.00)
Net Loss:	(\$1,760.00)

Revenue

Sewer Impact Fees	\$18,075.00
Sewer Tap	\$1,325.00
Sewer Sales	\$324,590.00
Total	\$343,990.00

Expenses

Sewer Salaries:	(\$90,105.00)
Repairs, Services, All-Other Purchases:	(\$166,794.00)
Admin Salaries and Expenses	(\$88,851.00)
TOTAL:	(\$345,750.00)

2021 Audited

Sewer Revenue:	\$350,198.00
Sewer Expenses:	(\$238,359.00)
Net Gain:	\$111,839.00

Revenue

Sewer Impact Fees	\$30,000.00
Sewer Tap	\$1,680.00
Sewer Sales	\$318,518.00
Total	\$350,198.00

Expenses

Sewer Salaries:	(\$86,212.00)
Repairs, Services, All-Other Purchases:	(\$98,919.00)
Admin Salaries and Expenses	(\$53,228.00)
TOTAL:	(\$238,359.00)

2020 Audited

Sewer Revenue:	\$350,198.00
Sewer Expenses:	(\$250,640.00)
Net Gain:	\$99,558.00

Revenue

Sewer Impact Fees	\$61,250.00
Sewer Tap	\$1,540.00
Sewer Sales	\$318,518.00
Total	\$350,198.00

Expenses

Sewer Salaries:	(\$119,129.00)
Repairs, Services, All-Other Purchases:	(\$131,511.00)
TOTAL:	(\$250,640.00)

Last Three Years of Sanitation Revenue vs. Expenses

2023 Un-Audited

Sanitation Revenue:	\$1,027,112.85
Sanitation Expenses:	(\$935,447.38)
Net Gain:	\$91,665.47

Revenue

Sanitation Sales	\$995,497.85
Transfer Site Additional Sales:	\$1,625.00
Grant:	\$30,000.00
Total	\$1,027,112.85

Expenses

Sanitation Salaries:	(\$19,528.28)
Waste Connections (Including Transfer Site)	(\$845,963.50)
Haz Waste Day	(\$48,243.50)
Smash my Trash	(\$0.00)
Repairs, Services, Transfer Site Repairs:	(\$21,712.10)
TOTAL:	(\$935,447.38)

2022 Audited

Sanitation Revenue:	\$981,570.00
Sanitation Expenses:	(\$825,775.00)
Net Gain:	\$155,795.00

Revenue

Sanitation Sales	\$981,080.00
Transfer Site Additional Sales:	\$490.00
Total	\$981,570.00

Expenses

Sanitation Salaries:	(\$3,144.00)
Waste Connections (Including Transfer Site)	(\$789,776.00)
Smash my Trash	(\$19,635.00)
Repairs, Services, Transfer Site Repairs:	(\$13,220.00)
TOTAL:	(\$825,775.00)

2021 Audited

Sanitation Revenue:	\$892,007.00
Sanitation Expenses:	(\$740,039.00)
Net Gain:	\$151,968.00

Revenue

Sanitation Sales	\$892,007.00
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Transfer Site Sales	
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Total	\$892,007.00
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Expenses

Sanitation Salaries:	(\$10,387.00)
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Waste Connections (Including Transfer Site)	(\$663,241.00)
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Smash my Trash	(\$36,110.00)
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Haz Waste Day	(\$19,815.30)
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Repairs, Services, Transfer Site Repairs:	(\$10,485.00)
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TOTAL:	(\$740,039.00)
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2020 Audited

Sanitation Revenue:	\$835,945.00
Sanitation Expenses:	(\$739,602.00)
Net Gain:	\$96,343.00

Revenue

Sanitation Sales:	\$835,945.00
Transfer Site Sales:	\$0
Total	\$835,945.00

Expenses

Sanitation Salaries:	(\$15,680.00)
Waste Connections (Including Transfer Site)	(\$686,044.00)
Smash my Trash	(\$18,081.00)
Repairs, Services, Transfer Site Repairs:	(\$19,797.00)
TOTAL:	(\$739,602.00)

(B) Water and sewer rate structure (WR).**(i) For systems providing water service only:**

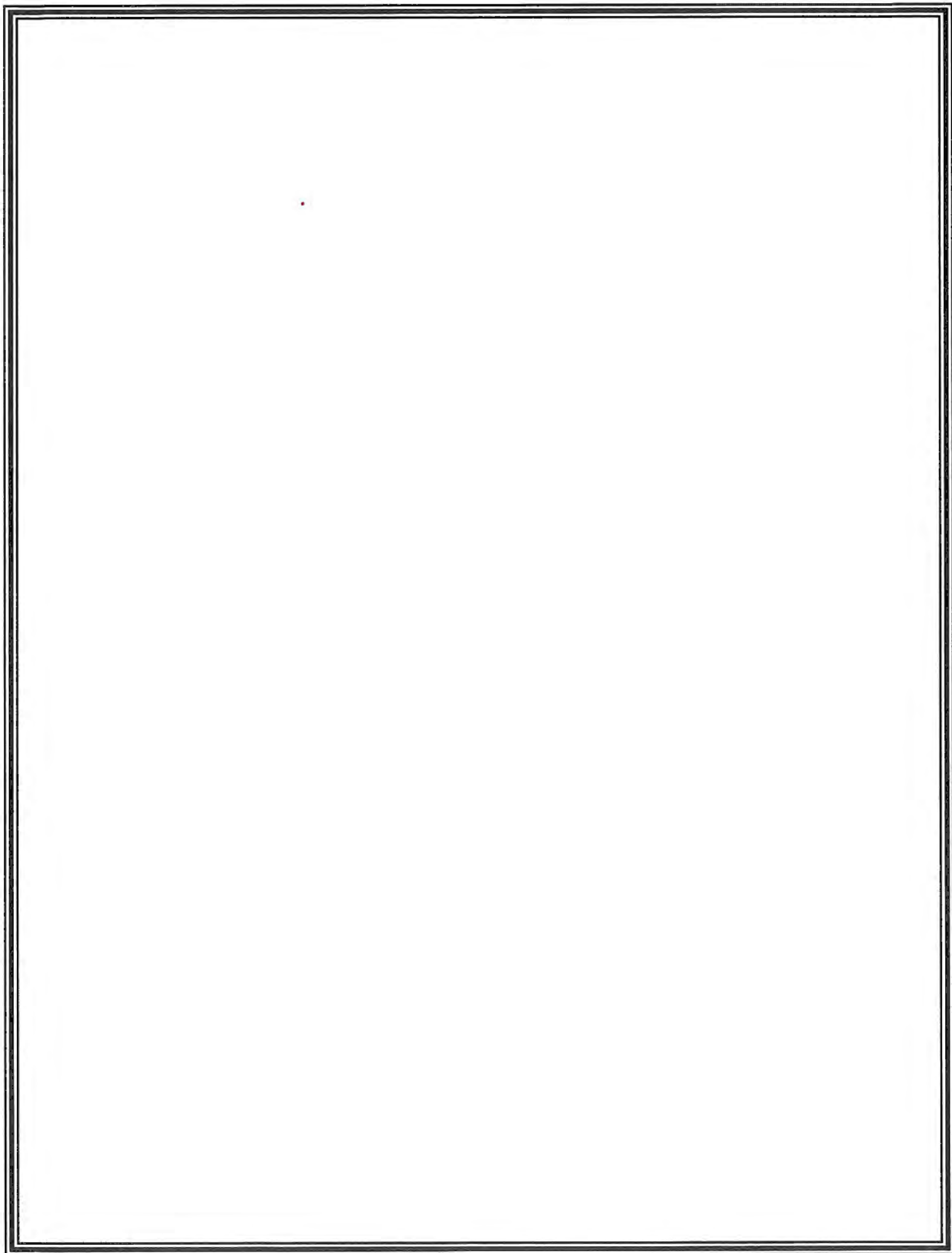
- (I)** If the cost per 5000 gallons is \$50.00 or greater, the applicant shall be given 10 points.
- (II)** If the cost per 5000 gallons is \$45.00 to \$49.99, the applicant shall be given 9 points.
- (III)** If the cost per 5000 gallons is \$40.00 to \$44.99, the applicant shall be given 8 points.
- (IV)** If the cost per 5000 gallons is \$35.00 to \$39.99, the applicant shall be given 7 points.
- (V)** If the cost per 5000 gallons is \$30.00 to \$34.99, the applicant shall be given 6 points.
- (VI)** If the cost per 5000 gallons is \$25.00 to \$29.99, the applicant shall be given 5 points.
- (VII)** If the cost per 5000 gallons is \$23.00 to \$24.99, the applicant shall be given 4 points.
- (VIII)** If the cost per 5000 gallons is \$21.00 to \$22.99, the applicant shall be given 3 points.
- (IX)** If the cost per 5000 gallons is \$19.00 to \$20.99, the applicant shall be given 2 points.
- (X)** If the cost per 5000 gallons is \$18.00 to \$18.99, the applicant shall be given 1 point.
- (XI)** If the cost per 5000 gallons is less than \$18.00, the applicant shall be given 0 points.

(ii) For systems providing water and sewer services:

- (I)** If the cost per 5000 gallons is \$56.00 or greater, the applicant shall be given 10 points.
- (II)** If the cost per 5000 gallons is \$53.00 to \$55.99, the applicant shall be given 9 points.
- (III)** If the cost per 5000 gallons is \$49.00 to \$52.99, the applicant shall be given 8 points.
- (IV)** If the cost per 5000 gallons \$45.00 to \$48.99, the applicant shall be given 7 points.
- (V)** If the cost per 5000 gallons is \$41.00 to \$44.99, the applicant shall be given 6 points.
- (VI)** If the cost per 5000 is \$37.00 to \$40.99, the applicant shall be given 5 points.
- (VII)** If the cost per 5000 gallons is \$34.00 to \$36.99, the applicant shall be given 4 points.
- (VIII)** If the cost per 5000 gallons is \$32.00 to \$33.99, the applicant shall be given 3 points.
- (IX)** If the cost per 5000 gallons is \$31.00 to \$31.99, the applicant shall be given 2 points.
- (X)** If the cost per 5000 gallons is \$30.00 to \$30.99, the applicant shall be given 1 point.
- (XI)** If the cost per 5000 gallons is less than \$30.00, the applicant shall be given 0 points.

(iii) For systems providing sewer service only:

- (I)** If the cost per connection per month is \$34.00 or greater, the applicant shall be given 10 points.
- (II)** If the cost of connection per month is \$32.00 to \$33.99, the applicant shall be given 9 points.
- (III)** If the cost of connection per month is \$30.00 to \$31.99, the applicant shall be given 8 points.
- (IV)** If the cost of connection per month is \$28.00 to \$29.99, the applicant shall be given 7 points.
- (V)** If the cost of connection per month is \$26.00 to \$27.99, the applicant shall be given 6 points.
- (VI)** If the cost of connection per month is \$24.00 to \$25.99, the applicant shall be given 5 points.
- (VII)** If the cost of connection per month is \$22.00 to \$23.99, the applicant shall be given 4 points.
- (VIII)** If the cost of connection per month is \$20.00 to \$21.99, the applicant shall be given 3 points.
- (IX)** If the cost of connection per month is \$18.00 to \$19.99, the applicant shall be given 2 points.
- (X)** If the cost of connection per month is \$16.00 to \$17.99, the applicant shall be given 1 point.
- (XI)** If the cost of connection per month is less than \$16.00, the applicant shall be given 0 points.
- (iv)** The Board will deduct 3 points from the total of the Water and Sewer Rate Structure ranking for any system which charges a flat water or sewer rate (unmetered) without regard to the amount of water or sewer used, and 2 points for a decreasing block rate which lowers the cost per 1000 gallons for customers using larger amounts of water. No points will be added or subtracted for systems using a fixed rate per 1,000 gallons above the minimum. Two points will be added for systems using an increasing block rate. Entities who dedicate sales tax for water and/or sewer improvements will be awarded 1 additional point. Under the category the maximum number of points is 13 and the minimum is -3 points.





DATE: 8/25/2023
TO: *Robert L. Floyd*, Blanchard City Manager
FROM: Dustin A. Downey, AICP – Capital Projects Manager
RE: 2023 Residential Water Rate and Rate Structure Comparison

Thirteen communities were evaluated for their rates and rate structures as a portion of staff’s evaluation of our current rate structure. Based on the median consumption from the sample area monthly consumption (4,650 gallons per month), Blanchard’s water rate is substantially lower than many of our neighbors.

	Median Consumption Rate Comparison				
	Highest Price	Lowest Price	Average Price	Blanchard	Blanchard vs. Average
Price for Median Water Consumption (4,650 gal)	\$51.99 Tuttle	\$21.58 Norman	\$35.76	\$25.53	\$10.23 below (29%)

Median water consumption based on isolation area statistics.

Rate comparison includes 13 cities. See rate calculator for full list of comparison cities.

Blanchard does an exceptional job of providing low-cost water for low-consumption users. For users which only use half of the median consumption (2,325 gallons), the Blanchard water bill is \$11.85, which is lower than any of the other 13 cities evaluated.

High-volume users, with consumption over 18,600 gallons (4 times the median consumption), would see a bill from Blanchard of \$109.93, which is below the average rate for that consumption. Ultra-high-volume consumption (46,500 gallons - 10 times median consumption) is also shown.

Low-Volume and High-Volume Consumption Rate Comparison

	Highest Price	Lowest Price	Average Price	Blanchard	Blanchard vs. Average
Price for Low-Volume Water Consumption (2,325 gal)	\$35.84 Newcastle	\$11.85 Blanchard	\$23.73	\$11.85	\$11.88 below (50%)
Price for High-Volume Water Consumption (18,600 gal)	\$209.46 Tuttle	\$81.60 Chickasha	\$116.60	\$109.93	\$6.67 below (6%)
Price for Ultra-High-Volume Water Consumption (46,500 gal)	\$569.37 Tuttle	\$182.48 Chickasha	\$299.15	\$278.73	\$20.42 below (7%)

Median water consumption based on isolation area statistics.

Rate comparison includes 13 cities. See rate calculator for full list of comparison cities.

The highest and lowest sample bills, as shown in the charts above, are not constant. This is due to municipalities having different methods by which to structure their rates. Some communities have flat rates after the base charge, while others have several strategically placed rate changes. The placement of these structure changes has a significant impact on rates as usage rises.

Consider the rate structure for Moore versus Blanchard. Blanchard, after having price breaks at the 3,000 and 4,000 consumption rates, has a constant rate of \$6.05 per gallon. Moore has a higher base fee structure and lower rate up to 10,000 gallons, but then has a large jump at 10,000 gallons and another rate increase at 20,000 gallons. This increases the pricing for high consumption users, while not making a large jump at the median consumption.

	Moore	Blanchard
Low-Volume (2,325 gal) Median Water Consumption (4,650 gal)	\$19.73	\$11.85
High-Volume Water Consumption (18,600 gal)	\$29.96	\$25.53
Ultra-High-Volume Water Consumption(46,500 gal)	\$122.73	\$109.93
	\$358.72	\$278.73

Consumption	4650	Inside City Limits? Yes												
Chickasha	El Reno	Harrah	Lexington	Mustang	Moore	Newcastle	Noble	Norman	Oklahoma City	Purcell	Tecumseh	Tuttle	Blanchard	
\$ 32.78	\$ 34.41	\$ 39.72	\$ 38.80	\$ 33.24	\$ 29.96	\$ 48.97	\$ 34.60	\$ 21.58	\$ 38.79	\$ 35.15	\$ 35.06	\$ 51.99	\$ 25.53	
Average Bill	\$ 35.76	Blanchard		\$ 25.53										
Lowest Bill	\$ 21.58	Vs. Average		71.41%										
Highest Bill	\$ 51.99													



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