



# ORDINANCE AMENDING WATER & SEWER RATES

OR-22-019

October 4, 2022

# Background

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- 2020 Water & Sewer Rate Study recommended a five-year phased meter charge increase for commercial water service, which is an American Water Works Association (AWWA) standard
  - ▣ Phased approach to prevent one large increase
  - ▣ Increase will provide an estimated \$158,000 in annual revenue
  - ▣ Affects commercial customers (in and out of city limits)
- City Council approved the first phase rate increase September 13, 2022

# Background (cont'd)

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- ❑ Three errors occurred on the original ordinance change:
  - ❑ 5/8" and 3/4" meter increased from \$14.02 to \$14.95
  - ❑ Commercial volumetric increased from \$3.50 to \$3.75
  - ❑ Outside City Limit amounts were miscalculated
- ❑ This ordinance change corrects the errors:
  - ❑ 5/8" and 3/4" commercial meter should remain at \$14.02
  - ❑ Commercial volumetric should remain at \$3.50 per 1,000 gallons above the 2,000 gallons
  - ❑ Outside City Limit amounts should be 150% of the approved commercial rates

# Monthly Commercial Rates

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	Proposed Correction	9/13/22 Change	Change Amount
<b><i>Commercial (inside City limits):</i></b>			
Minimum by Meter Size (Phase 1 of 5):			
Water (5/8" and 3/4")	\$ 14.02	\$ 14.95	\$ (0.93)
Water (1")	15.89	15.89	-
Water (1-1/2")	20.56	20.56	-
Water (2")	26.17	26.17	-
Water (3")	39.26	39.26	-
Water (4")	57.95	57.95	-
Water (6")	104.68	104.68	-
Water (8")	160.76	160.76	-
Volumetric (2,001 + gals)	3.50	3.75	(0.25)

# Monthly Commercial Rates (cont'd)

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	Proposed Correction	9/13/22 Change	Change Amount
<b><i>Commercial (outside City limits - water rates for commercial users inside city limits plus fifty percent [50%]):</i></b>			
Minimum by Meter Size (Phase 1 of 5):			
Water (5/8" and 3/4")	\$ 21.03	\$ 22.42	\$ (1.39)
Water (1")	23.84	24.91	(1.08)
Water (1-1/2")	30.84	30.92	(0.08)
Water (2")	39.26	38.16	1.10
Water (3")	58.89	55.08	3.81
Water (4")	86.93	79.28	7.65
Water (6")	157.02	141.50	15.52
Water (8")	241.14	212.39	28.75
Volumetric (2,001 + gals)	5.25	5.60	(0.35)

# Alternatives

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- ❑ Do not amend water and sewer commercial water rates and revisions to the ordinance.
- ❑ Amend water and sewer commercial water rates and revisions to the ordinance.

# Recommendation

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City Council approve the ordinance amending Chapter 30, Water, Sewers, and Sewer Disposal of the Code of Ordinances to amend commercial water rates.