

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 211-12

AN ORDINANCE

amending Chapters 13 and 22 of the City Code to increase sewage service utility rates; and fixing the time when this ordinance shall become effective.

SECTION 1. Chapter 13 of the Code of Ordinances of the City of Columbia, Missouri, is hereby amended as follows:

Material to be deleted in ~~strikeout~~; material to be added underlined.

Sec. 13-192. Charges for disposal services.

...

(b) The following charges shall be imposed for acceptable liquid waste generated within the city limits of Columbia which is discharged into the designated disposal facility:

- (1) Waste activated sludge from package wastewater treatment plants and stabilization pond sludge..... ~~\$0.018~~ 0.041 per gallon
- (2) Portable/chemical toilet, domestic holding tank, septic tank, ~~and~~ grease trap wastes and other wastewater not described above in (b)(1) ~~\$0.035~~ 0.077 per gallon
- (3) Treatment service availability ~~\$8.05~~ 9.26 per load

...

SECTION 2. Chapter 22 of the Code of Ordinances of the City of Columbia, Missouri, is hereby amended as follows:

Material to be deleted in ~~strikeout~~; material to be added underlined.

Sec. 22-263. Charges for sewage service.

...

(b) The monthly volume charges for residential classifications shall be based on the average monthly billing of water usage during the immediate preceding calendar months of January, February and March as long as the average volume for these months is greater than two (2) Ccf per month. The monthly volume charges for all other customers shall be based on one hundred (100) percent of the monthly metered water used, except as otherwise provided in this Code.

- (1) *Sewage service charge rates.* Each user of the wastewater system of the city shall pay a base charge and a volume charge for the use of such system monthly. Sewage service charges shall be based on the following rates:

Residential base charge:\$ ~~6.35~~ 7.30

Non-residential Base Charge:			
Water Meter Size	Meter Capacity (gpm)	Capacity Difference	Base Charge by Meter Capacity
5/8-inch	15	-	\$6.35 <u>7.30</u>
3/4-inch	25	1.67	\$10.58 <u>12.17</u>
1-inch	50	3.33	\$21.16 <u>24.33</u>
1½-inch	100	6.67	\$42.32 <u>48.67</u>
2-inch	160	10.67	\$67.74 <u>77.87</u>
3-inch	320	21.33	\$135.42 <u>155.73</u>
4-inch	500	33.33	\$211.60 <u>243.34</u>
6-inch	3,000	200.00	\$1,269.60 <u>1,460.04</u>
8-inch	4,000	266.67	\$1,692.80 <u>1,946.72</u>
10-inch	5,500	366.67	\$2,327.60 <u>2,676.74</u>
12-inch	7,500	500.00	\$3,174.00 <u>3,650.10</u>

Volume Charge:

Volume charge, per Ccf:\$ ~~2.099~~ 2.414
 Ccf = 100 cubic feet

- (2) *Extra strength charge.* Wastewater discharged to the wastewater system from commercial or industrial users shall be subject to an extra strength charge when the BOD or total suspended solids concentration exceeds three hundred (300) milligrams per liter (mg/l) by weight. All analyses shall be performed on composite samples collected at no less than hourly intervals over a twenty-four-hour period.

Extra strength charges shall be calculated based on one hundred (100) percent of metered water use, except as otherwise provided in section 22-269 of this Code, in accordance with the following formula:

$$S = V_s \times 0.00624 \times [\$0.237 \underline{0.273} (\text{BOD} - 300) + \$0.1623 \underline{0.1866} (\text{SS} - 300)]$$

Where:

S	=	Surcharge in dollars monthly.
Vs	=	Sewage volume in 100 cubic feet per month.
0.00624	=	Conversion factor for hundred cubic feet to million pounds.
\$0.237 <u>0.273</u>	=	Unit charge for BOD in dollars per pound; of which \$0.185 <u>0.213</u> represents the user charge portion and \$0.052 <u>0.060</u> represents capital charges.
BOD	=	BOD strength index in mg/l by weight.
300	=	Allowed BOD and suspended solids strengths in mg/l by weight.
\$0.1623 <u>0.1866</u>	=	Unit charge for suspended solids in dollars per pound; of which \$0.12484 <u>0.14357</u> represents the user charge portion and \$0.0374 <u>0.0430</u> represents capital charges.
SS	=	Suspended solids strength index in mg/l by weight.

...

SECTION 3. The new rates established in this ordinance shall take effect on October 1, 2012; provided that rates for monthly charges shall be applied to utility bills beginning with the first cycle billed in October, 2012.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2012.

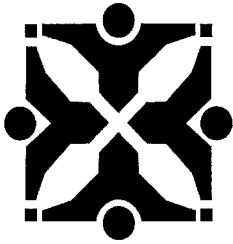
ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor



Source: Public Works *goh*

Agenda Item No:

To: City Council
From: City Manager and Staff *MM*

Council Meeting Date: Aug 6, 2012

Re: Sewer Utility Fee Increases

EXECUTIVE SUMMARY:

Staff has prepared for Council consideration an ordinance authorizing an amendment to Chapter 13 and Chapter 22 of the City Code to implement an 8% rate increase in connection with the April 2008 revenue bond package presented to the voters for sanitary sewer utility capital improvements, and a 7% rate increase to cover operating expenditures, for a total rate increase of 15%. In addition, staff is recommending an increase of waste hauler disposal service fees.

The purpose of the sewer utility rate increase is to generate revenue to provide required debt ratio coverage on outstanding bonds associated with the bond election in April 2008, and to pay for increased operating expenses. The user rate adjustment will increase the monthly residential bill by approximately \$3.16 to an average monthly rate of \$24.20. The rate increase will result in approximately \$2,450,000 in additional revenue. These increases will become effective October 1, 2012.

DISCUSSION:

In order to provide adequate funding to meet current bond obligations and to operate and maintain the sewer utility, staff is recommending the implementation of a rate increase in connection with the April 2008 revenue bond package. The 2008 ballot issue projected that rate increases of 15% in FY09, 13% in FY10, 12% in FY11 and 8% in FY12 and FY13, were necessary in order to pay the revenue bonds issued to construct \$77 million of sanitary sewer improvements promised to the voters. In addition to the 8% rate increase for FY13, a 7% increase is needed for the cost to run operations, for a total increase of 15%. This is the fifth and final anticipated rate increase from the bond election.

Staff is also recommending the rates for the waste hauler disposal service fees be increased. The rates were originally established in 1996, and include a service availability charge and a volume charge, based on the type of hauled waste. The service availability charge has been increased by the same percentage as other sewer rate increases over time; however, the volume rates have only been increased once since they were originally established in 1996. This has resulted in the Sewer Utility charging less for the disposal than it costs to treat the waste and dispose of the residual materials. Staff recommends the rates for the disposal of hauled liquid waste be increased as follows:

Waste activated sludge from package wastewater treatment plants and stabilization pond sludge from \$0.018 to \$0.041 per gallon

Portable/chemical toilet, domestic holding tank, septic tank, grease trap wastes and other waste water \$0.035 to \$0.077 per gallon

Treatment service availability from \$8.05 to \$9.26 per load

FISCAL IMPACT:

The user rate increase will result in approximately \$2,450,000 in additional revenue for FY13.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

City Services will be efficient, effective, and expanded.

SUGGESTED COUNCIL ACTIONS:

Approve the ordinance amending Chapters 13 and 22 to implement an 8% sanitary sewer utility rate increase, and a 7% increase for operating expenditures for FY13; and to adjust the waste hauler disposal rates in order to cover costs of treatment and disposal.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	No
Amount of funds already appropriated	\$0.00	Duplicates/Expands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	Yes
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	3.4
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	