

2011 Water/Wastewater Rate Survey Summary

The Regional Economic Area Partnership (REAP) Water Resources Committee recently completed its 2011 Regional Water and Wastewater Rate Survey. Nearly 39% of survey respondents reported a change in water rates and/or rate structures from 2010, as budget concerns continue to be addressed and jurisdictions continue maintenance to improve utility infrastructure. 35% of respondents saw some change in structures or rates for residential wastewater service within city limits.

From 2010-2011, the average cost of 5,000 gallons of both water and wastewater service for residential users in the REAP region increased. The average cost of 5,000 gallons of water is now \$28.91, a 5.6% increase from 2010's average of \$27.37. For wastewater, the average monthly sewer usage per household is 5249 gallons. Inside city limits, the average cost for 5,000 gallons of residential wastewater is currently \$29.16, up 3.6% from last year's average of \$28.14. Outside of city limits, the average cost for 5,000 gallons of residential wastewater service is \$39.17, an 8.8% increase from 2010's average of \$35.98.

In residential water service, the regional average for base rates rose almost 7% from \$13.87 to \$14.81. Residential municipal wastewater base rates saw an increase of 3.3% from \$17.79 in 2010 to the current average of \$18.37. The average price per 1,000 gallons of wastewater service for communities with a uniform rate structure also increased, from \$3.26 to \$3.29 or nearly 1%. Complete copies of the survey results are available online at <http://www.reap-ks.org/water>.

By looking at the latest water and wastewater studies from the Kansas Department of Health and Environment (KDHE) and Black and Veatch, REAP members can compare the region's rates against both a state and national average. KDHE's survey is completed every three years with the latest study completed in 2008. Black and Veatch (B&V) perform their rate study every 18 to 24 months, comparing the rates of the top 50 largest cities in the country. B&V's last study was completed in the summer of 2010.

Based on KDHE's 2008 rate study, the REAP regional average of \$28.91 for 5,000 gallons of water is approximately 15.8% (\$3.95) higher than the states average of \$24.96. KDHE's most recent rate study will be available in late 2011 allowing for a more accurate comparison between the region's average and the state's average. Additionally, no state average for wastewater was provided in KDHE's 2008 rate study. Due to the format of B&V's rate study, comparisons between the region and national rates were based off of the cost of 15,000 gallons of water or wastewater. With respect to water rates, the REAP regional average of \$69.47 for 15,000 gallons of water is 38.7% (\$19.38) higher than B&V's average of \$50.09. This relationship is reversed when looking at wastewater, with the REAP regional average of \$55.22 for 15,000 gallons of wastewater being 12.7% (\$8.06) lower than Black and Veatch's average of \$63.28.