BILL 2015-44

****** First Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Zachary Johnson, Utility Director

DATE: November 2, 2015

RE: Sewer Rate Ordinance

Issues

In HDR's latest rate analysis, increases to existing sewer rates are necessary to keep up with increasing costs of operation and the recent treatment plant and collection system improvements. The City just recently received bids for the two major improvement projects and will be moving forward with the approximate $4.7 million dollar project. While City Staff works diligently to keep operating costs at a minimum, we have been working on establishing projected rate for the next 20 years. This will insure the City of Cameron will be financially capable to address increasing state and federal regulations in the future.

This proposed sewer rate adjustment will impact the Cameron residential user (5,000 gal) by an additional $1.53 per month. Small commercial users (10,000 gal) will see an increase of $2.78 and large commercial users will see a monthly increase of $9.50.

Recommendation

Staff recommends that Council approve the new sewer use rate ordinance. Three readings are recommended and will allow for rate to become effective on January 1, 2016.

Bill 2015-44

ORDINANCE FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI REPEALING THE CURRENT SEWER USE RATES AND ESTABLISHING NEW SEWER USE RATES FOR CONSUMERS OF THE CAMERON MUNICIPAL UTILITIES

WHEREAS, the City of Cameron owns and operates a wastewater collection and treatment system as a stand-alone non-profit municipal enterprise to serve the citizens of Cameron, and

WHEREAS, the City of Cameron City Council has elected to make necessary treatment plant and sanitary sewer system improvements over the next several years to reduce infiltration and inflow, and

WHEREAS, a rate study by HDR Engineers determined that current sewer revenue is not sufficient to fund such improvements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1. Repeal the existing subsection (b) of Sec. 12-289, Rates, and replace it with a new subsection (b), *Monthly rates*, setting new sewer use rates.

(b) *Monthly rates.*

(1) For residential contributors, monthly user charges for the collection and treatment of sewage will be based on monthly water usage. The minimum charge per month for the collection and treatment of sewerage shall be eleven dollars eighty-two cents ($11.82) for the first one thousand five hundred (1500) gallons for residential and non-residential contributors. In addition, each contributor shall pay a user charge rate of four dollars fourteen cents ($4.14) per one thousand (1000) gallons of water (or wastewater) above the minimum as determined in the preceding section.

(2) For industrial and commercial contributors, user charges for the collection and treatment of sewerage shall be based on water used during the current month. If a commercial or industrial contributor has a consumptive user of water, or in some other manner uses water which is not returned to the wastewater collection system, the user charge for that contributor may be based on a wastewater meter or separate water meters installed and maintained at the contributor's expense and in a manner acceptable to the City.

First Reading

Section 3. This ordinance hereby repeals all other ordinances pertaining to all sewer rates heretofore established for users of the sewer system in the City of Cameron, Missouri, and any and all other ordinances inconsistent herewith. This ordinance shall take effect and be in full force January 1, 2016.

Section 4. The Mayor is authorized to sign this ordinance approving it on behalf of the City.

Section 5. The City Clerk is hereby directed to attest to the Mayor's signature.

Passed and approved on first reading this 2nd day of November 2015.
Passed and approved on second reading this _____ day of _____ 2015.
Passed and approved on third and final reading this _____ day of _____ 2015.

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk/Finance Clerk

First Reading