



UTILITY DISTRICT

Lakehaven Utility District

Pierce County Wastewater Customers

May 13, 2009

Who is affected?

- Lakehaven collects sewage from 970 residential sewer customers for treatment by Pierce County Sewer Utility

Pierce County Rates Higher than LUD

- Estimated Pierce County treatment charge to Lakehaven per customer is \$24.37 per month
- Lakehaven also has collection costs of \$6.29 per customer per month
- Average Lakehaven wastewater bill to residential customers is \$23.25 per month
- Costs for these customers in excess of billings are borne by other Lakehaven customers

Estimated 2009 Financial Impact

	Annual Total	Per Customer	Per Month
Customer Charges	\$271,240	\$279	\$23.25
Pierce County Charges	-\$284,241	-\$292	-\$24.37
Collection Costs (*)	-\$73,346	-\$75	-\$6.29
Shortfall	-\$86,347	-\$89	-\$7.41

* = *Collection Costs are estimated at 18.9% of total wastewater costs.*

Planned Rate Increases to Eliminate Shortfall

- Effective July 1, 2009, Lakehaven customers within Pierce County Service Area will be charged
 - Additional \$1.75/month base charge
 - Additional \$0.30/ccf usage charge
- This is an average increase of \$3.64/month
- Additional rate increases planned January 2010 to make collections = costs

Comparative Rates

- **Auburn**
 - \$42.92/month
- **Kent**
 - \$44.89/month
- **Tacoma**
 - \$57.96/month
- **Renton**
 - \$72.81/month
- **Tukwila**
 - \$43.54/month
- **Lakehaven (effective 7/1/2009)**
 - \$26.89/month

Future Plans

- Customers in affected service area will begin to have sewage treated by Lakehaven instead of Pierce County within 4-7 years.

Contacts

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