

RESOLUTION NO. 4121

A RESOLUTION SETTING RATES FOR SEWER USE AND REPEALING RESOLUTION NO. 3969.

WHEREAS, the sewer rate structure should be based on the principle that all users pay their equitable share of system costs; and

WHEREAS, it is necessary that users with relatively homogeneous wastewater loading are grouped together and rates are developed for the average loadings in that group; and

WHEREAS, in establishing equities in sewer use rates, it is necessary to establish customer classes as residential, Millersburg, commercial (restaurants, grocery stores, mortuaries, general commercial, high volume commercial, Heath's Laundry, commercial waste haulers, motels, and unmetered recreational vehicle parks) and industrial users; and

WHEREAS, an equitable rate structure requires that a demand charge for each user plus a variable charge that depends on the use of the system be established. The demand charges herein are designed to cover fixed costs of the system, and the variable charges are designed to provide for those costs that vary closely with the quantity and strength of the wastewater; and

WHEREAS, for residential, restaurants, grocery stores, mortuaries, general commercial, high volume commercial, Heath's Laundry, and motels, all variable charges shown as a rate for 100 cubic feet of water consumption with the variable portion of the bill to an individual user to vary according to water consumption; and

WHEREAS, a debt service charge is necessary to generate a portion of the revenues to cover the debt obligations used to finance the sewer separation program; and,


WHEREAS, the City of Albany Budget Committee has recommended that an in-lieu-of franchise fee be charged to the City's sewer enterprise fund.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the fees and charges for sewer service as specifically described in Exhibit "A" (attached hereto) are hereby adopted; and

BE IT FURTHER RESOLVED that Resolution No. 3969 is hereby repealed; and

BE IT FURTHER RESOLVED that the rates established by this resolution shall be effective July 1, 1999.

DATED THIS 9TH DAY OF JUNE 1999.



Mayor

ATTEST:



Administrative Services Director

EXHIBIT "A"

I. **Residential User Rates:** For each residential customer, the quarterly bill for sewer service shall be computed as follows:

$$A = B + (3 \text{ months' water consumption}) \times C + D$$

where: A = quarterly bill
B = demand charge for each customer in the residential class
C = use rate for the residential class
D = debt service charge

and where: water consumption (expressed in hundreds of cubic feet) is the recorded consumption for any three billing months beginning October 1 through March 31 as recorded by the City of Albany.

Single-family residential:

B = ~~\$37.32~~ \$39.19 per quarter
C = ~~\$-0.42~~ \$ 0.44 per hundred cubic feet
D = ~~\$-5.46~~ \$ 5.73 per quarter

Multi-family residential:

B = ~~\$37.32~~ \$39.19 per dwelling unit per quarter
C = ~~\$-0.42~~ \$ 0.44 per hundred cubic feet
D = ~~\$-5.46~~ \$ 5.73 per dwelling unit per quarter

II. **Millersburg User Rates:** For the City of Millersburg, the quarterly bill for sewer service shall be computed as follows:

$$\text{Total Quarterly Bill} = A + B + C + D$$

where: A = demand charge = $\frac{(\text{actual quarter's flow}) \times (\$11.78)}{6089}$
B = variable charge = $\frac{(\text{actual quarter's flow in gallons}) \times (\$ 0.49)}{(7.48) \times (100)}$
C = surcharge for outside City limits = 50% x (demand charge + variable charge)
D = debt service charge which equals \$5.46 per quarter

III. **Commercial User Rates:**

A. **Restaurants:** For each restaurant, the quarterly bill for sewer service shall be computed as follows:

$$A = B + (3 \text{ months' water consumption}) \times C + D$$

where: A = quarterly bill
B = demand charge = 0
C = ~~\$-2.78~~ \$ 2.92 per 100 cubic feet
D = ~~\$-5.46~~ \$ 5.73 per quarter

and where: water consumption is equal to actual quarterly water consumption as recorded by the City of Albany.

The minimum quarterly bill for customers in this category shall be ~~\$43.22~~ \$45.38.

B. Grocery Stores: For each grocery store, the quarterly bill for sewer service shall be computed as follows:

$$A = B + (3 \text{ months' water consumption}) \times C + D$$

where: A = quarterly bill
B = demand charge = 0
C = ~~\$3.94~~ \$ 4.14 per 100 cubic feet
D = ~~\$5.46~~ \$ 5.73 per quarter

and where: water consumption is equal to actual quarterly water consumption as recorded by the City of Albany.

The minimum quarterly bill for customers in this category shall be ~~\$43.22~~ \$45.38

C. Mortuaries: For each mortuary, the quarterly bill for sewer service shall be computed as follows:

$$A = B + (3 \text{ months' water consumption}) \times C + D$$

where: A = quarterly bill
B = demand charge = 0
C = ~~\$4.18~~ \$ 4.39 per 100 cubic feet
D = ~~\$5.46~~ \$ 5.73 per quarter

and where: water consumption is equal to actual quarterly water consumption as recorded by the City of Albany.

The minimum quarterly bill for customers in this category shall be ~~\$43.22~~ \$45.38

D. General Commercial: Commercial users having a 3 months' consumption of less than or equal to the five-year residential average consumption pay a quarterly charge based on the following formula:

$$A = B + (3 \text{ months' water consumption}) \times C + D$$

where: A = quarterly bill
B = demand charge = ~~\$37.32~~ \$39.19 per quarter
C = ~~\$0.35~~ \$ 0.37 per hundred cubic feet
D = ~~\$5.46~~ \$ 5.73 per quarter

and where: water consumption (expressed in hundreds of cubic feet) is the water consumption for any three billing months beginning October 1 through March 31 as recorded by the City of Albany.

The minimum quarterly bill for customers in this category shall be ~~\$43.22~~ \$45.38

E. High Volume Commercial: Commercial users having a 3 months' consumption greater than the five-year residential average consumption shall pay a quarterly charge based on the following formula:

$$A = \left[\frac{3 \text{ months' water consumption} \times B}{\text{five-year residential average}} \right] + [(3 \text{ months' water consumption}) \times C + D]$$

where: A = quarterly bill
B = demand charge = ~~\$32.24~~ \$33.85 per quarter
C = ~~\$0.35~~ \$ 0.37 per hundred cubic feet
D = ~~\$5.46~~ \$ 5.73 per quarter

residential average = five-year average of the total residential 3 months' consumption
five-year average of the total number of residential users

and where: water consumption (expressed in hundreds of cubic feet) is the water consumption for any three billing months beginning October 1 through March 31 as recorded by the City of Albany.

The minimum quarterly bill for customers in this category shall be ~~\$43.22~~ \$45.38

F. Heath's Laundry: Heath's Laundry shall pay a quarterly charge based on the following formula:

$$A = \frac{[(3 \text{ months' water consumption} \times 0.90) \times B]}{\text{five-year residential average}} + [(3 \text{ months' water consumption}) \times 0.90] \times C + D$$

where: A = quarterly bill

B = demand charge = ~~\$32.24~~ \$33.85 per quarter

C = ~~\$0.55~~ \$0.58 per hundred cubic feet

D = ~~\$5.46~~ \$5.73 per quarter

and where: water consumption (expressed in hundreds of cubic feet) is the actual quarterly water consumption as recorded by the City of Albany.

G. Commercial Waste Haulers: Waste haulers transporting and discharging domestic septic tank waste, waste from chemical toilets, or other waste as may be approved shall pay a monthly charge based on the following formula:

Holding Tank and Chemical Toilet Waste: $A = B \times C$

where: A = monthly bill

B = total monthly volume discharged in gallons

C = \$0.073 per gallon

Septic Tank Cleanings: $A = B \times C$

where: A = monthly bill

B = total monthly volume discharged in gallons

C = \$0.082 per gallon

H. Motels: Motel users having a 3 months' consumption greater than the five-year residential average consumption shall pay a quarterly charge based on the following formula:

$$A = \frac{[3 \text{ months' water consumption} \times B]}{\text{five-year residential average}} + [(3 \text{ months' consumption}) \times C + D]$$

where: A = quarterly bill

B = demand charge = ~~\$37.32~~ \$39.19 per quarter

C = ~~\$0.42~~ \$0.44 per hundred cubic feet

D = ~~\$5.46~~ \$5.73 per quarter

residential average = $\frac{\text{five-year average of the total residential 3 months' consumption}}{\text{five-year average of the total number of residential users}}$

and where: water consumption is equal to actual quarterly water consumption as recorded by the City of Albany. The minimum quarterly bill for customers in this category shall be ~~\$25.20~~ \$44.92

- I. Unmetered Recreational Vehicle Parks: For recreational vehicle (RV) parks where water service is unmetered, the quarterly bill for sewer service shall be computed as follows:

$$A = B + (C \times \text{cubic feet}) + (D \times \text{per connection})$$

where: A = quarterly bill
 B = demand charge = ~~\$16.00~~ \$16.80 per quarter
 C = ~~\$0.42~~ \$0.44 per hundred cubic feet
 D = ~~\$5.46~~ \$5.73 per quarter

and where: water consumption will be equal to an estimated 800 cubic feet per RV connection per quarter. The minimum quarterly bill for customers in this category shall be ~~\$25.20~~ \$26.46 per RV connection.

IV. Industrial User Rates:

- A. Process Wastewater: For those businesses that are classified as industrial wastewater customers, the monthly bill for process wastewater sewer service shall be calculated as follows:

$$I = J + (SS)K + (BOD)L + (Q)M + N$$

where: I = monthly bill
 J = demand charge
 SS = monthly suspended solids (in lbs.) as measured by monitoring equipment
 K = use charge for suspended solids
 BOD = monthly BOD (in lbs.) as measured by monitoring equipment
 L = use charge for BOD
 Q = monthly industrial process flow as measured by monitoring equipment
 M = use charge for process flow
 N = debt service charge

1. The monthly process demand charge for each industrial user shall be calculated as follows:

$$\text{Demand charge (J) per month} = (I + II + III)$$

where: I = monthly process flow (in HCF) x fixed cost unit charge for process discharge
 II = monthly BOD (in LBS) x fixed cost unit charge for BOD
 III = monthly SS (in LBS) x fixed cost unit charge for SS and where:
 fixed cost unit charge for process flow = ~~\$0.357~~ \$0.375
 fixed cost unit charge for BOD = ~~\$0.327~~ \$0.343
 fixed cost unit charge for SS = ~~\$0.278~~ \$0.292

2. The monthly process use charge for each industry shall be calculated using the following parameters:

K = ~~\$0.031~~ \$0.033 per pound of suspended solids
 L = ~~\$0.071~~ \$0.075 per pound BOD
 M = ~~\$0.060~~ \$0.063 per hundred cubic feet of process flow or
~~\$0.079~~ \$0.083 per 1,000 gallons of process flow

3. The debt service charge for each industry shall be calculated using the following parameter:

$$N = \text{\$1.82} \text{ \$1.91 per month}$$

- B. Domestic (Non-Process Industrial) Wastewater: When industrial process and domestic water supplies are not separately metered, domestic sewer service shall be billed at the High Volume Commercial rate. Domestic use shall be estimated on a quarterly basis, using the following formula:

$$A = \frac{(B \times C \times D)}{748 \text{ (gallons/HCF)}}$$

- where: A = estimated domestic discharge per quarter (hundred cubic foot)
B = average number of full-time equivalent employees during the quarter based on monthly employment data
C = total number of working days during the quarter
D = The average discharge allowance per employee per day is estimated to be 15 gallons per day.

The City shall request quarterly employment and operating information for each industrial customer on a form enclosed with the April, July, October, and January industrial sewer bills. The request shall include the industry's number of full-time equivalent employees by month and the total number of production days for the billing quarter. Industries shall complete and return the request form within two weeks of receipt.

Average employment for the billing quarter shall be calculated using monthly employment totals. Domestic wastewater volume for the billing quarter shall be calculated as shown in the formula above.

SPECIAL CONDITIONS:

Those industrial users that currently do not have flow monitoring and sampling equipment will be required to install approved equipment in accordance with regulations established in Albany Municipal Code Chapter 10.01.

SPECIAL CONDITIONS FOR ALL SEWER RATE CLASSIFICATIONS:

The rates herein established shall apply to users within the boundaries of the city limits of the City of Albany. Any person making use of the sewer system outside the City of Albany shall pay one and one-half (1-1/2) times the rate as established herein.