



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 5e

Title:

Recommendation to Approve an Ordinance Authorizing Changes in Rate Structure for the Sewer Utility of the City St Charles Effective with Billings Issued After June 1, 2017

Presenter:

Chris Minick, Finance Director

Meeting: Government Operations Committee

Date: April 17, 2017

Proposed Cost: \$N/A

Budgeted Amount: \$

Not Budgeted:

Executive Summary *(if not budgeted please explain):*

In conjunction with the implementation of the FY 17-18 budget, Staff is seeking approval of the attached Ordinance to enact changes in the utility rate structure. This ordinance reflects the rates utilized in the preparation of the FY 17/18 budget presented to and approved by the City Council on April 3, 2017. The projections and amounts included in the budget presentation are predicated on the rate structure created by the Ordinances attached.

The changes to the rate structures proposed continue the City Council's commitment to assure the long term financial viability and sustainability of the utilities in conjunction with the rate study passed in May of 2011.

If approved as proposed, these rate changes would be effective with bills sent in June.

Attachments *(please list):*

Sewer Rate Ordinance

Recommendation/Suggested Action *(briefly explain):*

Recommendation to approve Ordinances authorizing changes in the rate structure for the Sewer Utility for the City of St. Charles effective for billings issued after June 1, 2017.

City of St. Charles, Illinois
Ordinance No. 2017-M-_____

**An Ordinance Authorizing Amendment of Title 13 “Public Utilities”,
Chapter 13.12, “Sewers”, Section 13.12.830 “Charges for Residential
Users”, Section 13.12.840 “User Charges for Metered Water
Consumption and Nonresidential Use” of the St. Charles Municipal
Code Of the St. Charles Municipal Code**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST.
CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, as follows:

Section 1. That Title 13 “Public Utilities”, Section 13.12.830 “Charges for Residential Users”, Subsection A, Section 13.12.840 “User Charges for Metered Water Consumption and Nonresidential Use”, Subsection A, is hereby deleted in its entirety and in lieu thereof the following language shall be substituted:

“13.12.830 Charges for Residential Users

A. The residential sewer user charge shall be as follows:

- 1. The following rate shall be charged for sewer service to all residential users of City sewers based upon metered water consumption: seventeen dollars and sixty-eight cents (\$17.68) demand charge per month plus five dollars and fifty-seven cents (\$5.57) per one thousand gallons of water used with a maximum sewer charge not to exceed 130% of a residential user’s winter quarter water usage average. The residential user’s “winter quarter” water usage shall be defined as the water that is billed to the user in the months of January, February, and March. When the 130% calculation produces a fractional result, the customer maximum will be raised to the next whole number.**
2. Residential users in a building with more than one dwelling unit and with each unit having a sewer connection but no city water meter shall be charged the existing residential sewer demand charge per month. Sewer usage charge shall be billed to the customer billed for the water service and shall be based on the water used at the existing residential sewer rate per one thousand gallons.
3. Residential users in a building with only one dwelling unit with sewer connection but no city water purchases shall be charged for eight thousand gallons of usage at the existing residential rate per one thousand gallons plus the existing demand charge per month.
4. For new or recently constructed residential buildings or other customers which have a water meter and incomplete history of water consumption during a winter quarter, the existing residential rate per

thousand gallons plus the existing demand charge per month shall be applied to their metered water consumption until the completion of a winter quarter.

5. **A fee is hereby imposed upon all residential users of City sewers for the purpose of funding various projects required to comply with mandatory standards promulgated by the United States and the Illinois Environmental Protection Agencies. This fee, termed “EPA Mandate Fee”, will be set at a flat rate of ninety cents (\$0.90) per month.”**

“13.12.840 User Charges for Metered Water Consumption and Nonresidential Use

A. The non-residential sewer user charge shall be as follows:

1. **The following rate shall be charged for sewer service to all non-residential users of City sewers based upon metered water consumption: seventeen dollars and sixty-eight cents (\$17.68) demand charge per month plus five dollars and fifty-seven cents (\$5.57) per one thousand gallons of water used.**
2. **The following rate shall be charged for sewer service to all non-residential users of City sewers where water consumption does not reflect the actual quantity of wastewater tributary to the wastewater treatment works: seventeen dollars and sixty-eight cents (\$17.68) demand charge per month plus five dollars and fifty-seven cents (\$5.57) per one thousand gallons of wastewater actually discharged into the sewer system.**
3. Non-residential users in a building with more than one non-residential unit and with each unit having a sewer connection but no city water meter shall be charged the existing non-residential sewer demand charge per month. Sewer usage charge shall be billed to the customer billed for the water service and shall be based on the water used at the existing non-residential sewer rate per one thousand gallons.
4. Non-residential users in a building with no water purchases and a sewer connection without flow measurement equipment shall be charged the existing non-residential sewer demand charge per month, plus a user charge equivalent to six thousand gallons of usage at the existing non-residential sewer use rate per one thousand gallons. Non-residential users may be required to install flow measurement equipment pursuant to the conditions set forth in Section 13.12.940B.
5. **A fee is hereby imposed upon all non-residential users of City sewers for the purpose of funding various projects required to comply with mandatory standards promulgated by the United**

States and the Illinois Environmental Protection Agencies. This fee, termed “EPA Mandate Fee”, will be set at a flat rate of ninety cents (\$0.90) per month.”

Section 3. That this Ordinance shall be in full force and effect ten (10) days from and after its passage, approval and publication in pamphlet form as provided by law; provided, however, that the rates set forth herein shall be effective for the first billing subsequent to June 1, 2017.

Section 4. That after the adoption and approval hereof this Ordinance shall (i) be printed or published in book or pamphlet form, published by the authority of the Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

PRESENTED to the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, this 17th day of April, 2017.

PASSED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, this 17th day of April, 2017.

APPROVED by the Mayor of the City of St. Charles, Kane and DuPage Counties, Illinois, this 17th day of April, 2017.

Raymond P. Rogina, Mayor

ATTEST:

Nancy Garrison, City Clerk

COUNCIL VOTE:

Ayes: _____

Nays: _____

Absent: _____

APPROVED AS TO FORM:

City Attorney

DATE: _____