



WATER & SEWER ORDINANCE AMENDMENTS

OR-23-014

August 1, 2023

Background

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- July 7, 2020, City Council received the results of the 2020 Water & Sewer Rate Study
 - ▣ Study indicated that water revenues were insufficient to fully fund projected expenses to include infrastructure replacement
 - ▣ Recommended a five-year phased approach to increase the base charge for commercial meters based on the American Water Works Association (AWWA) standard for meter size capacities
 - ▣ Phase 1 was implemented in the FY 2023 Budget

Background (cont'd)

- Phase 2 of the five-year increase in the base charge for commercial meters is proposed in the FY 2024 Budget
 - ▣ Estimated additional \$320,000 in revenue
- Proposed increase of \$1.50 in minimum base rate for Residential Water and all Sewer in the FY 2024 Budget
 - ▣ This will affect all customers (in-city and out-of-city)
 - ▣ Increase will provide an estimated \$2M in additional revenue
 - ▣ Additional revenue will assist in offsetting the purchase costs of these services to the City

Monthly Residential Rates

	Recommended	Current Amount	Change Amount	Change Percent
Residential:				
Sewer -				
Minimum	\$ 20.76	\$ 19.26	\$ 1.50	7.79%
Volumetric (3,001-10,000 gals)	3.80	3.80	-	0.00%
Water Residential -				
Minimum				
5/8" and 3/4"	\$ 15.04	\$ 13.54	1.50	11.08%
1"	16.49	14.99	1.50	10.01%
1-1/2"	20.13	18.63	1.50	8.05%
2"	24.48	22.98	1.50	6.53%
3"	34.65	33.15	1.50	4.52%
4"	49.20	47.70	1.50	3.14%
6"	86.61	85.11	1.50	1.76%
8"	129.10	127.60	1.50	1.18%
Volumetric (2,001-15,000 gals)	3.38	3.38	-	0.00%
Volumetric (15,001 to 30,000 gals)	4.03	4.03	-	0.00%
Volumetric (Over 30,000 gals)	4.81	4.81	-	0.00%
(1) Outside of city limits is proposed rate plus fifty percent (50%)				

Monthly Commercial Rates

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	Recommended	Current Amount	Change Amount	Change Percent
Commercial (inside City limits):				
Sewer -				
Minimum	\$ 20.65	\$ 19.15	\$ 1.50	7.83%
Volumetric (3,001+ gals @ 90% flow factor)	3.80	3.80	-	0.00%
Minimum by Meter Size (Phase 2 of 5):				
Water (5/8" and 3/4")	\$ 15.52	\$ 14.02	\$ 1.50	10.70%
Water (1")	17.76	15.89	1.87	11.77%
Water (1-1/2")	27.11	20.56	6.55	31.86%
Water (2")	38.32	26.17	12.15	46.43%
Water (3")	64.49	39.26	25.23	64.26%
Water (4")	101.88	57.95	43.93	75.81%
Water (6")	195.35	104.68	90.67	86.62%
Water (8")	307.51	160.76	146.75	91.29%
Volumetric (2,001+ gals)	3.50	3.50	-	0.00%

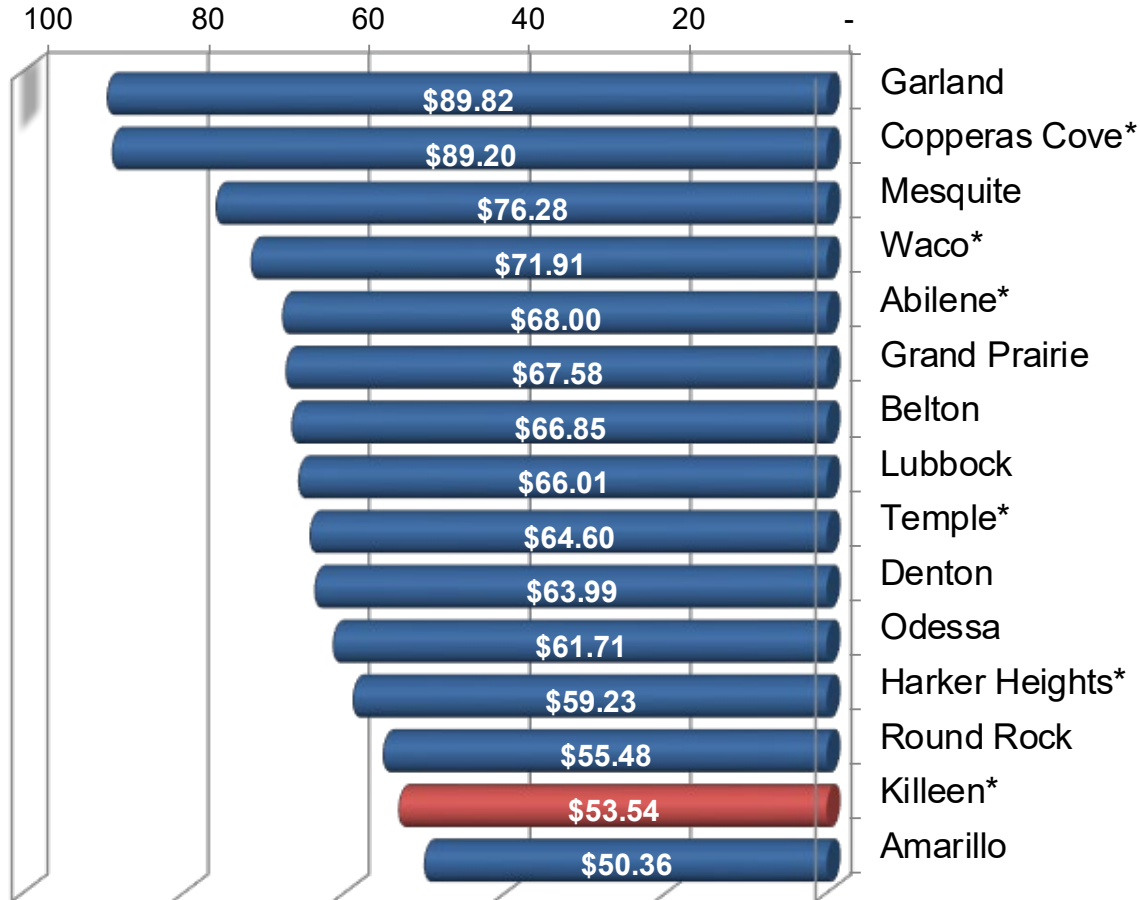
(1) Outside of city limits is proposed rate plus fifty percent (50%)

Utility Bill Comparison

Average Residential Customer (using 5,000 gallons of water per month)

Description	Recommended	Current Amount	Change Amount	Change Percent
Sewer	\$ 28.36	\$ 26.86	\$ 1.50	5.58%
Water	25.18	23.68	1.50	6.33%
Solid Waste	19.78	19.78	-	0.00%
Street Maintenance	10.00	10.00	-	0.00%
Drainage	5.40	5.40	-	0.00%
Total Utility Bill	\$ 88.72	\$ 85.72	\$ 3.00	3.50%

Based on 5,000 Gallons Usage and 3/4 - 5/8" Meter Size



Section 30-105 – Deposit for Water Meters

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- Proposed Changes:
 - ▣ Extend customer deposit refund period from 12 months to 24 months
 - ▣ Remove requirement for customers incurring more than one late charge in a subsequent twelve-month period to pay an additional deposit
- Reason for Changes:
 - ▣ Regular paying customers with good payment history sometimes face unforeseen circumstances (e.g., illness, family emergencies) and struggle to meet payment deadlines
 - ▣ Habitual offenders with poor payment history will not be eligible for deposit refunds

Other Changes

- Change City Owned Fireplugs to Fire Hydrant Construction Meters
 - Change rate for 0 – 2,000 gallons from \$32.02 to \$64.49 to be in line with 3” commercial meter
- Change Outside City Limit return flow factors for residential and commercial sewer customer from 150% to 100% as this has a maximum of amount not to exceed 10,000 gallons per unit
 - Add rates for residential and commercial outside the city limits that shall be equal to the rates for inside the city limits plus 50%

Alternatives

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- Do not amend water and sewer ordinance
- Amend water and sewer ordinance with changes
- Amend water and sewer ordinance as presented

Recommendation

- City Council approve the ordinance amending Chapter 30, Water, Sewers, and Sewer Disposal, of the Code of Ordinances, to amend water and sewer rates and other changes as presented