

Introduced by \_\_\_\_\_

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_

Ordinance No. \_\_\_\_\_

Council Bill No. B 227-13

**AN ORDINANCE**

amending Chapter 27 of the City Code as it relates to water rates; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. Chapter 27 of the Code of Ordinances of the City of Columbia, Missouri, is hereby amended as follows:

Material to be deleted in ~~strikeout~~; material to be added underlined.

Sec. 27-122. Water rates inside city limits--Residential/commercial multiple family facilities.

(a) The rates to be charged for water furnished to residential customers, commercial multiple family facilities customers, and multiple commercial facilities served with one meter, within the city limits of the city are hereby fixed as follows:

(1) Rates per one hundred (100) cubic feet (1ccf), inside city limits:

All water, beginning with first  
one hundred (100) cubic feet (1ccf) .....\$ ~~2.72~~ 2.79

Summer water usage as defined  
by subsection (b).....~~3.81~~ 3.91

(2) Minimum charge per month, charged in addition to the volume charge in subsection (a)(1), based on meter size:

5/8 and 3/4-inch .....~~7.90~~ 8.30

1-inch .....~~8.31~~ 8.73

1½-inch .....~~12.22~~ 12.84

2-inch .....~~12.81~~ 13.46

- (3) Fire flow charge per month, charged in addition to the volume charge in subsection (a)(1) and the minimum charge in subsection (a)(2), based on meter size for portion of system capacity necessary for providing public fire protection:

5/8 and 3/4-inch .....	\$ <del>1.45</del> <u>1.55</u>
1-inch .....	<del>1.54</del> <u>1.64</u>
1½-inch .....	<del>2.23</del> <u>2.38</u>
2-inch .....	<del>2.39</del> <u>2.56</u>

...

(b) *Summer water usage.* All water consumption, occurring during summer as defined in section 27-16, which exceeds ~~four (4)~~ two (2) CCF for the billing period will be charged at the summer rate listed in subsection (a)(1).

- (1) *Exceptions.* For commercial multiple-family facilities, and multiple commercial facilities, served through a single meter the summer rate will be assessed on water consumption occurring during summer as defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average monthly winter water use during the immediate preceding billing periods of January, February and March. For water service metered separately for lawn irrigation, the summer rate will be assessed on all water consumption occurring during summer as defined in section 27-16.

...

Sec. 27-122.1. Same--Commercial.

(a) The rates to be charged for water furnished to commercial customers within the city limits who use fifty thousand (50,000) cubic feet (500ccf) or less per month average during nonsummer months (October through May) are hereby fixed as follows:

- (1) Rates per one hundred (100) cubic feet (1ccf), inside city limits:

All water, beginning with first one hundred (100) cubic feet (1ccf) .....	\$ <del>2.52</del> <u>2.60</u>
Summer water usage as defined by subsection (b) .....	<del>3.81</del> <u>3.91</u>

- (2) Minimum charge per month, charged in addition to the volume charge in subsection (a)(1), based on meter size:

5/8 and 3/4-inch .....	\$ <del>7.90</del> <u>8.30</u>
1-inch .....	<del>8.31</del> <u>8.73</u>
1½-inch .....	<del>12.22</del> <u>12.84</u>
2-inch .....	<del>12.81</del> <u>13.46</u>

...

- (3) Fire flow charge per month, charged in addition to the volume charge in subsection (a)(1) and the minimum charge in subsection (a)(2), based on meter size for portion of system capacity necessary for providing public fire protection:

5/8 and 3/4-inch .....	\$ <del>1.45</del> <u>1.55</u>
1-inch .....	<del>1.54</del> <u>1.64</u>
1½-inch .....	<del>2.23</del> <u>2.38</u>
2-inch .....	<del>2.39</del> <u>2.56</u>

...

(b) Summer water usage. All water consumption, occurring during summer as defined in section 27-16, which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average monthly winter water use during the immediate preceding billing periods of January, February and March will be charged at the summer rate listed in subsection (a)(1).

...

Sec. 27-122.2. Same—Large commercial.

(a) The rates to be charged for water furnished to commercial customers within the city limits who use more than fifty thousand (50,000) cubic feet (500ccf) per month average during nonsummer months (October through May) are hereby fixed as follows:

- (1) Rates per one hundred (100) cubic feet (1ccf), inside city limits:

All water, beginning with first  
one hundred (100) cubic feet (1ccf) ..... \$ ~~2.36~~ 2.43

Summer water usage as defined  
by subsection (b).....~~3.81~~ 3.91

(2) Minimum charge per month, charged in addition to the volume charge in  
subsection (a)(1), based on meter size:

1-inch .....~~8.31~~ 8.73

1½-inch .....~~12.22~~ 12.84

2-inch .....~~12.81~~ 13.46

...

(3) Fire flow charge per month, charged in addition to the volume charge in  
subsection (a)(1) and the minimum charge in subsection (a)(2), based on  
meter size for portion of system capacity necessary for providing public fire  
protection:

1-inch.....~~1.54~~ 1.64

1½-inch.....~~2.23~~ 2.38

2-inch.....~~2.39~~ 2.56

...

(b) *Summer water usage.* All water consumption occurring during summer as  
defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's  
average monthly winter water use during the immediate preceding billing periods of  
January, February and March will be charged at the summer rate listed in subsection (a)(1).

...

Sec. 27-123. Water rates outside city limits--Residential/commercial multiple-family  
facilities.

(a) The rates to be charged for water furnished to residential customers,  
commercial multiple-family facilities customers, and multiple commercial facilities served  
with one (1) meter, outside the city limits are hereby fixed as follows:

- (1) Rates per one hundred (100) cubic feet (1ccf), outside city limits:
- All water, beginning with first  
 one hundred (100) cubic feet (1ccf) ..... \$ ~~3.62~~ 3.71
- Summer water usage as defined  
 by subsection (b).....~~4.07~~ 5.20
- (2) Minimum charge per month, charged in addition to the volume charge in  
 subsection (a)(1), based on meter size:
- 5/8 and 3/4-inch .....\$ ~~10.50~~ 11.04
- 1-inch .....~~11.05~~ 11.61
- 1½-inch .....~~16.26~~ 17.08
- 2-inch .....~~17.04~~ 17.90

...

- (3) Fire flow charge per month, charged in addition to the volume charge in  
 subsection (a)(1) and the minimum charge in subsection (a)(2), based on  
 meter size for portion of system capacity necessary for providing public fire  
 protection:
- 5/8 and 3/4-inch .....\$ ~~1.93~~ 2.06
- 1-inch .....~~2.05~~ 2.18
- 1½-inch .....~~2.96~~ 3.17
- 2-inch .....~~3.18~~ 3.40

...

(b) Summer water usage. All water consumption, occurring during summer as  
 defined in section 27-16, which exceeds ~~four (4)~~ two (2) CCF for the billing period will be  
 charged at the summer rate listed in subsection (a)(1).

- (1) Exceptions. For commercial multiple family facilities, and multiple commercial  
 facilities served through a single meter the summer rate will be assessed on  
 water consumption occurring during summer as defined in section 27-16  
 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average  
 monthly winter water use during the immediate preceding billing periods of

January, February and March. For water service metered separately for lawn irrigation, the summer rate will be assessed on all water consumption occurring during summer as defined in section 27-16.

...

Sec. 27-123.1. Same--Commercial.

(a) The rates to be charged for water furnished to commercial customers outside the city limits who use fifty thousand (50,000) cubic feet (500 ccf) or less per month average during nonsummer months (October through May) are hereby fixed as follows:

(1) Rates per one hundred (100) cubic feet (1 ccf), outside city limits:

All water, beginning with first one hundred (100) cubic feet (1ccf) .....	\$ <del>3.35</del> <u>3.46</u>
Summer water usage as defined by subsection (b) .....	<del>5.07</del> <u>5.20</u>

(2) Minimum charge per month, charged in addition to the volume charge in subsection (a)(1), based on meter size:

5/8 and 3/4-inch .....	\$ <del>10.50</del> <u>11.04</u>
1-inch .....	<del>11.05</del> <u>11.61</u>
1½-inch .....	<del>16.26</del> <u>17.08</u>
2-inch .....	<del>17.04</del> <u>17.90</u>

...

(3) Fire flow charge per month, charged in addition to the volume charge in subsection (a)(1) and the minimum charge in subsection (a)(2), based on meter size for portion of system capacity necessary for providing public fire protection:

5/8 and 3/4-inch .....	\$ <del>1.93</del> <u>2.06</u>
1-inch .....	<del>2.05</del> <u>2.18</u>
1½-inch .....	<del>2.96</del> <u>3.17</u>
2-inch .....	<del>3.18</del> <u>3.40</u>

...

(b) Summer water usage. All water consumption occurring during summer as defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average monthly winter water use during the immediate preceding billing periods of January, February and March will be charged at the summer rate listed in subsection (a)(1).

...

Sec. 27-123.2. Same--Large commercial.

(a) The rates to be charged for water furnished to commercial customers outside the city limits who use more than fifty thousand (50,000) cubic feet (500ccf) per month average during nonsummer months (October through May) are hereby fixed as follows:

(1) Rates per one hundred (100) cubic feet (1ccf), outside city limits:

All water, beginning with first one hundred (100) cubic feet (1ccf) .....	\$ <del>3.14</del> <u>3.23</u>
Summer water usage as defined by subsection (b) .....	<del>5.07</del> <u>5.20</u>

(2) Minimum charge per month, charged in addition to the volume charge in subsection (a)(1), based on meter size:

5/8 and 3/4-inch .....	\$ <del>10.50</del> <u>11.04</u>
1-inch .....	<del>11.05</del> <u>11.61</u>
1½-inch .....	<del>16.26</del> <u>17.08</u>
2-inch .....	<del>17.04</del> <u>17.90</u>

...

(3) Fire flow charge per month, charged in addition to the volume charge in subsection (a)(1) and the minimum charge in subsection (a)(2), based on meter size for portion of system capacity necessary for providing public fire protection:

5/8 and 3/4-inch .....	\$ <del>1.93</del> <u>2.06</u>
1-inch .....	<del>2.05</del> <u>2.18</u>

1½-inch .....	<del>2.96</del> <u>3.17</u>
2-inch .....	<del>3.18</del> <u>3.40</u>

...

(b) Summer water usage. All water consumption occurring during summer as defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average monthly winter water use during the immediate preceding billing periods of January, February and March will be charged at the summer rate listed in subsection (a)(1).

...

Sec. 27-124. Water rates, within former boundaries of dissolved Public Water Supply Districts No. 1 and No. 2, outside city limits--Residential/commercial multiple family facilities.

(a) The rates to be charged for water furnished to residential customers, commercial multiple-family facilities customers, and multiple commercial facilities served with one meter, outside the city limits within the former boundaries of dissolved Public Water Supply Districts No. 1 and No. 2 are hereby fixed as follows:

(1) Rates per one hundred (100) cubic feet (1ccf):

All water, beginning with first one hundred (100) cubic feet (1ccf) .....	<del>\$ 3.15</del> <u>3.23</u>
Summer water usage as defined by subsection (b) .....	<del>4.41</del> <u>4.52</u>

(2) Minimum charge per month, charged in addition to the volume charge in subsection (a)(1), based on meter size:

5/8 and 3/4-inch .....	<del>\$ 9.14</del> <u>9.60</u>
1-inch .....	<del>9.61</del> <u>10.10</u>
1½-inch .....	<del>14.14</del> <u>14.86</u>
2-inch .....	<del>14.82</del> <u>15.57</u>

...

- (3) Fire flow charge per month, charged in addition to the volume charge in subsection (a)(1) and the minimum charge in subsection (a)(2), based on meter size for portion of system capacity necessary for providing public fire protection:

5/8 and 3/4-inch .....	\$ <del>4.68</del> <u>1.79</u>
1-inch .....	<del>1.79</del> <u>1.90</u>
1½-inch .....	<del>2.58</del> <u>2.75</u>
2-inch .....	<del>2.77</del> <u>2.96</u>

...

(b) Summer water usage. All water consumption, occurring during summer as defined in section 27-16, which exceeds ~~four (4)~~ two (2) CCF for the billing period will be charged at the summer rate listed in subsection (a)(1).

- (1) Exceptions. For commercial multiple family facilities, and multiple commercial facilities, served through a single meter the summer rate will be assessed on water consumption occurring during summer as defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average monthly winter water use during the immediate preceding billing periods of January, February and March. For water service metered separately for lawn irrigation, the summer rate will be assessed on all water consumption occurring during summer as defined in section 27-16.

...

Sec. 27-124.1. Same--Commercial.

(a) The rates to be charged for water furnished to commercial customers outside the city limits within the former boundaries of dissolved Public Water Supply Districts No. 1 and No. 2, who use fifty thousand (50,000) cubic feet (500ccf) or less per month average during nonsummer months (October through May) are hereby fixed as follows:

- (1) Rates per one hundred (100) cubic feet (1ccf):

All water, beginning with first one hundred (100) cubic feet (1ccf) .....	\$ <del>2.92</del> <u>3.01</u>
Summer water usage as defined by subsection (b) .....	<del>4.41</del> <u>4.52</u>

- (2) Minimum charge per month, charged in addition to the volume charge in subsection (a)(1), based on meter size:

5/8 and 3/4-inch .....	\$ <del>9.14</del> <u>9.60</u>
1-inch .....	<del>9.61</del> <u>10.10</u>
1½-inch .....	<del>14.14</del> <u>14.86</u>
2-inch .....	<del>14.82</del> <u>15.57</u>

...

- (3) Fire flow charge per month, charged in addition to the volume charge in subsection (a)(1) and the minimum charge in subsection (a)(2), based on meter size for portion of system capacity necessary for providing public fire protection:

5/8 and 3/4-inch .....	\$ <del>1.68</del> <u>1.79</u>
1-inch .....	<del>1.79</del> <u>1.90</u>
1½-inch .....	<del>2.58</del> <u>2.75</u>
2-inch .....	<del>2.77</del> <u>2.96</u>

...

(b) Summer water usage. All water consumption occurring during summer as defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the customer's average monthly winter water use during the immediate preceding billing periods of January, February and March will be charged at the summer rate listed in subsection (a)(1).

...

Sec. 27-124.2. Same--Large commercial.

(a) The rates to be charged for water furnished to commercial customers outside the city limits within the former boundaries of dissolved Public Water Supply District No. 1, who use more than fifty thousand (50,000) cubic feet (500ccf) per month average during nonsummer months (October through May) are hereby fixed as follows:

- (1) Rates per one hundred (100) cubic feet (1ccf):

All water, beginning with first  
one hundred (100) cubic feet (1ccf) ..... \$ ~~2.73~~2.81

Summer water usage as defined  
by subsection (b).....~~4.41~~4.52

(2) Minimum charge per month, charged in addition to the volume charge in  
subsection (a)(1), based on meter size:

1-inch .....~~9.61~~10.10

1½-inch .....~~14.14~~14.86

2-inch .....~~14.82~~15.57

...

(3) Fire flow charge per month, charged in addition to the volume charge in  
subsection (a)(1) and the minimum charge in subsection (a)(2), based on  
meter size for portion of system capacity necessary for providing public fire  
protection:

5/8 and 3/4-inch .....1.79

1-inch .....~~1.79~~1.90

1½-inch .....~~2.58~~2.75

2-inch .....~~2.77~~2.96

...

(b) Summer water usage. All water consumption occurring during summer as  
defined in section 27-16 which exceeds ~~eighty (80)~~ seventy (70) percent of the  
customer's average monthly winter water use during the immediate preceding billing  
periods of January, February and March will be charged at the summer rate listed in  
subsection (a)(1).

SECTION 2. The new rates established in this ordinance shall be applied to utility  
bills beginning with the first complete cycle billed after October 1, 2013.

SECTION 3. This ordinance shall be in full force and effect from and after its  
passage.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

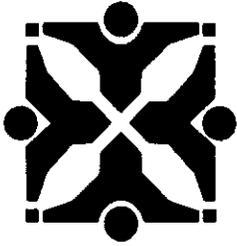
ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor and Presiding Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor



Source: Water & Light *Tail*

Agenda Item No:

To: **City Council**  
From: **City Manager and Staff** *MM*

**Council Meeting Date:** Aug 5, 2013

**Re:** Proposed FY14 Water Rates

**EXECUTIVE SUMMARY:**

Staff has prepared for Council consideration an ordinance to increase rates 5% for the water utility to cover the last of four, 5% rate increases to cover the debt service on the water bond issue passed in November 2008.

**DISCUSSION:**

The last 5% rate increase to cover the 2008 water bond is included in the FY14 proposal. For FY14, no increase is proposed for operation and maintenance requirements.

The base charge, commodity charge and fire flow charge for each rate class is being increased; however, only 3% of the 5% increase will come from these charges. The proposal increases the focus on encouraging summer water efficiency by lowering the point at which the higher summer water rate will impact customers. During the summer months of June through September residential customers could use 4 CCF before paying the higher summer charge. The FY14 proposal is to move that point down to 2 CCF. Commercial and large commercial customers paid the higher rate for usage above 80% of their average usage in January, February and March. For FY14, the proposal is to move that point down to 70% of each customer's average usage in January, February, and March. These changes will account for the other 2% of the total 5% increase.

Summer usage patterns drive costs and the need for the expansion of infrastructure. During the summer of 2012, the average monthly amount of water sold by the water utility was 81% higher than the average monthly amount of water sold by the water utility during the non-summer months. The amount of water sold by the water utility during the peak month of July 2012 was over 100% higher than the average monthly amount of water sold by the water utility during the non-summer months. Pricing more of summer consumption at the higher rate should help build awareness of water conservation and recover costs associated with higher production levels.

It should be noted that this pricing structure can increase variations in revenue with higher revenues in dry years and lower revenues in wet years.

**Detail of Proposed Rate Changes:** The following information provides more detail of the individual change proposed for each rate.

**Residential Water Rate [Within City Limits]:**

- 1.) Increase Water Usage Charge from \$2.72 per CCF to \$2.79 per CCF, and, during the summer months of June, July, August, and September, charge \$3.91 (previously \$3.81) per CCF for water usage above 2 CCF (previously 4 CCF). During the non-summer months, all CCF usage would be at the \$2.79 per CCF rate.
- 2.) For water usage metered for lawn irrigation, all water consumption during the summer months will be charged \$3.91 per CCF.
- 3.) Increase minimum charge per month (meter charge) as follows: 5/8-inch and 3/4-inch from \$7.90 to \$8.30; 1-inch from \$8.31 to \$8.73; 1 1/2-inch from \$12.22 to \$12.84; and, 2-inch from \$12.81 to \$13.46.
- 4.) Increase fixed monthly fire flow charge, by meter size, as follows: 5/8-inch and 3/4-inch from \$1.45 to \$1.55; 1-inch from \$1.54 to \$1.64; 1 1/2-inch from \$2.23 to \$2.38; and, 2-inch from \$2.39 to \$2.56.

Commercial Water Rate [Within City Limits]:

- 1.) Increase Water Usage Charge from \$2.52 per CCF to \$2.60 per CCF, and, during the summer months of June, July, August, and September, charge \$3.91 per CCF for water usage above 70% (previously 80%) of the customer's average usage during January, February and March.
- 2.) For water usage metered for lawn irrigation, all water consumption during the summer months will be charged \$3.91 per CCF
- 3.) Minimum charge per month is based on meter size and is the same as residential customers.
- 4.) Monthly fire flow charge is based on meter size and is the same as residential customers.

Large Commercial Water Rate [Within City Limits]:

- 1.) Increase Water Usage Charge from \$2.36 per CCF to \$2.43 per CCF, and, during the summer months of June, July, August, and September, charge \$3.91 per CCF for water usage above 70% (previously 80%) of the customer's average usage during January, February and March.
- 2.) Minimum charge per month is based on meter size and is the same as residential customers.
- 3.) Monthly fire flow charge is based on meter size and is the same as residential customers.

Outside City Limits:

- 1.) Water utility customers outside the City limits of Columbia but within the boundaries of the former public water districts 1 and 2, shall be charged a rate 15.7% higher than the rate charged the same customer class within the City limits.
- 2.) All other water utility customers, outside the City limits of Columbia, shall be charged a rate 33% higher than the rate charged the same customer class within the City limits.

**FISCAL IMPACT:**

The estimated increase in revenues from the proposed 5% rate change is \$1,180,000. Of that amount an estimated \$82,600 will be paid to the General Fund as P.I.L.O.T.

**VISION IMPACT:**

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

None

**SUGGESTED COUNCIL ACTIONS:**

Staff recommends Council approve the FY14 Water Rate changes.

<b>FISCAL and VISION NOTES:</b>					
<b>City Fiscal Impact</b> Enter all that apply		<b>Program Impact</b>		<b>Mandates</b>	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	No
Amount of funds already appropriated	\$0.00	Duplicates/Epands an existing program?	No	<b>Vision Implementation impact</b>	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		<b>Resources Required</b>		Vision Impact?	No
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	