



Legislation Text

File #: 17-0008, Version: 1

Summary

To: Mayor Gary H. Katica, Commissioners
From: JP Murphy, Assistant Town Manager
Date: 1/10/2017
Subject:
Ordinance 508-Amending Utility Rates

Summary:

As considered during the setting of the 2017 fiscal year budget, Ordinance 508 amends the fee schedule for water and solid waste charges. The increases for both water and solid waste is proposed at 5% for monthly service charges. The increases are requested to maintain revenue sufficiency with the rising costs of expenditures for operating supplies, labor, and capital expenditures.

For the near term in the Water Fund, staff expects the increases to sufficiently meet the revenue requirements. While the long term, the outlook is hopeful that the increased consumption of Belleview Biltmore development will help provide some stability to revenue requirements. The proposed increase in water is on monthly service charges for residential and commercial uses. The table below illustrates the current and proposed rates.

Charge Type	Current	Proposed	Increase Amount
Water Base	\$ 12.37	\$ 12.99	\$ 0.62
Volumetric Per 1,000 Gallons			
0-4,000	\$ 1.86	\$ 1.95	\$ 0.09
5,000-2,500	\$ 6.21	\$ 6.52	\$ 0.31
25,000 and up	\$ 7.45	\$ 7.82	\$ 0.37

In addition to the increases in monthly service charges, staff is proposing a change to the amounts for disconnection, reconnection, and late fees. The proposed increase for disconnection and reconnection is \$5.00 for each, from \$15.00 to \$20.00. The late fee charge is proposed to change from the greater of \$5 or 3% of the total outstanding amount to the greater of \$10 or 8% of the total outstanding amount. Managing account delinquency and water turn off takes a sizeable amount of staff time and extra resources. The increase will help recover additional costs as well as send a price message to encourage prompt payment.

The Solid Waste Rates were last increased in 2010. The proposed increase in solid waste will only be on the monthly service charges for residential and commercial customers without containers. The table below illustrates the current and proposed rates. The rates for special pickups and commercial customers with dumpsters are to remain the same.

Commercial w/o Container	Current	Proposed	Increase Amount
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Single Family	\$ 33.42	\$ 35.09	\$ 1.67
Multifamily	\$ 12.67	\$ 13.30	\$ 0.63
Commercial w/o Container	\$ 28.78	\$ 30.22	\$ 1.44

Previous Commission Action: The Commission approved the 2016-2017 fiscal year budget with these proposed increases.

Recommendation: Staff recommends the rate increases as proposed

Proposed Motion Move approval of Ordinance #508 as proposed (or amended), amending the utility rates on first reading.