File #: 2979-2019, **Version:** 1

This ordinance authorizes an increase in water rates effective January 1, 2020 for the Division of Water and to amend Chapter 1105 of the Columbus City Codes, 1959.

The proposed rate configuration for 2020 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 quarterly bill by 20%.

Requested adjustments in rates result in a typical inside city residential water rate increase of 3%. When a sewer increase of 3% and a 2% increase in stormwater rates are considered, the overall impact on a typical residential customer's bill in the City of Columbus is 2.95%, and for a typical outside city residential customer, the overall bill impact is 3.0%. Low Income Discount participant's overall bill impact is 2.94%. Outside city customers are not charged stormwater fees. Considering the 2020 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 $8.46 per quarter, or $33.84 per year.

The Sewer and Water Advisory Board (SWAB) met on October 23, 2019, and after reviewing the Department of Public Utilities' projected expenditures for Fiscal Year 2020, recommends to City Council a 3% increase in water rates and no increase to the water capacity charges.

FISCAL IMPACT: These rate increases will generate approximately $4.7 million in additional revenue in Fiscal Year 2020. Combined with rate increases for Sewer and Stormwater, the overall impact to a City of Columbus' residents bill will be 2.95%.

To amend various sections of Chapter 1105 of the Columbus City Codes, and to enact new water rates for the year beginning January 1, 2020, and to repeal the existing sections being amended. (REPEALED BY ORD. 1132-2021; PASSED 5/17/2021)

WHEREAS, it is necessary to establish new water services rates, effective January 1, 2020, for water service provided by the City of Columbus in order to recover the cost of rendering said water services; and

WHEREAS, the City of Columbus, Department of Public Utilities Division of Water requests that a 3% rate increase be applied to water rates for 2020; and

WHEREAS, the City of Columbus, Department of Public Utilities requests that water capacity fees not be increased in fiscal year 2020, and

WHEREAS, City Council recognizes that increased water 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 established in this legislation; and

WHEREAS, City Council finds that the rates and the low income discount established therein 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 the existing Sections 1105.04 and 1105.041 of the Columbus City Codes shall be and are hereby amended effective January 1, 2020 to read as follows:

1105.04 Residential Inside city water rates.
The charges for Residential water supplied through meters to consumers within the corporate limits shall be based upon a service charge plus a commodity charge. The following rates shall apply to Residential water services within the city:

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1105.041 Commercial and Industrial Inside city water rates.
The charges for Commercial and Industrial water supplied through meters to consumers within the corporate limits shall be based upon a service charge plus a commodity charge. The following rates shall apply to Commercial and Industrial water services within the city:

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SECTION 2. That the existing Section 1105.055 of the Columbus City Codes shall be and is hereby amended effective January 1, 2020 to read as follows:

1105.055 Outside city mastermetered contract water rates.
A. For areas covered by wholesale mastermetered contracts: the rates shall be as follows:

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SECTION 3. That water rates herein established shall be applicable to all water used on or after January 1, 2020.

SECTION 4. That effective January 1, 2020, existing Sections 1105.04; 1105.041, and 1105.055, of the Columbus City Codes be and are hereby repealed.

SECTION 5. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

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