



Department Source: City Utilities - Sewer/Stormwater

To: City Council

From: City Manager & Staff

Council Meeting Date: February 17, 2020

Re: Amending Chapter 22 of the City Code to provide different requirements for calculating monthly volume charges for residential sewer service.

## Executive Summary

Staff has prepared for Council consideration an ordinance amending Chapter 22 of the City Code to provide new formulas for calculating the monthly sewer volume charge for customers in the residential classification. The proposed ordinance revisions will result in the ordinance requiring the monthly sewer volume charge to be calculated in a manner that corresponds to the capabilities of the current billing software, reducing the potential for billing errors. These changes are not anticipated to have a fiscal impact.

## Discussion

Section 22-263 (b) of the City Code defines how the monthly volume charge for sewer customers is to be calculated. The City's billing software cannot accurately calculate the volume charges as described in the ordinance, in some instances. When volume charges cannot be accurately calculated by the billing system, large amounts of staff time is required to identify and correct errors and requires manually overriding the system so that accurate bills are generated. The proposed changes will result in the ordinance and the billing system using the same methods to calculate sewer volumes, reducing the potential for billing errors and reducing staff time to manually enter overrides. The changes are summarized below:

- The monthly sewer volume for residential customers is currently based on the average water use in the winter to avoid charging sewer fees for water used for irrigation purposes. The average is calculated by from water use data for November, December, January, February and March. The highest month and the lowest month are discarded and the three remaining months are averaged. The current billing software cannot calculate this accurately in many instances. This will be changed to average the water use data during the months of January, February and March. The system is capable of performing this calculation accurately. This average also corresponds to the average used for water purposes and should be less confusing for the customers.
- Currently, if the average calculated is less than 1 CCF, then the average is calculated based on a full year of water use, including water used for irrigation. The ordinance revisions will eliminate this calculation and instead use the actual average use even if less than 1 CCF. In addition, it establishes a minimum sewer volume of 0.33 ccf.
- Currently, the winter average transfers for any residential customer that moves to a different address. The current billing software cannot perform this calculation. This results in staff having to identify the incorrect system calculated bill and manually



calculate the volume charge and override the system. The ordinance revisions will eliminate the transfer of existing averages and residential customer that moves will have a monthly volume that is equal to the average used for all new residential customers.

## Fiscal Impact

Short-Term Impact: None anticipated

Long-Term Impact: None anticipated.

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
09/17/2018	B181-18 Amending Chapter 22 of the City Code as it relates to sanitary sewer utility rates.
08/20/2018	PH29-18 Public Hearing to consider changes to the sanitary sewer utility rates and hauled liquid waste rates.
07/16/2018	R100-18 Setting a Public Hearing to consider changes to the sanitary sewer utility rate and waste hauler disposal service fees.
09/19/2017	B223-17 Approved an ordinance amending Chapter 22 of the City Code as it relates to sanitary sewer utility rates and connection fees.
09/19/2017	B228-17 Approved an ordinance to amend Chapter 13 of the City Code as it relates to hauled liquid waste rates.
09/05/2017	PH31-17 Public Hearing to consider changes to the sanitary sewer utility rate, sanitary sewer utility connection fees and hauled liquid waste rate
7/17/2017	R94-17 Setting a Public Hearing to consider changes to the sanitary sewer utility rate, sanitary sewer utility connection fees and hauled liquid waste rate
09/19/2016	B196-16 Approved an ordinance amending Chapter 22 of the City Code as it relates to sanitary sewer utility rates and connection fees.
09/19/2016	B194-16 Approved an ordinance to amend Chapter 13 of the City Code as it relates to hauled liquid waste rates.



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09/06/2016	PH29-16 Public Hearing to consider changes to the sanitary sewer utility rate, sanitary sewer utility connection fees and hauled liquid waste rate
07/18/2016	R94-16 Setting a Public Hearing: consider changes to the sanitary sewer utility rate, sanitary sewer utility connection fee and hauled liquid waste rate
09/21/2015	B225-15 Approved an ordinance increasing the sewer connection fee from \$1,200 to \$1,600 for residential and 5/8 inch water meters
09/15/2014	B235-14 Approved an ordinance to amend Chapter 13 of the City Code as it relates to hauled liquid waste rates and amending Chapter 22 of the City Code as it relates to sanitary sewer utility rates and connection fees.
07/07/2014	Burton & Associates presented rate recommendations for the Sanitary Sewer Utility at pre-council meeting
03/04/2014	Agreement with Burton & Associates for Sanitary Sewer Utility Cost of Service and Rate Study
01/21/2014	Ordinance 21965 – Declaring the results of the special election
08/05/2013	Ordinance 21760 – Calling a special election of whether to issue the Sewer System Revenue bonds

## Suggested Council Action

Staff recommends that Council amend Chapter 22 as outlined in the accompanying ordinance.