



Meeting: Village Board
Meeting Date: July 22, 2013
Agenda Item: 6e

Mission Statement

Delivering quality services in a courteous, cost-effective and efficient manner.

VILLAGE BOARD MEETING STAFF REPORT

REPORT TO: Burt R. McIntyre, President
Village Board of Trustees

REPORT FROM: Chris Haltom, Director of Administrative Services

AGENDA ITEM: Review and take action on Proposed Ordinance 2013-09 Increasing Sewer Rates

ACTION REQUESTED: Ordinance Resolution Motion Receive/File

POLICY ISSUE

Should the Village Board increase sewer rates effective July 1, 2013?

BACKGROUND INFORMATION

Annually, the village board changes sewer rates to match the Green Bay Metropolitan Sewage District (GBMSD) rates charged to industrial customers. For the past several years, the GBMSD has been increasing rates to allow for expansion of their solid waste disposal system. The village has attempted to increase rates to match the GBMSD's increases on the flow portion of the rates.

The village increased sewer rates for volume charges for all customers effective January 1, 2013 in the hopes the increase would be sufficient enough to cover the cost of the GBMSD's increase. This increase was not sufficient enough to cover all operating costs and provide a sufficient return for the sewer utility.

The attached proposed ordinance is seeking to increase the flow rate by \$0.45 per thousand gallons and the monthly fixed fee \$0.75. Customer sewer charges are made based on gallons of water used unless the customer installs a second meter to account for gallons not put into the sewer system. The \$0.45 rate was based on water gallons sold during the first 6 months of 2013 of approximately 224 million gallons. The fixed fee was increased since in order to generate approximately \$52,000 in annual revenue or about \$26,000 for the remainder of 2013.

In the future, the GBMSD will be charging the village a monthly fixed fee for all customers. I anticipate increasing our monthly fixed fee by the same amount being charged by the GBMSD.

Staff will make a note on the July utility bills about this rate increase if approved by the village board.

PRIOR ACTION/REVIEW

In December 2012 the board approved increasing sewer rates for 2013 for the flow rate by \$0.57 per thousand gallons. The monthly fixed fee was last changed in 2011 by \$0.15.

FISCAL IMPACT:

- | | |
|------------------------------|---|
| 1. Is There A Fiscal Impact? | <u>Yes, \$76,400 increase
sewer revenue in 2013</u> |
| 2. Is it Currently Budgeted? | <u>No</u> |
| 3. If Budgeted, Which Line? | |

RECOMMENDED ACTION

Village staff recommends approval of the new ordinance increasing sewer rates. If the Village Board agreed with this action, the following motion could be used,

"I move to approve Ordinance 2013-09 to increase the village's sewer rates effective July 1, 2013 ."

POLICY ALTERNATIVE(S)

The Village Board could take the following actions:

- Approve with revisions
- Deny the suggested motion
- Table the suggested motion and request a full rate study

ATTACHED INFORMATION

1. Ordinance 2013-09

ORDINANCE 2013-09

**AN ORDINANCE REPEALING AND RECREATING SECTION 36-326(2)
OF THE MUNICIPAL CODE OF THE VILLAGE OF HOWARD
FOR USER CHARGE SYSTEM FOR THE SANITARY SEWER UTILITY**

THE VILLAGE BOARD OF THE VILLAGE OF HOWARD, BROWN COUNTY, WISCONSIN, HEREBY ORDAINS THAT SECTIONS 36-326(2)(a) OF THE MUNICIPAL CODE OF THE VILLAGE OF HOWARD, BE REPEALED AND RECREATED TO READ AS FOLLOWS:

SECTION 1. 36-326(2)(a) POLICY AND USER CHARGE SYSTEM

2. **a. Category A Sewage:** The term "category A" means normal or domestic strength wastewater having the following:
 1. Organic concentrations of biochemical oxygen demand (BOD) no greater than 266 milligrams per liter (mg/l), total suspended solids (TSS) no greater than 266 mg/l, phosphorus (P) no greater than ten mg/l, and total Kjeldahl nitrogen (TKN) no greater than 46 mg/l.
 2. Monthly facilities charge for all customers shall be charged ~~\$2.75~~ **\$3.50** per month.
 3. Volume charge for all customers shall be charged ~~\$3.95~~ **\$4.40** per 1,000 gallons used each month.

SECTION 2. All ordinances or parts of ordinances, in conflict herewith are hereby repealed.

SECTION 3. This ordinance shall take effect for sewer invoices billed after July 1, 2013 upon its adoption and publication.

Adopted this 22nd day of July, 2013.

Burt R. McIntyre, Village President

Christopher A. Haltom, Village Clerk

Date of Publication: 7/26/2013