



ORDINANCE AMENDING WATER & SEWER RATES

OR-22-015

September 6, 2022

Background

- On July 7, 2020, City Council received the results of the 2020 Water & Sewer Rate Study indicating that water revenues were insufficient to fully fund projected expenses.
 - ▣ City Council deferred a rate adjustment in FY 2021 due to Covid.
- On September 14, 2021, Council approved a rate adjustment for residential and commercial customers.

Background Cont.

- The 2020 Water & Sewer Rate Study also recommended that there be a five-year phased meter charge increase for commercial water service; which is an American Water Works Association (AWWA) standard, to prevent one large increase.
 - This was suggested to begin in FY 2024.
- Beginning the five-year phased commercial rate increase in FY 2023 would assist to offset the insufficient revenue for water and the annual increase from WCID.
 - This will affect commercial customers (in-city and out-of-city).
 - Increase will provide an estimated \$158,000 in revenue.

Monthly Commercial Rates

4

	Current Amount	Recommended Amount	Change Amount	Change Percentage
<i>Commercial:</i>				
Minimum by Meter Size (Phase 1 of 5):				
Water (1")	\$ 15.57	\$ 15.89	\$ 0.32	6.62%
Water (1-1/2")	\$ 19.33	\$ 20.56	\$ 1.23	6.62%
Water (2")	\$ 23.86	\$ 26.17	\$ 2.31	6.62%
Water (3")	\$ 34.44	\$ 39.26	\$ 4.82	6.62%
Water (4")	\$ 49.57	\$ 57.95	\$ 8.38	6.62%
Water (6")	\$ 88.47	\$ 104.68	\$ 16.21	6.62%
Water (8")	\$ 160.76	\$ 132.80	\$ 27.96	6.62%

Alternatives

5

- 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

6

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