



City of Grand Island

Tuesday, August 14, 2012

Council Session

Item F2

#9393 - Consideration of Suburban Water Rates

Staff Contact: Tim Luchsinger, Robert Sivick

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Robert Sivick, City Attorney

Meeting: August 14, 2012

Subject: Ordinance #9393 - Consideration of Suburban Water Rates

Item #'s: F-2

Presenter(s): Timothy Luchsinger, Utilities Director

Background

The Utilities Department presently provides water service to 71 customers outside of the City's corporate limits, primarily residential, with an anticipated 170 to be added by the end of this year as water mains are installed in the Merrick County area as a result of a groundwater remediation project by the Union Pacific. The current Water Rate Schedule is applicable to all water utility customers regardless of their location. Council has indicated some interest in applying an additional charge to those customers who are outside of the City's corporate limits. Department staff evaluated the current rate structure and comments from Council at the July 31, 2012 Study Session, and propose revised rates as follows.

Discussion

The current rate schedule is a declining rate structure in which a minimum monthly charge is established and additional water usage is charged with rates that decrease as quantities increase. The proposed rate schedule adds a classification for customers outside of the City's corporate limits that maintains the same minimum monthly charge, but increases the additional water usage rates by 20%. The evaluated average monthly impact to current suburban customers is less than \$1.00.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Sample Motion

Move to approve Ordinance #9393.

ORDINANCE NO. 9393

An ordinance to amend Chapter 35 of the Grand Island City Code specifically, to amend Section 35-30 pertaining to water rates; to repeal Sections 35-30 as now existing, and any ordinance or parts of ordinances in conflict herewith; and to provide for publication and the effective date of this ordinance.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA;

SECTION 1. Section 35-30 of the Grand Island City Code is hereby amended to read as follows:

§35-30. Schedule of Rates

The rate to be charged for water furnished shall be as follows:

§35-30. Schedule of Rates

The rate to be charged for water furnished shall be as follows:

SCHEDULE OF RATES: WITHIN CITY

The rate to be charged for water furnished within the corporate limits of the City shall be as follows:

Monthly Billings	
Cubic feet per month	Rate per 100 cubic feet
First 500.....	\$1.496
Next 500.....	0.700
Next 500.....	0.692
Next 2,500.....	0.767
Next 6,000.....	0.713
Next 90,000.....	0.654
Next 100,000.....	0.574
Over 200,000.....	0.535
Monthly Minimum (500 cu.ft.).....	7.480*

SCHEDULE OF RATES: OUTSIDE CITY

The rate to be charged for water furnished outside and beyond the corporate limits of the City shall be as follows:

Monthly Billings

Cubic feet per month	Rate per 100 cubic feet
First 500.....	\$1.496
Next 500.....	0.840
Next 500.....	0.830
Next 2,500.....	0.920
Next 6,000.....	0.856
Next 90,000.....	0.785
Next 100,000.....	0.689
Over 200,000.....	0.642
Monthly Minimum (500 cu.ft.).....	7.480*

*Plus a customer charge of \$0.35 per month for unfunded federal mandates for the Clean Water Act and the City's backflow program, in addition to the regular rates charged for water furnished to the customer.

Amended by Ordinance No. 8935, effective 10-1-2004
 Amended by Ordinance No. 8987, effective 7-27-2005
 Amended by Ordinance No. 9181, effective 10-1-2008
 Amended by Ordinance No. 9371, effective 04-1-2012
 Amended by Ordinance No. 9393, effective 08-2-2012
 Amended by Ordinance

In addition to consumption, a monthly fee would be charged according to the meter size supplying water to the property:

Meter Size	Monthly Fee
<= 1"	\$2.50
1 ½"	\$8.00
2"	\$22.50
3"	\$40.00
4"	\$55.00
6"	\$225.00
8"	\$1,250.00
10"	\$4,000.00

SECTION 2. Section 35-30 as existing prior to this amendment, and any ordinances or parts of ordinances in conflict herewith, are repealed.

SECTION 3. The validity of any section, subsection, sentence, clause, or phrase of this ordinance shall not affect the validity or enforceability of any other section, subsection, sentence, clause, or phrase thereof.

SECTION 4. That is ordinance shall be in force and take effect September 1, 2012.

Enacted: August 14, 2012.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk