



## Legislation Text

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**File #:** 1540-2010, **Version:** 2

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### **SANITARY 2011**

#### **BACKGROUND**

This ordinance authorizes an increase in sewer rates effective January 1, 2011 for the Division of Sewerage and Drainage.

The proposed rate configuration for 2011 recognizes that water and sewer charges disproportionately effect lower income groups and continues 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 sanitary sewer rate increase of 6%. When a water increase of 7.5% and a Stormwater increase of 0% are considered the overall impact on a typical residential customer in the City of Columbus is 6.21% and for an outside city residential customer 6.71%.

The proposed rate structure also continues the charge related to each customer's contribution to wastewater flow during periods of wet weather. Since wastewater flow during wet weather directly corresponds to impervious area, rates include a charge 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 is assessed based on each property's measured impervious surface area. Each Equivalent Residential Unit (ERU) is based on 2000 sq ft of impervious area. Residents are charged at one ERU per residence. All other customers are charged based on measured impervious area divided by 2000 sq ft to determine an ERU equivalent. This charge is calculated to recover the debt service costs and other expense of all projects related to correcting wet weather overflows. It is also established that no customer will be charged for more than 1000 ERUs. This charge for 2011 is \$2.95 per ERU inside city and \$1.75 per ERU for outside city customers.

**Fiscal Impact:** These rate increases will generate approximately \$9.2 million in additional revenue in 2011.

To amend Chapter 1147 of the Columbus City Codes 1959, to enact new sanitary sewer service rates for the year beginning January 1, 2011, and to repeal the existing Sections being amended

**WHEREAS**, it is necessary to establish new sewer sanitary services rates, effective January 1, 2011, 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 six percent (6%) increase in sewer rates for 2011 to pay for necessary ongoing operations and needed improvements; and

**WHEREAS**, in addition to the commodity rates, City Council finds it necessary to continue a sewer surcharge 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 wet weather improvements 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 of Columbus customers should participate in funding for all of the wet weather projects. Outside customers should not be assessed for combined sewer, located primarily in the central downtown area, or inside city neighborhood priority area projects; 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; delinquencies 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 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, 2011, Section 1147.11 of the Columbus City Codes, 1959, 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 147.12 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 effective January 1, 2011, existing Section 1147.11, (a) and (b) of the Columbus City Codes, 1959, be and are hereby repealed.

**SECTION 3.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

