

11/15/2021

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City of Columbus

Legislation Details (With Text)

File #:	2724	4-2021	Version:	1			
Туре:	Ordi	inance			Status:	Passed	
File created:	10/1	4/2021			In control:	Rules & Reference Commit	tee
On agenda:	11/2	2/2021			Final action:	11/24/2021	
Title:	To amend Section 1147.11 of the Columbus City Codes to enact new sanitary sewer service rates for the year beginning January 1, 2022; and to repeal the existing section being amended.						
Sponsors:							
Indexes:							
Code sections:							
Attachments:	1. S	ewer Rate	e Chart 2022	2			
Date	Ver.	Action By	1		Act	ion	Result
11/24/2021	1	CITY CL	ERK		Att	est	
11/23/2021	1	MAYOR			Sig	ned	
11/22/2021	1	COUNC	IL PRESIDI	ENT	Sig	ned	
11/22/2021	1	Columbu	us City Cou	ncil	Ар	proved	Pass

This ordinance authorizes an increase in sewer rates effective January 1, 2022 for the Division of Sewerage and Drainage and to amend Chapter 1147 of the Columbus City Codes, 1959.

Read for the First Time

Columbus City Council

The proposed rate configuration for 2022 recognizes that water and sewer charges disproportionately affect lower income groups. The Department of Public Utilities will continue the Low Income Discount Program that discounts participant's sewer commodity portion of their sewer bill by 20%.

Requested adjustments in rates result in a typical inside city residential sewer rate increase of 5%. When a water increase of 4% and a 3% increase in stormwater rates are considered, the overall impact on a typical residential customer's bill in the City of Columbus is 4.49%, and for a typical outside city residential customer, the overall bill impact is 4.52%. Low Income Discount participant's overall bill impact is 4.48%. Outside city customers are not charged stormwater fees. Considering the 2022 rates increases for water, sewer, and storm combined -- based on average household water use of 30 ccf's per quarter, City of Columbus residents are estimated to see their total bill increase \$13.60 per quarter, or \$54.40 per year.

In 2005, in accordance with Ordinance No.1904-2005, passed November 28, 2005, Council created a Clean River Fee to recover costs of construction of projects necessary to meet the requirements of the two consent orders that mandate elimination of wet weather flow from Combined Sewer Overflows and Sanitary Sewer Overflows. This charge was assessed based on each property's measured impervious surface area. Since 2005, Council has approved across-the-board rate increases, including the Clean River Fee. The Department of Public Utilities, with approval of the Sewer and Water Advisory Board (SWAB), recommends that the Clean River Fee again be increased with an across-the-board rate increase of 5% to continue to allow wet weather construction projects to be paid for by a blend of the Clean River Fee and Commodity Charges.

The proposed rate structure is necessary to continue to address projects related to the two (2) consent orders entered into

File #: 2724-2021, Version: 1

in 2002 and 2004 mandating the City of Columbus to mitigate wet weather flow from Combined Sewer Overflows (CSO) and Sanitary Sewer Overflows (SSO) and other operating costs and infrastructure improvements.

The Division of Sewerage and Drainage charges some industrial customers an extra strength charge. Extra strength charges are for the treatment of high strength wastewater generated by various industries that require additional treatment processes within the wastewater treatment plants. To stay economically competitive, the Department of Public Utilities is recommending no rate adjustment for Total Kjeldhal Nitrogen (TKN), Suspended Solids (SS), and Biological Oxygen Demand (BOD).

The Sewer and Water Advisory Board (SWAB) met on October 6, 2021, and after reviewing the Department of Public Utilities' projected expenditures for Fiscal Year 2022, recommends to City Council a 5% increase in sewer rates and no increase to the sewer capacity charges.

FISCAL IMPACT: These rate increases will generate approximately \$10.9 million in additional revenue in the Sewer Operating Fund in Fiscal Year 2022.

To amend Section 1147.11 of the Columbus City Codes to enact new sanitary sewer service rates for the year beginning January 1, 2022; and to repeal the existing section being amended.

WHEREAS, it is necessary to establish new sewer sanitary services rates, effective January 1, 2022, for sewerage services to properties discharging into the sanitary sewerage system of the City of Columbus in order to recover the cost of rendering said sewerage services for the calendar year; and

WHEREAS, the City of Columbus, Department of Public Utilities, Division of Sewerage and Drainage requests a 5% increase in sewer rates for 2022 to pay for necessary ongoing operations and needed improvements; and

WHEREAS, the City of Columbus, Department of Public Utilities, Division of Sewerage and Drainage recommends no rate adjustments for industry Extra Strength rates for TKN, SS and BOD.

WHEREAS, the City of Columbus, Department of Public Utilities requests that sewer capacity fees not be increased in fiscal year 2022, and

WHEREAS, in addition to the commodity rates, City Council finds it necessary to continue a Clean River Fee to fund the wet weather capital improvement projects required by the Consent Orders with the State of Ohio; and

WHEREAS, City Council finds that the most appropriate way to assess the Clean River surcharge is by correlating the surcharge to the amount of impervious surface, as the factor most closely associated with increased inflow and infiltration is impervious cover from urban development; and

WHEREAS, City Council recognizes that increased sewer rates disproportionately impact low income residents. Low income residents already pay a higher percentage of their household income in utility bills, and this percentage would increase with higher rates; and

WHEREAS, City Council further recognizes that past rate increases in the City have demonstrated that increasing rates leads to increased delinquencies among the City's customers; delinquency rates are higher among low income residents. It is well recognized that increased delinquencies are expensive for the City and its customers; and

WHEREAS, City Council finds that continuing the discount rate for low income users at 20% is appropriate to assist those least able to manage the impacts of increased sewer and water rates; and

WHEREAS, the Sewer and Water Advisory Board has adopted recommendations that are consistent with the rates

File #: 2724-2021, Version: 1

established in this legislation; and

WHEREAS, City Council finds that the rates and the low income discount established are equitable to all of the City's customers; now therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That effective January 1, 2022, Section 1147.11 of the Columbus City Codes be and is hereby amended to read as follows:

1147.11 Rate Schedules.

(a) Charges Within Corporate Limits. For the purpose stated in Sections 1147.02 and 1147.12 there is hereby charged to each user situated within the corporate limits of the city, having any active sewer connection with the sewerage system of such city or otherwise discharging sewerage, industrial wastes, water or other liquids, either directly or indirectly into the city's sewerage system, sewer charges as hereinbefore provided, and in the amount determinable as follows:

(1) For any such lot, parcel of land, building or premises having any connection with the city's sewerage system or otherwise discharging sanitary sewerage, industrial wastes, water or other liquids, either directly or indirectly into the city's sewerage system, such charge shall be based upon the quantity of water used therein as the same is measured by a water meter or meters there in use, as hereinafter described, and there shall be charged:

The charges as prescribed in the rate schedule as follows:

SEE ATTACHED FILE

(b) Charges Outside Corporate Limits. For the purpose stated in Sections 1147.02 and 1147.12, there is hereby charged to each user situated outside the corporate limits of the city, having any active sewer connection with the sewerage system of such city or otherwise discharging sewage, industrial wastes, other liquids, either directly or indirectly into the city's sewerage system, sewer charges as hereinbefore provided, and in the amount determinable as follows:

(1) For any such lot, parcel of land, building or premises having any connection with the city's sewerage system or otherwise discharging sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly into the city's sewerage system, such charge shall be based upon the quantity of water used thereon or therein as the same is measured by a water meter or meters there in use, as hereinafter described, and there shall be charged:

The charges as prescribed in the rate schedule as follows:

SEE ATTACHED FILE

SECTION 2. That sewer rates herein established shall be applicable to all sewer used on or after January 1, 2022.

SECTION 3. That effective January 1, 2022, existing Section 1147.11 of the Columbus City Codes is hereby repealed.

SECTION 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.