

*Your Sewer District* @neorsd

# THE NEXT 5 YEARS



 Northeast Ohio  
Regional Sewer District

**2017-2021**

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[neorsd.org/next5](http://neorsd.org/next5)

# Topics + Discussion

- About us: Just the basics
- **The last 5 years: 2012-2016**
  - Projects, priorities, and savings
- **The next 5: 2017-2021**
  - Rates, where your dollar goes, typical bill
- Cost-saving and affordability
- What's next?

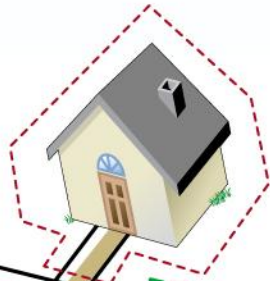


# Just the basics: Northeast Ohio Regional Sewer District



# HOMEOWNER RESPONSIBILITY

- Inside the home
- From the home to the street



# COMMUNITY RESPONSIBILITY

Lateral sewers connecting property to "interceptors" (trunk sewers)



to Lake Erie

"Interceptors" and NEORSRD collection and treatment facilities

# NEORSRD RESPONSIBILITY



\*Actual ownership may vary

# Just the basics:



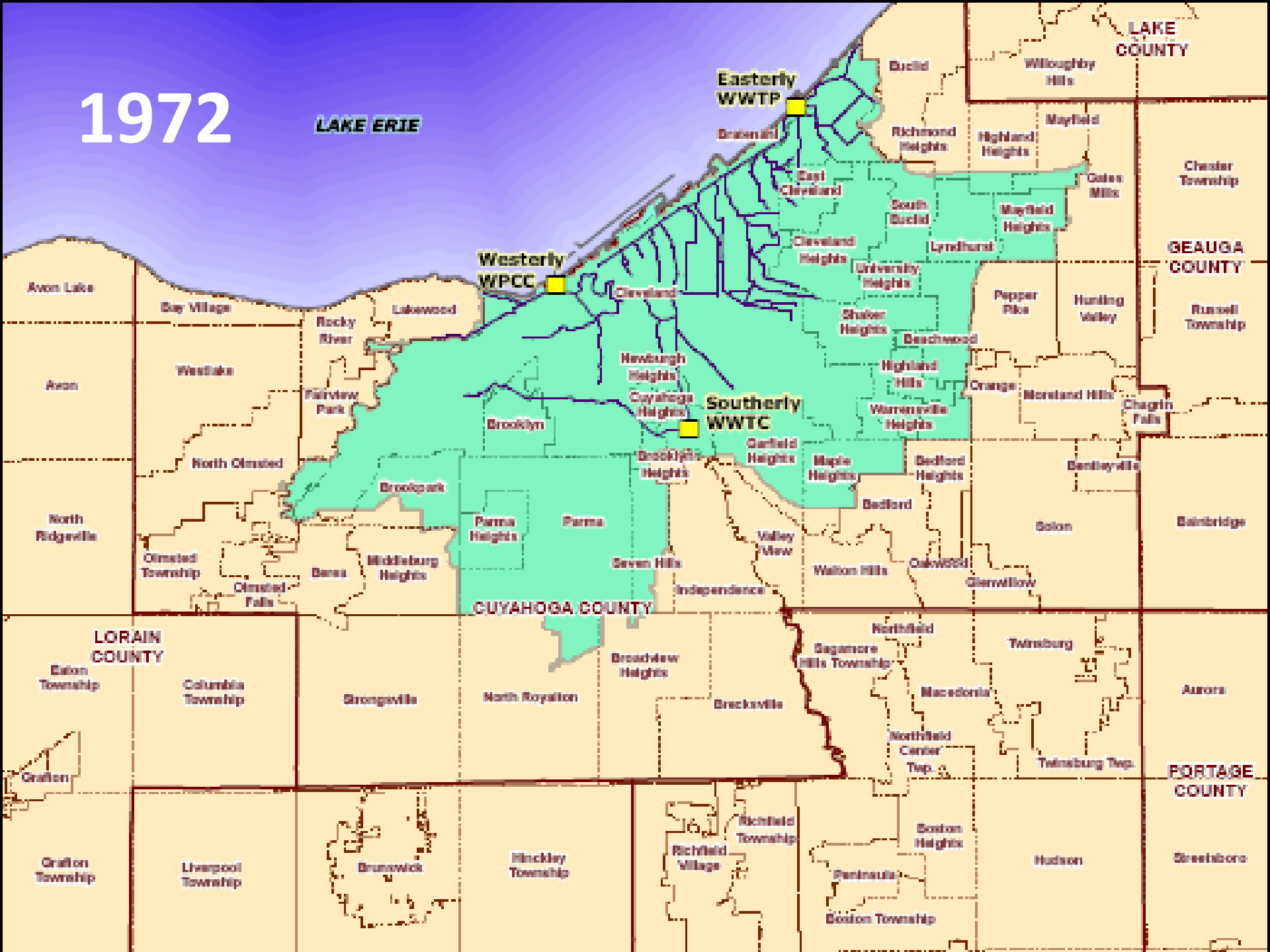
**Northeast Ohio  
Regional Sewer District**

- 3 treatment plants
- Lab and maintenance facility
- 330 miles of sewer



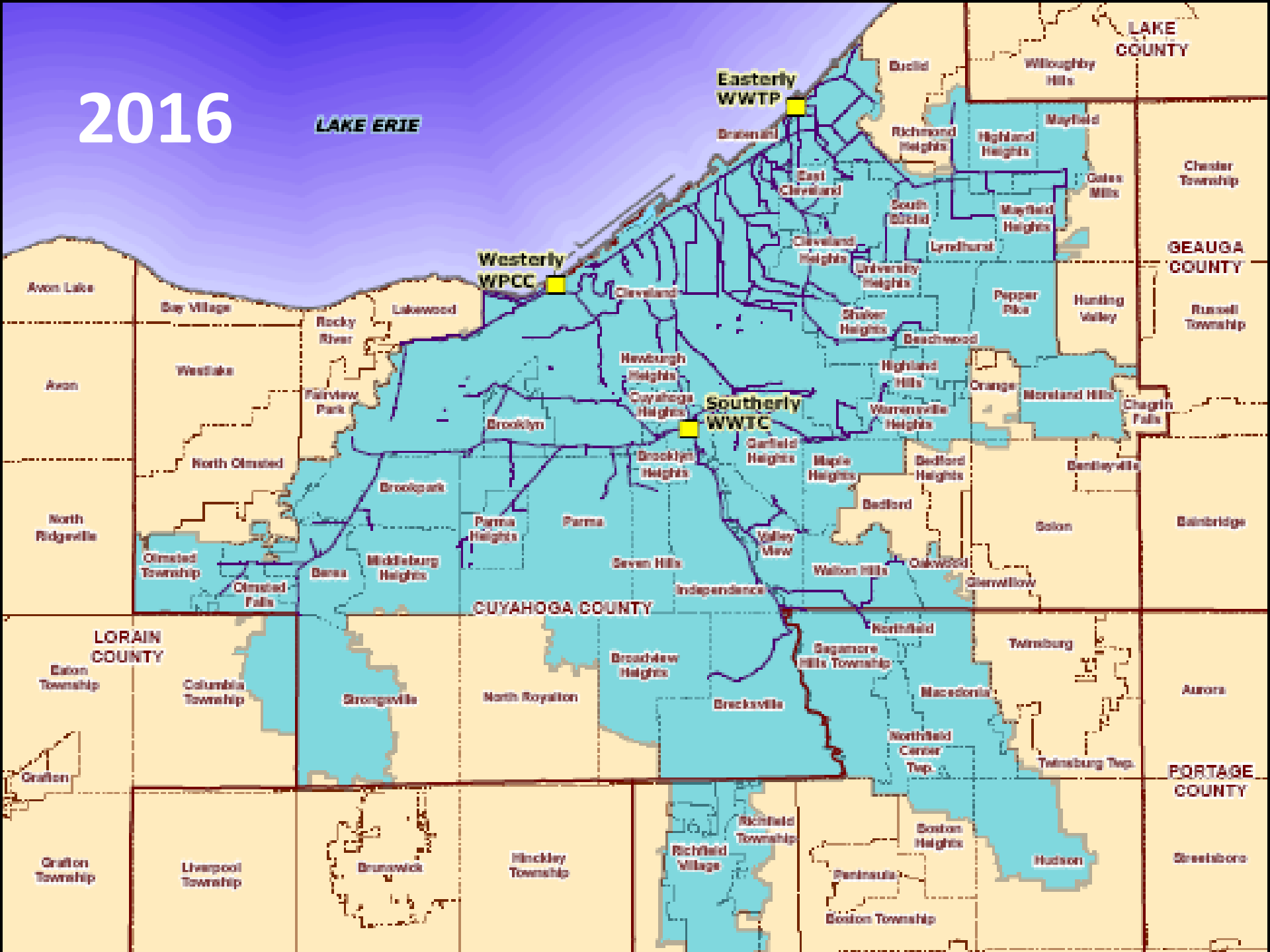
1972

LAKE ERIE



# 2016

LAKE ERIE



# Rates and rate structure

**BASE FEE +  
VOLUMETRIC CHARGE  
per MCF**

1,000 cubic feet = 7,480 gallons





# The last 5 years: 2012-2016

- Invested \$538 million in operating expenses
  - *The work to treat wastewater*



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# The last 5 years: 2012-2016

- Invested \$1.2 billion in capital projects
  - *Construction, largely Project Clean Lake*

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# The last 5 years: 2012-2016

- More than \$330 million in long-term project savings
  - *Project Clean Lake*

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# The last 5 years: 2012-2016

- Contracts came in \$20 million under budget
  - *Euclid Creek Tunnel: On-schedule, completed \$3 million under budget*

12.05.2012 17:11

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# The last 5 years: 2012-2016

A photograph of a large industrial pipe, likely part of a water treatment or utility system. The pipe is light-colored with orange markings '12.5' and '12' on its surface. It is surrounded by various pipes, cables, and structural elements in a complex, somewhat cluttered environment. The lighting is somewhat dim, suggesting an indoor or shaded outdoor setting.

- 25% of Project Clean Lake projects underway or complete
  - *Major factor in previous rate schedule and next*

# The last 5 years: 2012-2016

- 1 billion gallon reduction of annual combined sewer overflow volume  
– *By the end of 2016*

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# Proposed 2017 rates

|                 | Cleveland      |                | Suburbs        |                |
|-----------------|----------------|----------------|----------------|----------------|
|                 | Regular        | Homestead      | Regular        | Homestead      |
| <b>2017*</b>    | <b>\$83.90</b> | <b>\$50.35</b> | <b>\$85.40</b> | <b>\$51.35</b> |
| <i>Base fee</i> | \$3.90         | \$2.30         | \$3.90         | \$2.30         |

\*Per month, per MCF | Local charges not included



# Proposed 2017-2021 rates

|                                    | Cleveland |               | Suburbs  |               |
|------------------------------------|-----------|---------------|----------|---------------|
|                                    | Regular   | Affordability | Regular  | Affordability |
| <b>2017</b> (Base \$3.90 / \$2.30) | \$83.90   | \$50.35       | \$85.40  | \$51.35       |
| <b>2018</b> (Base \$5.40 / \$3.20) | \$90.30   | \$54.15       | \$91.50  | \$54.95       |
| <b>2019</b> (Base \$6.90 / \$4.10) | \$97.45   | \$58.45       | \$98.35  | \$59.05       |
| <b>2020</b> (Base \$8.40 / \$5.00) | \$105.50  | \$63.25       | \$106.10 | \$63.65       |
| <b>2021</b> (Base \$9.90 / \$5.90) | \$114.25  | \$68.65       | \$114.55 | \$68.75       |

\*Per month, per MCF | Local charges not included





# Why are rates going up?

- Reducing raw sewage discharges to the environment  
– Project Clean Lake



- Important
- Mandated
- Expensive

**\$3 billion**  
over 25 years



# Why are rates going up?

## YOUR SEWER DOLLAR



**49¢** OPERATING  
EXPENSES



**51¢** CONSTRUCTION  
& LOANS



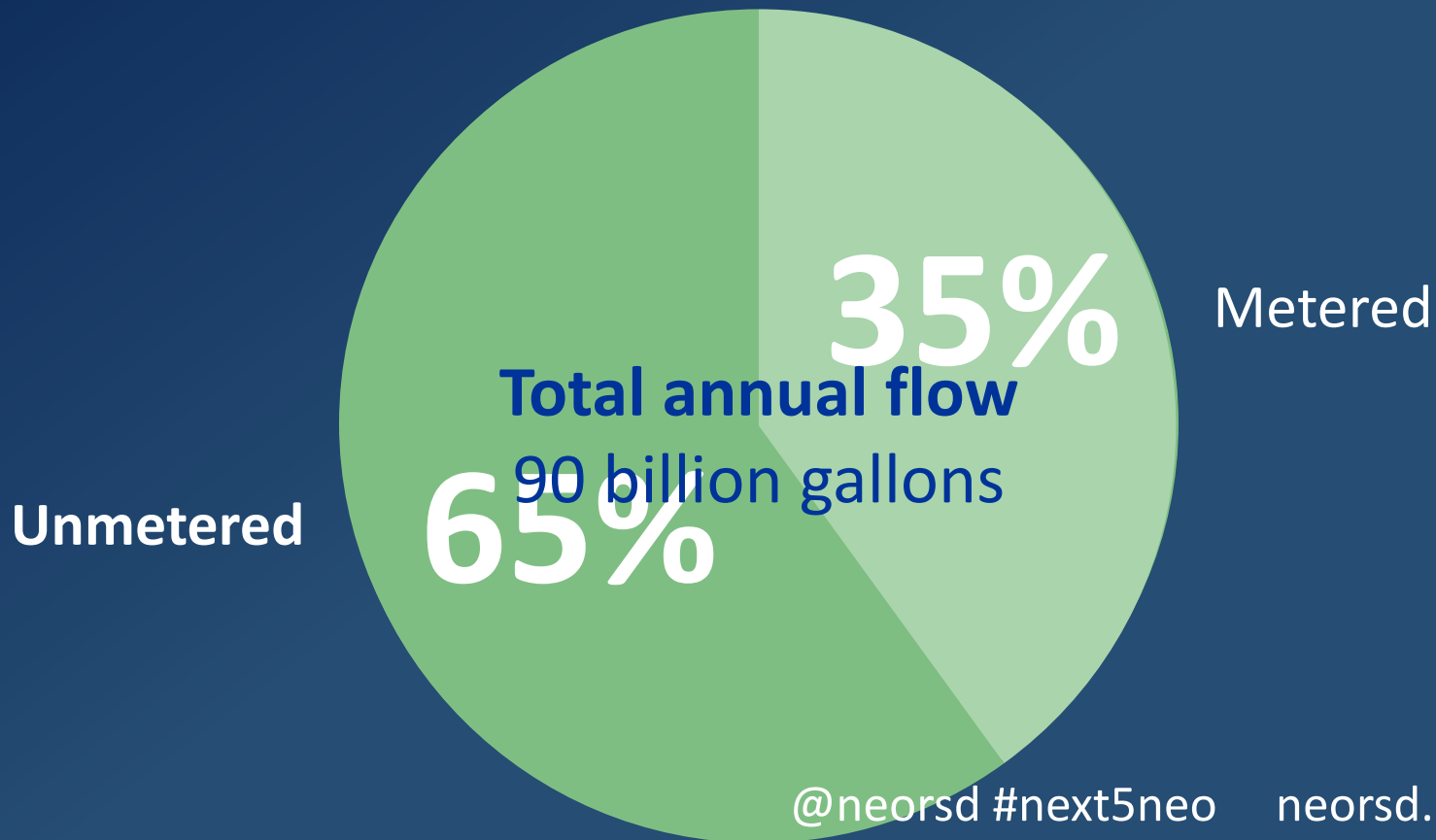
# Why are rates going up?

- Cost of resources, additional assets

Renewable Energy Facility at Southerly in Cuyahoga Heights  
conserves resources, cuts costs, reduces emissions

# Why are rates going up?

- We treat more than we bill



# Efficient and effective operation

- From 2017-2021, we are...
  - Evaluating Project Clean Lake cost-saving opportunities
  - Implementing operational readiness assessment



# Efficient and effective operation

- From 2017-2021, we are...
  - Sewer System Evaluation Study: Understanding the regional system
  - Strengthening community partnerships to benefit customers



# Efficient and effective operation

- From 2017-2021, we are...
  - Broadening the reach of affordability programs





# Efficient and effective operation

- More equitable industry charges
  - Increase industry charges to reflect the full cost of providing treatment
  - *Reduces cost to residential users by \$6 million/year*



# Average monthly bill for Typical User – .625 mcf

|      | CLEVELAND | SUBURBS |
|------|-----------|---------|
| 2016 | \$56      | \$57    |
| 2017 | \$61      | \$62    |

\*Per month, per MCF | Includes Regional Stormwater Management fee



# Average monthly bill

for Typical User – .625 mcf **AFFORDABILITY**

|             | CLEVELAND   | SUBURBS     |
|-------------|-------------|-------------|
| 2016        | \$33        | \$34        |
| <b>2017</b> | <b>\$35</b> | <b>\$36</b> |

\*Per month, per MCF | Includes Regional Stormwater Management fee





# Cost-saving and affordability

- We will increase enrollment in our cost-saving programs
  - From 50% to 80% by 2021



# Cost-saving and affordability

- Affordability discount (40%) would apply to Base fee as well
  - New offering in 2017

## Chances to save

# RATE REDUCTION of 40%

- Wastewater Affordability Program
  - Income level at/below 200% poverty level
- Homestead program

Apply for NEORSD *or* Cleveland Water  
and qualify for both



# Chances to save

## BILL ASSISTANCE

- Crisis Voucher Program
  - Eligibility criteria
    - Medical expenses, job loss, divorce, etc.
  - 12-month payment plan
  - Suspend water shut-off actions
  - District responsible for 50% of sewer/stormwater balance, up to \$300 (one-time credit)





- 4 programs available
  - Homestead
  - Affordability
  - Crisis Assistance
  - Summer sprinkling
- (216) 881-8247
- [neorsd.org/save](https://neorsd.org/save)

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# What's next?

- 1) Roadshows through June 8
- 2) Tentative Board vote (June 16)
- 3) Pending adoption, add new rate structure to billing system (July-December)
- 4) New rates take effect January 1, 2017
- 5) Customer Service reps available



# Upcoming Board meetings

- Next Board meetings: June 2, June 16
- Trustees at *[neorsd.org/board](https://neorsd.org/board)*

# CONTACT US

- Customer Service: (216) 881-8247
- [neorsd.org](http://neorsd.org)
- [@neorsd](https://twitter.com/neorsd) #next5neo
- [facebook.com/yoursewerdistrict](https://facebook.com/yoursewerdistrict)