

CITY OF HOMER
HOMER, ALASKA

Matthews
W/S Rate Committee
Finance
City Clerk

ORDINANCE 97-5(S) (A)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, AMENDING SECTION 14.04.040, SEWER RATE SCHEDULE, SECTION 14.08.080, SCHEDULE OF RATES--RULES AND REGULATIONS, SECTION 14.08.091, SERVICE DEPOSITS AND SECTION 14.08.100, BULK WATER SALES.

WHEREAS, the Water and Sewer Rate Study Committee was established to review the water and sewer rates and make recommendation to the City Council; and

WHEREAS, after review of expenditures and revenues the Committee recommends an incremental adjustment upon thorough review; and

WHEREAS, a rate model was developed to determine the revenue required to operate the water and sewer systems; and

WHEREAS, during the development of the annual budget the rate models will be updated to determine if rate adjustments are necessary; and

WHEREAS, the proposed rates for water and sewer are effective September 16, 1997 and will be in effect until water and sewer rates are adjusted to annual revenue requirement as determined by the proposed budget.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. That Homer City Code Section 14.04.040, Sewer rate schedule, is hereby amended to read as follows:

14.04.040 Sewer Rate Schedule.

a. All sewer utility services shall be billed according to the following schedule. This schedule is for monthly sewer services and is in addition to any charges for connecting or disconnecting the service, installation of the service or any assessment of the improvements.

<u>Commodity rate per thousand gallons</u>	<u>\$4.44</u>
<u>Monthly Customer Charge</u>	<u>\$6.91</u>

General Monthly Service Charge and Spit Service Charge by meter size.

<u>Meter size</u>	<u>General Service Charge</u>	<u>Spit Service Charge</u>
<u>5/8</u>	<u>\$ 13.11</u>	<u>\$ 67.80</u>
<u>3/4</u>	<u>\$ 19.66</u>	<u>\$ 101.69</u>
<u>1</u>	<u>\$ 32.77</u>	<u>\$ 169.49</u>
<u>1 1/2</u>	<u>\$ 65.55</u>	<u>\$ 338.99</u>
<u>2</u>	<u>\$ 104.88</u>	<u>\$ 542.39</u>
<u>3</u>	<u>\$ 229.42</u>	<u>\$ 1,186.47</u>
<u>4</u>	<u>\$ 412.95</u>	<u>\$ 2,135.63</u>
<u>6</u>	<u>\$ 917.66</u>	<u>\$ 4,745.84</u>

<u>Customer Class</u>	<u>Cost per Thousand Gallons Water Consumed</u>
<u>Restaurants and Bakeries</u>	<u>\$ 7.44</u>
<u>All other domestic strength dischargers</u>	<u>\$ 5.97</u>
<u>Other nondomestic strength dischargers</u>	<u>\$5.65 + \$.00241 mg/l BOD</u>
<u>Septage customers</u>	<u>\$154.80</u>

~~b. Charges for restaurants and bakeries are computed at a BOD strength of one thousand mg/l; charges for domestic strength dischargers are computed at a BOD strength of two hundred ninety mg/l. If characteristics of restaurants or bakeries would lead to the conclusion that BOD strengths average an amount different than one thousand mg/l, then, after measurement and/or negotiation with the City, a different BOD strength will be used to compute wastewater charges.~~

cb. Sewer System Residential or Residential Equivalent Dischargers Who are not Water System Users. Sewer system dischargers who are not water system users shall be charged at the rate of \$35.55 (variable rate (\$15.53) based on 3,500 gallons per month plus general service charge (\$13.11) plus monthly customer charge (\$6.91).) \$29.85 per month. The City reserves the right to adjust this rate based on the characteristics of the service for non-residential or non-residential equivalent users. Customers who receive septage service shall be charged an additional \$5.71 per month.

dc. Sewer System Dischargers Who are Members of Kachemak City LID. Kachemak City Local Improvement District (LID) members have contributed to the initial cost of the sewer treatment plant

and the collection system. Kachemak City LID dischargers connected within the LID and the City of Homer shall bill Kachemak City in one lump sum at the rate of \$34.35 (variable rate (\$15.53) based on 3,500 gallons per month plus general service charge (\$13.11) plus septage cost (\$5.71) \$21.41 per month for each residential or residential equivalent discharger. Kachemak City shall be responsible for payment to the City of Homer.

ed. Domestic sewer service customers who use large quantities of City water in addition to their domestic use shall be allowed, with the Public Works Director's approval, to install an additional water meter on the domestic water use line for the purpose of metering and charging for domestic sewer system use. Sewer system use will be billed monthly. (Ord. 91-9(S), § 2, 1991; Ord. 90-24(A), 1990.)

Section 2. That Homer City Code Section 14.08.080, Schedule of rates, Rules and regulations, water rate schedule is hereby amended to read as follows:

14.08.080 Schedule of Rates--Rules and Regulations. A. All water utility services shall be billed according to the following schedule. This schedule is for monthly water consumption and is in addition to any charges for establishing or disconnecting service, installation of service or any assessments for improvements.

Rates of Metered Water Service

~~Base service charge per month, meter size in inches.~~

<u>Meter Size</u>	<u>Residential</u>	<u>Commercial</u>	<u>Public Authority</u>	<u>Spit</u>
Commodity Charge per	\$ 3.48	\$ 3.48	\$ 3.48	\$ 3.48
1,000 gallons:	<u>\$ 2.58</u>			

Monthly Customer Charge: \$9.34

~~Service charge per month, meter size in inches:~~

<u>Meter Size</u>	<u>Residential</u>	<u>Commercial</u>	<u>Public Authority</u>	<u>Spit</u>
5/8"	\$ 22.74	\$ 33.55	\$ 38.04	\$ 87.28
3/4"	28.48	43.06	52.26	112.58
1"	39.95	62.06	57.99	163.19
1-1/2"	68.64	109.58	91.24	289.70
2"	103.07	166.61	131.14	441.52

3"	183.57	679.81	490.23	1,200.00
4"	284.32	529.71	490.89	1,500.00
6"	517.12	1,016.26	901.13	3,000.00

General Monthly Service Charge and Spit Service Charge by meter size.

<u>Meter Size</u>	<u>General Service Charge</u>	<u>Spit Service Charge</u>
5/8"	\$ 27.44	\$ 110.65
3/4"	41.15	165.96
1"	68.59	276.61
1-1/2"	137.18	553.22
2"	219.49	885.15
3"	480.13	1,936.26
4"	864.23	3,485.26
6"	1,920.52	7,745.03

When the customer uses more than 20,000 gallons per month the following service charges are:

<u>Meter Size</u>	<u>Excess Use Exceeds</u>	<u>General Surcharge</u>	<u>Spit Surcharge</u>
5/8"	20,000 gallons	\$ 41.15	\$ 165.96
5/8"	70,000 gallons	68.59	276.61
3/4"	70,000 gallons	68.59	276.61

b. In addition to all other charges, the following fees shall apply: (Ord. 95-7, 1995.)

<u>Service</u>	<u>Fee</u>
Establishing service (includes one-time disconnect)	\$30.00
Service calls, inspections and repairs during normal operating hours not to exceed one hour labor.	\$25.00 per employee plus equipment and materials
Service calls, inspections and repairs during normal operating hours in excess of one hour labor.	Actual labor cost by City plus equipment and materials.

Service calls, inspections and repairs after normal operating hours or on weekends/holidays.

\$50.00 minimum plus equipment and materials or actual cost incurred by City, whichever is greater.

c. The City Manager shall enact and promulgate, with Council approval, all necessary rules and regulations and amendments thereto, which shall govern the sale, service and use of water by the City. Sufficient copies of such rules and regulations shall be filed with the City Clerk for public information purposes.

d. The City Manager shall have printed a sufficient number of copies of the water rate schedule approved and adopted by the City and the copies shall be available for public use upon demand at the office of the City Clerk. (Ord. 91-10(S) § 1,2, 1991; Ord. 90-24(A), 1990.)

Section 3. That Homer City Code Section 14.08.091, Service deposits is hereby amended to read as follows:

14.08.091 Service deposits. a. All water service users, at the time the service is established, shall pay a deposit based on meter size, as follows:

Meter Size (Inches)	Deposits	
	<u>Residential Users</u>	<u>Nonresidential Users</u>
5/8	\$75.00	\$ 220.00
3/4	80.00	230.00
1	90.00	250.00
1-1/2	115.00	310.00
2	150.00	370.00
3	220.00	525.00
4	310.00	730.00
6	520.00	1,225.00

b. The City shall place deposits in an interest-bearing account. The interest rate will be reviewed and set in January of each year equal to that earned from a bank savings account. Deposits shall accrue interest at the rate set for the year in which it is refunded. (Ord. 95-10, 1995).

c. Deposits and any accrued interest shall be refunded:

1. ~~In December of each year following~~ **After** one year of service provided the customer has demonstrated a good payment history with no delinquencies; or,

d. 2. Within forty-five days after the date of disconnection, provided that the deposit and interest shall first be applied to any outstanding balance.

e. **d. Waiving of Deposits. If a customer has had utility service with the City of Homer within the last two years and has a good credit history with the City (no late payments), the Finance Department may waive the deposit.**

f. **e. Landlord Agreement. A owner/customer who requests an Automatic Continuance of utility service between renters may enter into a Landlord Agreement with the City of Homer for this purpose. This request should be directed to the Finance Department personnel, who will fill out the agreement which will be signed by the owner and accepted by the City of Homer.** (Ord. 91-10(S) § 5, 1991; Ord. 90-39(S) § 1, 1990; Ord. 90-24(A), 1990).

Section 4. That Homer City Code Section 14.08.100, Bulk water sales is hereby amended to read as follows:

14.08.100 Bulk water sales. a. A commodity charge of **\$2.58** ~~per 1,000 gallons of water shall apply to bulk water sales provided by tanker truck or fire hydrant~~ **plus** ~~b. Bulk water customers without standard service accounts shall pay an additional surcharge of~~ **\$3.92** ~~\$1.65, total of \$6.50~~ per 1,000 gallons of water in order to offset debt service and capital replacement and customer service costs.

c. **b.** A \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be returned when the meter is returned undamaged. This deposit may be waived upon the recommendation of the Public Works Superintendent.

d. **c.** The schedule for service fees set forth at §14.08.080(b) shall apply to all bulk water service requests. (Ord. 91-10(S) § 6, 1991; Ord. 90-24(A), 1990.)

d. In the event the bulk water provider purchases a meter from the City for measuring the quantity of water to their tanker truck or water filling station, it shall be exempt from the monthly meter service charge. It is the responsibility of the bulk water provider to maintain that meter so that the City can accurately determine the amount of water being sold. In the event the meter fails, it is the bulk water provider's responsibility to purchase, at their expense, a replacement meter from the City. The City reserves the right to test the meter for accuracy.

Section 5. This ordinance is of a permanent and general character and shall be included in the City Code.

Section 6. Bulk water rates in section 4. above, shall be adopted on an interim refundable basis. If a rate different than that in Section 4. is found appropriate the difference shall be subject to refund.

Section 7. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this 25th day of August, 1997.

CITY OF HOMER

ATTEST:



JACK CUSHING, MAYOR



MARY L. CALHOUN, CMC, CITY CLERK

AYES: 5
NOES: 0
ABSENT: 1
ABSTAIN: 0

First Reading: 07/28/97
Public Hearing: 08/11/97
Second Reading: 08/25/97
Effective Date: 09/16/97

Reviewed and approved as to form and content:


Patti J. Whalin, City Manager
Date: 8.26.97


Gordon J. Tans, City Attorney
Date: 29 Aug 1997