

ADDENDUM



CITY COUNCIL MEETING AGENDA

CITY COUNCIL CHAMBERS

109 E. OLIVE STREET, BLOOMINGTON, IL 61701

MONDAY, SEPTEMBER 25, 2017; 7:00 P.M.

5. Recognition/Appointments - Additions

- A. Proclamation declaring October 2017 as “National Planning Month” – Back up document.
- B. Proclamation declaring October 2017 as “Domestic Violence Awareness Month”

8. “Regular Agenda” - Revised

- B. ~~Consideration of Ordinances Amending Chapter 37 of the City Code to enact provisions changing sanitary sewer and storm water rates. (Recommend That the Text Amendment to Chapter 37 of the City Code to enact provisions changing sanitary sewer and stormwater rates over time be approved and the Ordinance passed. (Presentation by David Hales, City Manager and Patti-Lynn Silva, Finance Director 5 minutes, Council discussion 15 minutes.)~~

Consideration of:

ORDINANCE A (STAFF RECOMMENDATION): An Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates.

Or

ORDINANCE B: An Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates over time

(Recommend:

ORDINANCE A (STAFF RECOMMENDATION): That the Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates be approved and the Mayor and City Clerk authorized to execute the ordinance.

NOTE: Action may be taken by the City Council on the agenda’s action items (those items listed on the Consent Agenda and Regular Agenda) beyond the motions listed and/or staff recommendations. Ordinances and resolutions listed on the agenda may further be amended and/or revised prior to adoption by the City Council. No action will be taken if the agenda item is listed as only informational.

ADDENDUM

Or

ORDINANCE B: That the Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates over time be approved and the Mayor and City Clerk authorized to execute the ordinance.)

NOTE: Action may be taken by the City Council on the agenda's action items (those items listed on the Consent Agenda and Regular Agenda) beyond the motions listed and/or staff recommendations. Ordinances and resolutions listed on the agenda may further be amended and/or revised prior to adoption by the City Council. No action will be taken if the agenda item is listed as only informational.

PROCLAMATION

October

COMMUNITY PLANNING MONTH

WHEREAS, change is constant and affects all cities, towns, suburbs, counties, boroughs, townships, rural areas, and other places; and

WHEREAS, community planning and plans can help manage this change in a way that provides better choices for how people work and live; and

WHEREAS, community planning provides an opportunity for all residents to be meaningfully involved in making choices that determine the future of their community; and

WHEREAS, the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation; and


WHEREAS, the month of October is designated as National Community Planning Month throughout the United States of America and its territories; and

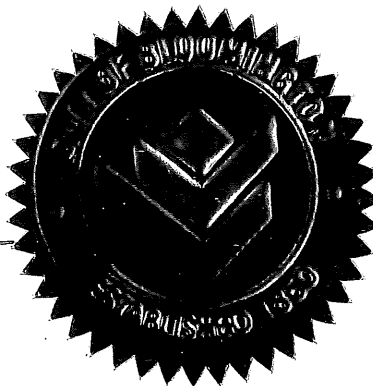
WHEREAS, American Planning Association and its professional institute, the American Institute of Certified Planners, endorse National Community Planning Month as an opportunity to highlight the contributions sound planning and plan implementation make to the quality of our settlements and environment; and


WHEREAS, the celebration of National Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of planning commissions and other citizen planners who have contributed their time and expertise to the improvement of the Bloomington, Illinois; and

WHEREAS, we recognize the many valuable contributions made by professional community planners of the City of Bloomington, Illinois, and extend our heartfelt thanks for the continued commitment to public service by these professionals;

NOW, THEREFORE, BE IT RESOLVED THAT, the month of October 2017 is hereby designated as **Community Planning Month** in the City of Bloomington, Illinois, in conjunction with the celebration of National Community Planning Month.


Tari Renner
Mayor




Cherry Lawson
City Clerk

PROCLAMATION

Declaring October 2017 Domestic Violence Awareness Month

WHEREAS, in the United States, nearly 60% of children are exposed to violence each year. Every 9 seconds in the United States, a woman is assaulted or beaten. 1 in 3 women and 1 in 4 men have been victims of some form of physical violence by an intimate partner within their lifetime; and,

WHEREAS, Children's Home and Aid has been a leader in responding to the changing needs of disadvantaged children and families in Illinois. For more than 125 years, Children's Home and Aid has paved the way by establishing best practices and shaping laws in child welfare, early childhood and juvenile justice; and,

WHEREAS, Children's Home and Aid has been serving families parenting children following exposure to Violence and has served nearly 40,000 children each year; and,

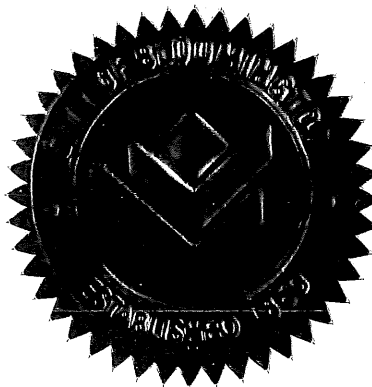
WHEREAS, an increase in community awareness is necessary to put a stop to Domestic Violence,

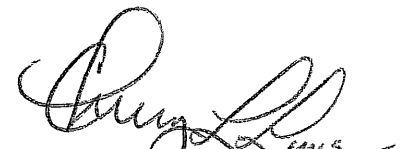
NOW, THEREFORE, I, Tari Renner, Mayor of the City of Bloomington, do hereby proclaim October 2017 as

Domestic Violence Awareness Month

I encourage all Americans to recognize Domestic Violence Awareness Month and be part of the Children's Home and Aid movement to provide quality programs and services to children and families in need.


Tari Renner
Mayor




Cherry Lawson
City Clerk



REGULAR MEETING AGENDA ITEM NO. 8B

FOR COUNCIL: September 25, 2017

SUBJECT: Consideration of:

ORDINANCE A (STAFF RECOMMENDATION): An Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates

Or

ORDINANCE B: An Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates over time

RECOMMENDATION/MOTION: Recommend

ORDINANCE A (STAFF RECOMMENDATION): That the Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates be approved and the Mayor and City Clerk authorized to execute the ordinance.

Or

ORDINANCE B: That the Ordinance Amending Chapter 37 of the City Code to increase the sanitary sewer and stormwater rates over time be approved and the Mayor and City Clerk authorized to execute the ordinance.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services; Goal 2. Upgrade City Infrastructure and Facilities; Goal 2. Upgrade City Infrastructure and Facilities; Goal 5. Great Place – Livable, Sustainable City; Goal 6. Prosperous Downtown Bloomington

STRATEGIC PLAN SIGNIFICANCE: Objective 1a - Budget with adequate resources to support defined services and level of services; Objective 1d - City services delivered in the most cost-effective, efficient manner; Objective 2c - Functional, well maintained sewer collection system; Objective 5a - Well-planned City with necessary services and infrastructure; Objective 5b - City decisions consistent with plans and policies; Objective 6a - a. More beautiful, clean Downtown area; Objective 6c - Downtown becoming a community and regional destination; Objective 6d - Healthy adjacent neighborhoods linked to Downtown

BACKGROUND:

The needs of the sanitary sewer system and stormwater system in the City of Bloomington have been well documented. Current fees do not begin to generate revenue sufficient to respond to

these needs. The rate currently affords the City the resources it needs for only a limited degree of sewer maintenance, limited sewer rehabilitation (lining) and occasional small sewer replacement projects. Most sewer repair is done in response to emergency sewer main breaks and sewer collapses. The current rates for the Storm Water Utility have not changed since created in 2004. Public Works currently cannot fund established programs and projects, let alone address the needs identified in the Master Plans. The following are items not currently being done:

- Adequate funding for complete televising and rating of all public sewers. Only 13% of public sewers have been televised and rated at this point.
- Fully funding needed sewer lining. Currently funds exist for \$700,000 in lining but the master plan recommends \$2.5 to \$3 million. Being proactive with lining is more cost effective than reactive point repairs in sewers.
- The mandatory elimination of Combined Sewer Overflows, which are events that involve untreated sewage emptying directly into streams. The rates cannot support repayment of a low-interest state loan.
- A detention basin maintenance program. Currently there is no maintenance program.
- Installation of sump pump drain lines in older neighborhoods. These drain lines keep sump pump water from puddling on sidewalks, where they create a slippery green slime in the summer and ice in the winter.

The City Council approved the Sewer and Stormwater Rate and Impact Fee Study on January 12, 2015. Raftelis was chosen for the study following a Request for Qualifications process. Raftelis used the draft Sewer and Stormwater Master Plans to develop long-term strategies to pay for infrastructure needs and anticipated changes to operations.

On September 14, 2015, the City Council voted to approve the City of Bloomington Stormwater and Sanitary Sewer Master Plans. A team comprising of Foth Infrastructure & Environment, OHM Advisors and Michael Baker Jr., Inc. produced the Stormwater and Sewer Master Plans to enable short-term and long-term planning. The project team produced more than 1,000 pages of research and recommendations.

The Plans take into account stormwater, sanitary sewer, combined sewer and asset management needs over 20 years. It identifies the need for over **\$136 million** in system improvements over that time period. The level of service (the ability to fund the projects) depends largely on funding support from sanitary sewer user fees and the stormwater utility fee.

Some of these projects, such as the sanitary sewer rehabilitation and lining program, have already been incorporated into City budgets and implemented by City staff, but at funding levels lower than recommended. Raftelis presented its findings from the Sewer and Stormwater Rate and Impact Fee Study on December 14, 2015.

On September 11, 2017 the City Council saw a presentation and discussed a staff recommendation for sanitary sewer and stormwater rate increases. Council requested information

on an additional method for raising the fees. Both the staff recommendation and the requested information are outlined in this memo.

Current Fees

Stormwater Utility: Bloomington created a “Stormwater Utility” in 2004 used as a vehicle for stormwater management. Stormwater management includes streams, detention basins, storm sewers and half the expense of combined sewers. It provides regulation to private properties to reduce water runoff impact on adjacent properties.

Sanitary sewer billing is based on metered water billing. Water usage does not equate to impact on the stormwater system. A measure for stormwater is the amount of impervious material on a property – house, driveway, garage, shed, parking areas, etc. Impervious material is material that does not readily absorb water; it causes water runoff. The City bills by Impervious Area Units. One (1) IAU equals one thousand (1,000) square feet of impervious area.

Revenue from the Stormwater Utility Fee is designated for expenses related to stormwater. The money cannot be used elsewhere. Stormwater was designated as an Enterprise Fund, meaning that the Utility should pay all stormwater expenses (and contains a reserve). Rates for the Utility have not changed since its establishment in 2004, making the ability to fund projects limited.

Master Plan Recommendation for Stormwater Utility: The 2014 City of Bloomington Stormwater and Sanitary Sewer Master Plans identify **\$36 million** in potential spending related to stormwater over the next twenty (20) years. None of these projects are funded under the existing rate structure.

Current Storm Water Utility Rates for Bloomington, IL		
Single-Family, Duplexes		FY 18 Actual
Small Parcels (gross area ≤ 7,000 cf)		\$2.90/month
Medium Parcels (gross area > 7,000, less than or = 12,000 cf)		\$4.35/month
Large Parcels (gross area > 12,000 cf)		\$7.25/month
Parcels other than Single-Family, Duplexes		FY 18 Actual
Base charge per Impervious Area Unit (IAU)		\$1.45/month
Parcels ≤ 4,000 cf are charged flat rate equivalent of 4 IAUs		\$5.80/month
10 IAU (Typical Commercial Bill)		\$14.50/month
Parcels > 4,000 cf are charged for actual number of IAUs or for 4 IAUs, whichever is greater.		

Property owners who make certain stormwater accommodations on their property to lessen stormwater impact can qualify for credits up to 50%.

Sanitary Sewer: Two (2) governing bodies charge for sanitary sewer services in Bloomington: The City and the Bloomington and Normal Water Reclamation District. Fees are separate. The City last raised its rate on January 1, 2012, when it began charging \$1.60 per 100 cubic feet of water. Sanitary sewer also operates as an Enterprise Fund. Revenue from the sanitary sewer fee is designated for expenses related to wastewater. The money cannot be used elsewhere.

Master Plan Recommendation for Sanitary Sewer Utility: The 2014 Stormwater and Sanitary Sewer Master Plans identify **\$82 million** in potential spending over twenty (20) years. Few of these proposed items can be funded currently.

Additional Master Plan Recommendation for Sanitary Sewer and Stormwater Utilities: In addition to the amounts mentioned in the previous sections, the 2014 Stormwater and Sanitary Sewer Master Plans identify **\$16 million** in spending for Asset Management. This includes items such as the CCTV inspection program and manhole inspection program.

Ordinance A: Immediate Rate Increase Scenario (Staff Recommendation)

On September 11, 2017 Council requested information on doing an immediate increase of rates rather than increasing the rates over a period of five years. Similar to the Rate Increase Over Time Scenario, this would also increase all three types of fees currently collected for sanitary sewer and stormwater. Under this scenario, sanitary sewer consumption fees and sanitary sewer fixed fees would increase by **50 percent** in FY 19. Beginning in FY 20 and in the following years, assuming no additional Council action is taken, fees would continue to increase at a rate of **3 percent** per year. Stormwater fixed fees would increase **30 percent** in FY 19 with a **3 percent** annual increase in subsequent years (beginning in FY 20), assuming no additional Council action. These rate increases align with the Sanitary Sewer and Stormwater Master Plans in that they raise **\$95.3 million** in additional revenue for sanitary sewer and **\$41.8 million** in additional revenue for stormwater for a total of **\$137.1 million**. The increased revenue matches the recommendations from the City Council approved Sanitary Sewer and Stormwater Master Plans. In this scenario, the “tipping point” or point at which results can be seen from rate increases would occur within **4 years**. After the initial rate increases, typical bills would be lower under this scenario than under the rate increase over time scenario. Further information on these rates is available in the attached Financial Detail document.

Impact of Immediate Rate Increase

The following numbers are based on average usage and do not include inflation.

Stormwater: The fixed fee for stormwater has a number of variables, but the typical residential user has a medium parcel with a fixed charge for 3 IAU. For small businesses, or parcels with less than 4,000 square feet of impervious area, the fixed charge is based on 4 IAU. The typical commercial parcel greater than 4,000 square feet of impervious area uses 10 IAU.

Ordinance A: Stormwater Immediate Rate Increase Impact to Typical Customer					
Fiscal Year	Small Parcel Residential Bill (2 IAU)	Medium Parcel Residential Bill (3 IAU)	Large Parcel Residential Bill (5 IAU)	Commercial Parcels ≤ 4,000 ft ³ (4 IAU)	Typical Commercial Parcel > 4,000 ft ³ (10 IAU)
*FY 18	\$ 2.90	\$ 4.35	\$ 7.25	\$ 5.80	\$ 14.50
FY 19	\$ 3.77	\$ 5.66	\$ 9.43	\$ 7.54	\$ 18.85

**Based on FY 17 Number
3% annual increase begins FY 20*

Sanitary Sewer: Sanitary Sewer users are charged by the amount of cubic feet used as well as a fixed fee. The impacts are found in the chart below.

Ordinance A: Sanitary Sewer Rate Immediate Increase Impact to Typical Customer			
Fiscal Year	Typical Total Residential Bill (500 ft ³ & Fixed Fee)	Typical Total Commercial Bill (1,000 ft ³ & Fixed Fee)	Percent Increase
*FY 18	\$ 9.50	\$ 17.50	N/A
FY 19	\$ 14.25	\$ 26.25	50.0%

**Based on FY 17 Number
3% annual increase begins FY 20*

Ordinance B: Rate Increase Over Time Scenario

City staff recommends increasing all three types of fees currently collected for sanitary sewer and stormwater. Using the staff recommendation, sanitary sewer consumption fees and sanitary sewer fixed fees would increase by **11.6 percent** in FY 19, FY 20, FY 21, FY 22, and FY 23. Assuming no additional Council action is taken, the fees would continue to increase in FY 24 and the following years at a rate of **3 percent** per year. Stormwater fixed fees would increase **8.2 percent** from FY 19 through FY 23 with a **3 percent** annual increase in subsequent years, assuming no additional Council action. These rate increases align with the Sanitary Sewer and Stormwater Master Plans in that they raise **\$94.8 million** in additional revenue for sanitary sewer and **\$41.4 million** in additional revenue for stormwater for a total of **\$136.2 million**. The increased revenue matches the recommendations from the City Council approved Sanitary Sewer and Stormwater Master Plans. In this scenario, the “tipping point” or point at which results can be seen from rate increases would occur within **8 years**. Further information on these rates is available in the attached Financial Detail document.

Impact of Rate Increase Over Time

The following numbers are based on average usage and do not include inflation.

Stormwater: The fixed fee for stormwater has a number of variables, but the typical residential user has a medium parcel with a fixed charge for 3 IAU. For small businesses, or parcels with less than 4,000 square feet of impervious area, the fixed charge is based on 4 IAU. The typical commercial parcel greater than 4,000 square feet of impervious area uses 10 IAU.

Ordinance B: Stormwater Rate Increase Over Time Impact to Typical Customer					
Fiscal Year	Small Parcel Residential Bill (2 IAU)	Medium Parcel Residential Bill (3 IAU)	Large Parcel Residential Bill (5 IAU)	Commercial Parcels ≤ 4,000 ft ³ (4 IAU)	Typical Commercial Parcel > 4,000 ft ³ (10 IAU)
*FY 18	\$ 2.90	\$ 4.35	\$ 7.25	\$ 5.80	\$ 14.50
FY 19	\$ 3.14	\$ 4.71	\$ 7.84	\$ 6.28	\$ 15.69
FY 20	\$ 3.40	\$ 5.09	\$ 8.49	\$ 6.79	\$ 16.98
FY 21	\$ 3.67	\$ 5.51	\$ 9.18	\$ 7.35	\$ 18.37
FY 22	\$ 3.97	\$ 5.96	\$ 9.94	\$ 7.95	\$ 19.87
FY 23	\$ 4.30	\$ 6.45	\$ 10.75	\$ 8.60	\$ 21.50

**Based on FY 17 Number
3% annual increase begins FY 24*

Sanitary Sewer: Sanitary Sewer users are charged by the amount of cubic feet used as well as a fixed fee. The impacts are found in the chart below.

Ordinance B: Sanitary Sewer Rate Increase Over Time Impact to Typical Customer			
Fiscal Year	Typical Total Residential Bill (500 ft ³ & Fixed Fee)	Typical Total Commercial Bill (1,000 ft ³ & Fixed Fee)	Percent Increase
*FY 18	\$ 9.50	\$ 17.50	N/A
FY 19	\$ 10.60	\$ 19.53	11.6%
FY 20	\$ 11.83	\$ 21.80	11.6%
FY 21	\$ 13.20	\$ 24.32	11.6%
FY 22	\$ 14.74	\$ 27.15	11.6%
FY 23	\$ 16.45	\$ 30.29	11.6%

**Based on FY 17 Number
3% annual increase begins FY 24*

Proposed Capital Projects

Sanitary Sewer

Storm Water

- CCTV Inspection
- Manhole Inspection
- Manhole and Sewer Main Lining
- Sump Pump Drain Program
- Rowe Drive Drainage Way
- Pond Inspection and Maintenance Program
- Urban Stream Repairs

Please see the Capital Projects attachment for additional details on capital projects that could occur under the rate increase over time scenario or the immediate increase scenario.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: The current rates, proposed rates, and impact to consumer fee structure are included in the memo and the attachments.

COMMUNITY DEVELOPMENT IMPACT: N/A

Link to Comprehensive Plan/Downtown Plan Goals:

D-4 A clean and safe Downtown; HL-3 Ensure a healthy environment and accessibility of parks and open spaces; NE-1 Protect and conserve the community’s vital natural resources; NE-3 Reduce environmental pollutants; UEW-1 Provide quality public infrastructure within the City to protect public health, safety and the environment; UEW-3 Education and increase public awareness regarding utility, energy and water issues; CF-1 Continue to provide quality public facilities and services; CF-2 Provide public services in a fiscally, socially and environmentally responsible manner

Respectfully submitted for Council consideration.

Prepared by: Michael Hill, Public Works Administration

Reviewed by: Jim Karch, PE CFM, Director of Public Works

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Scott Rathbun, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:



David Hales, City Manager

Attachments:

- PW 1B ORDINANCE A (Immediate) Sanitary Sewer and Stormwater Proposed Rate Increases

- PW 1C ORDINANCE B (Over Time) Sanitary Sewer and Stormwater Proposed Rate Increases
- PW 1D FINANCIAL DETAILS Sanitary Sewer and Stormwater Proposed Rate Increases
- PW 1E CAPITAL PROJECTS Sanitary Sewer and Stormwater Proposed Rate Increases
- PW 1F PRESENTATION Sanitary Sewer and Stormwater Proposed Rate Increases

ORDINANCE NO. 2017 –

AN ORDINANCE AMENDING CHAPTER 37 OF THE CITY CODE TO ENACT PROVISIONS CHANGING SANITARY SEWER AND STORM WATER RATES

WHEREAS, the City of Bloomington is a home rule unit of local government with authority to legislate in matters concerning its local government and affairs; and

WHEREAS, the City of Bloomington owns and operates a sanitary sewer system and a storm water system; and

WHEREAS, the City of Bloomington has established rates for use of the sanitary sewer system and storm water system, which charges include a fixed fee and a monthly charge based on cubic feet of water consumed; and

WHEREAS, the City of Bloomington approved the Storm water and Sanitary Sewer Master Plans in September 2015, which include more than 1,000 pages of research and recommendations to enable short-term and long-term planning for the sanitary sewer system and storm water system; and

WHEREAS, adjustment to the sanitary sewer rate and storm water rate structures are necessary to fund the proposed projects included in the Storm water and Sanitary Sewer Master Plans, to maintain the Storm water Enterprise Fund and Sanitary Sewer Enterprise Fund balances at financially responsible levels, to fund necessary maintenance operations, and to provide proper staffing; and

WHEREAS, the Bloomington City Council finds it in the best interest of the health, safety and welfare of the citizens of Bloomington to adjust the rates for use of the sanitary sewer system.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Bloomington, McLean County, Illinois that Chapter 37, Section 51 and Section 66 are amended by replacing those Sections, in their entirety, with the following:

CHAPTER 37: SEWERS & SEWAGE DISPOSAL

ARTICLE IV: RATES FOR USE OF SEWERAGE SYSTEM

Section 51. Charges Based on Quantity of Water Used

Effective on billing cycles beginning May 1, 2018, there shall be and there are hereby established monthly rates and charges for the use of service of the sewerage system of the City based upon the amount of water consumed on the water meter reading as follows:

\$2.40 per 100 cubic feet

The rates charged for sewer shall in no case be less than the monthly service charge which shall be set at \$2.25 per month, exclusive of consumption.

Effective on the billing cycle beginning May 1, 2019, the established monthly rates and charges for the use of service of the sewerage system of the City will increase annually, at a compounding rate of 3 percent over the rate from the previous year, on May 1 of each year.

Section 66. Storm Water Service Charges

Effective on billing cycles beginning May 1, 2018, there shall be and there are hereby established monthly rates and charges for the use of service of the storm water system of the City based upon the following:

(a) Single Family Residential (SFR) property charges:

Small parcels (gross area less than or equal to 7,000 square feet) -- \$3.77 per month

Medium parcels (gross area greater than 7,000 square feet and less than or equal to 12,000 square feet) -- \$5.66 per month

Large parcels (gross area over 12,000 square feet) -- \$9.43 per month

(b) Parcels other than Single Family Residential:

Charge per Impervious Area Unit (IAU) -- \$1.89 per month

Parcels less than or equal to 4000 sq. ft. shall be charged a flat rate equivalent to four (4) IAU's. - \$7.54 per month

Parcels greater than 4000 sq. ft. will be charged for the actual number of IAU's within the parcel, or four (4) IAU's whichever is greater.

Effective on the billing cycle beginning May 1, 2019, the established monthly rates and charges for the use of service of the storm water of the City will increase annually, at a compounding rate of 3 percent over the rate from the previous year, on May 1 of each year.

PASSED this ____ day of _____, 2017.

APPROVED this ____ day of _____, 2017.

APPROVED:

Tari Renner
Mayor

ATTEST:

Cherry Lawson
City Clerk

ORDINANCE A

ORDINANCE NO. 2017 –

AN ORDINANCE AMENDING CHAPTER 37 OF THE CITY CODE TO ENACT PROVISIONS CHANGING SANITARY SEWER AND STORM WATER RATES

WHEREAS, the City of Bloomington is a home rule unit of local government with authority to legislate in matters concerning its local government and affairs; and

WHEREAS, the City of Bloomington owns and operates a sanitary sewer system and a storm water system; and

WHEREAS, the City of Bloomington has established rates for use of the sanitary sewer system and storm water system, which charges include a fixed fee and a monthly charge based on cubic feet of water consumed; and

WHEREAS, the City of Bloomington approved the Storm water and Sanitary Sewer Master Plans in September 2015, which include more than 1,000 pages of research and recommendations to enable short-term and long-term planning for the sanitary sewer system and storm water system; and

WHEREAS, adjustment to the sanitary sewer rate and storm water rate structures are necessary to fund the proposed projects included in the Storm water and Sanitary Sewer Master Plans, to maintain the Storm water Enterprise Fund and Sanitary Sewer Enterprise Fund balances at financially responsible levels, to fund necessary maintenance operations, and to provide proper staffing; and

WHEREAS, the Bloomington City Council finds it in the best interest of the health, safety and welfare of the citizens of Bloomington to adjust the rates for use of the sanitary sewer system.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Bloomington, McLean County, Illinois that Chapter 37, Section 51 and Section 66 are amended by replacing those Sections, in their entirety, with the following:

CHAPTER 37: SEWERS & SEWAGE DISPOSAL

ARTICLE IV: RATES FOR USE OF SEWERAGE SYSTEM

Section 51. Charges Based on Quantity of Water Used

Effective on billing cycles beginning May 1, 2018, there shall be and there are hereby established monthly rates and charges for the use of service of the sewerage system of the City based upon the amount of water consumed on the water meter reading as follows:

\$1.79 per 100 cubic feet

Ordinance B

The rates charged for sewer shall in no case be less than the monthly service charge which shall be set at \$1.67 per month, exclusive of consumption.

Effective on billing cycles beginning May 1, 2019, there shall be and there are hereby established monthly rates and charges for the use of service of the sewerage system of the City based upon the amount of water consumed on the water meter reading as follows:

\$1.99 per 100 cubic feet

The rates charged for sewer shall in no case be less than the monthly service charge which shall be set at \$1.87 per month, exclusive of consumption.

Effective on billing cycles beginning May 1, 2020, there shall be and there are hereby established monthly rates and charges for the use of service of the sewerage system of the City based upon the amount of water consumed on the water meter reading as follows:

\$2.22 per 100 cubic feet

The rates charged for sewer shall in no case be less than the monthly service charge which shall be set at \$2.08 per month, exclusive of consumption.

Effective on billing cycles beginning May 1, 2021, there shall be and there are hereby established monthly rates and charges for the use of service of the sewerage system of the City based upon the amount of water consumed on the water meter reading as follows:

\$2.48 per 100 cubic feet

The rates charged for sewer shall in no case be less than the monthly service charge which shall be set at \$2.33 per month, exclusive of consumption.

Effective on billing cycles beginning May 1, 2022, there shall be and there are hereby established monthly rates and charges for the use of service of the sewerage system of the City based upon the amount of water consumed on the water meter reading as follows:

\$2.77 per 100 cubic feet

The rates charged for sewer shall in no case be less than the monthly service charge which shall be set at \$2.60 per month, exclusive of consumption.

Effective on the billing cycle beginning May 1, 2023, the established monthly rates and charges for the use of service of the sewerage system of the City will increase annually, at a compounding rate of 3 percent over the rate from the previous year, on May 1 of each year.

Section 66. Storm Water Service Charges

Effective on billing cycles beginning May 1, 2018, there shall be and there are hereby established monthly rates and charges for the use of service of the storm water system of the City based upon the following:

(a) Single Family Residential (SFR) property charges:

Small parcels (gross area less than or equal to 7,000 square feet) -- \$3.14 per month

Medium parcels (gross area greater than 7,000 square feet and less than or equal to 12,000 square feet) -- \$4.35 per month

Large parcels (gross area over 12,000 square feet) -- \$7.84 per month

(b) Parcels other than Single Family Residential:

Charge per Impervious Area Unit (IAU) -- \$1.57 per month

Parcels less than or equal to 4000 sq. ft. shall be charged a flat rate equivalent to four (4) IAU's. -
- \$6.28 per month

Parcels greater than 4000 sq. ft. will be charged for the actual number of IAU's within the parcel, or four (4) IAU's whichever is greater.

Effective on billing cycles beginning May 1, 2019, there shall be and there are hereby established monthly rates and charges for the use of service of the storm water system of the City based upon the following:

(a) Single Family Residential (SFR) property charges:

Small parcels (gross area less than or equal to 7,000 square feet) -- \$3.40 per month

Medium parcels (gross area greater than 7,000 square feet and less than or equal to 12,000 square feet) -- \$5.09 per month

Large parcels (gross area over 12,000 square feet) -- \$8.49 per month

(b) Parcels other than Single Family Residential:

Charge per Impervious Area Unit (IAU) -- \$1.70 per month

Parcels less than or equal to 4000 sq. ft. shall be charged a flat rate equivalent to four (4) IAU's. -
- \$6.79 per month

Parcels greater than 4000 sq. ft. will be charged for the actual number of IAU's within the parcel, or four (4) IAU's whichever is greater.

Ordinance B

Effective on billing cycles beginning May 1, 2020, there shall be and there are hereby established monthly rates and charges for the use of service of the storm water system of the City based upon the following:

(a) Single Family Residential (SFR) property charges:

Small parcels (gross area less than or equal to 7,000 square feet) -- \$3.67 per month

Medium parcels (gross area greater than 7,000 square feet and less than or equal to 12,000 square feet) -- \$5.51 per month

Large parcels (gross area over 12,000 square feet) -- \$9.18 per month

(b) Parcels other than Single Family Residential:

Charge per Impervious Area Unit (IAU) -- \$1.84 per month

Parcels less than or equal to 4000 sq. ft. shall be charged a flat rate equivalent to four (4) IAU's. - \$7.35 per month

Parcels greater than 4000 sq. ft. will be charged for the actual number of IAU's within the parcel, or four (4) IAU's whichever is greater.

Effective on billing cycles beginning May 1, 2021, there shall be and there are hereby established monthly rates and charges for the use of service of the storm water system of the City based upon the following:

(a) Single Family Residential (SFR) property charges:

Small parcels (gross area less than or equal to 7,000 square feet) -- \$3.97 per month

Medium parcels (gross area greater than 7,000 square feet and less than or equal to 12,000 square feet) -- \$5.96 per month

Large parcels (gross area over 12,000 square feet) -- \$9.94 per month

(b) Parcels other than Single Family Residential:

Charge per Impervious Area Unit (IAU) -- \$1.99 per month

Parcels less than or equal to 4000 sq. ft. shall be charged a flat rate equivalent to four (4) IAU's. - \$7.95 per month

Parcels greater than 4000 sq. ft. will be charged for the actual number of IAU's within the parcel, or four (4) IAU's whichever is greater.

Ordinance B

Effective on billing cycles beginning May 1, 2022, there shall be and there are hereby established monthly rates and charges for the use of service of the storm water system of the City based upon the following:

(a) Single Family Residential (SFR) property charges:

Small parcels (gross area less than or equal to 7,000 square feet) -- \$4.30 per month

Medium parcels (gross area greater than 7,000 square feet and less than or equal to 12,000 square feet) -- \$6.45 per month

Large parcels (gross area over 12,000 square feet) -- \$10.75 per month

(b) Parcels other than Single Family Residential:

Charge per Impervious Area Unit (IAU) -- \$2.15 per month

Parcels less than or equal to 4000 sq. ft. shall be charged a flat rate equivalent to four (4) IAU's. - \$8.60 per month

Parcels greater than 4000 sq. ft. will be charged for the actual number of IAU's within the parcel, or four (4) IAU's whichever is greater.

Effective on the billing cycle beginning May 1, 2023, the established monthly rates and charges for the use of service of the storm water of the City will increase annually, at a compounding rate of 3 percent over the rate from the previous year, on May 1 of each year.

PASSED this ___ day of _____, 2017.

APPROVED this ___ day of _____, 2017.

APPROVED:

Tari Renner
Mayor

ATTEST:

Cherry Lawson
City Clerk

Financial Details of Sanitary Sewer Rate Scenarios

Rate Increase Over Time

	ft ³	100 ft ³	Total # of Accounts
Total Consumption*	260,392,984	2,603,930	23,825

*FY 17 Numbers from Water Department

This model includes additional staff from rate study. This model does not include inflation.

Sanitary Sewer Consumption Fee							
Fiscal Year	Consumption Fee per 100 ft ³	Consumption Fee Increase	Consumption Fee % Increase	Projected Additional Revenue	Cumulative Projected Additional Revenue	Projected Revenue Increase	Projected Revenue
*FY 18	\$ 1.60						\$ 4,166,288
FY 19	\$ 1.79	\$ 0.19	11.6%	\$ 483,289	\$ 483,289	\$ 483,289	\$ 4,649,577
FY 20	\$ 1.99	\$ 0.21	11.6%	\$ 1,022,640	\$ 1,505,930	\$ 539,351	\$ 5,188,928
FY 21	\$ 2.22	\$ 0.23	11.6%	\$ 1,624,556	\$ 3,130,486	\$ 601,916	\$ 5,790,844
FY 22	\$ 2.48	\$ 0.26	11.6%	\$ 2,296,294	\$ 5,426,780	\$ 671,738	\$ 6,462,582
FY 23	\$ 2.77	\$ 0.29	11.6%	\$ 3,045,953	\$ 8,472,733	\$ 749,659	\$ 7,212,241

Includes additional staff from rate study and a 3% annual increase beginning FY 24 (does not include inflation)

**Based on FY 17 Number*

Sanitary Sewer Fixed Fee							
Fiscal Year	Monthly Fixed Fee	Fixed Fee Increase	Fixed Fee % Increase	Projected Additional Revenue	Cumulative Projected Additional Revenue	Projected Revenue Increase	Projected Revenue
*FY 18	\$ 1.50						\$ 526,479
FY 19	\$ 1.67	\$ 0.17	11.6%	\$ 61,072	\$ 61,072	\$ 61,072	\$ 587,551
FY 20	\$ 1.87	\$ 0.19	11.6%	\$ 129,228	\$ 190,299	\$ 68,156	\$ 655,707
FY 21	\$ 2.08	\$ 0.22	11.6%	\$ 205,290	\$ 395,589	\$ 76,062	\$ 731,769
FY 22	\$ 2.33	\$ 0.24	11.6%	\$ 290,175	\$ 685,763	\$ 84,885	\$ 816,654
FY 23	\$ 2.60	\$ 0.27	11.6%	\$ 384,907	\$ 1,070,670	\$ 94,732	\$ 911,386

Includes additional staff from rate study and a 3% annual increase beginning FY 24 (does not include inflation)

**Based on FY 17 Number*

Financial Details of Sanitary Sewer Rate Scenarios

Rate Increase Over Time

Sanitary Sewer Combined Fees		
Fiscal Year	Total Projected Additional Revenue	Total Projected Revenue
*FY 18		\$ 4,692,767
FY 19	\$ 544,361	\$ 5,237,128
FY 20	\$ 1,151,868	\$ 5,844,635
FY 21	\$ 1,829,845	\$ 6,522,613
FY 22	\$ 2,586,469	\$ 7,279,236
FY 23	\$ 3,430,860	\$ 8,123,627
FY 18-FY 38	\$ 94,775,254	\$ 193,323,363

**Based on FY 17 Numbers*

***3% annual increase begins FY 24
(does not include inflation)*

Financial Details of Sanitary Sewer Rate Scenarios

Immediate Rate Increase

	ft ³	100 ft ³	Total # of Accounts
Total Consumption*	260,392,984	2,603,930	23,825

*FY 17 Numbers from Water Department

This model includes additional staff from rate study. This model does not include inflation.

Sanitary Sewer Consumption Fee							
Fiscal Year	Consumption Fee per 100 ft ³	Consumption Fee Increase	Consumption Fee % Increase	Projected Additional Revenue	Cumulative Projected Additional Revenue	Projected Revenue Increase	Projected Revenue
*FY 18	\$ 1.60						\$ 4,166,288
FY 19	\$ 2.40	\$ 0.80	50.0%	\$ 2,083,144	\$ 2,083,144	\$ 2,083,144	\$ 6,249,432
FY 20	\$ 2.47	\$ 0.07	3.0%	\$ 2,270,627	\$ 4,353,771	\$ 187,483	\$ 6,436,915
FY 21	\$ 2.55	\$ 0.07	3.0%	\$ 2,463,734	\$ 6,817,505	\$ 193,107	\$ 6,630,022
FY 22	\$ 2.62	\$ 0.08	3.0%	\$ 2,662,635	\$ 9,480,140	\$ 198,901	\$ 6,828,923
FY 23	\$ 2.70	\$ 0.08	3.0%	\$ 2,867,503	\$ 12,347,642	\$ 204,868	\$ 7,033,790

Includes additional staff from rate study and a 3% annual increase beginning FY 20 (does not include inflation)

**Based on FY 17 Number*

Sanitary Sewer Fixed Fee							
Fiscal Year	Monthly Fixed Fee	Fixed Fee Increase	Fixed Fee % Increase	Projected Additional Revenue	Cumulative Projected Additional Revenue	Projected Revenue Increase	Projected Revenue
*FY 18	\$ 1.50						\$ 526,479
FY 19	\$ 2.25	\$ 0.75	50.0%	\$ 263,240	\$ 263,240	\$ 263,240	\$ 789,719
FY 20	\$ 2.32	\$ 0.07	3.0%	\$ 286,931	\$ 550,171	\$ 23,692	\$ 813,411
FY 21	\$ 2.39	\$ 0.07	3.0%	\$ 311,334	\$ 861,504	\$ 24,402	\$ 837,813
FY 22	\$ 2.46	\$ 0.07	3.0%	\$ 336,468	\$ 1,197,972	\$ 25,134	\$ 862,947
FY 23	\$ 2.53	\$ 0.07	3.0%	\$ 362,356	\$ 1,560,329	\$ 25,888	\$ 888,836

Includes additional staff from rate study and a 3% annual increase beginning FY 20 (does not include inflation)

**Based on FY 17 Number*

Financial Details of Sanitary Sewer Rate Scenarios

Immediate Rate Increase

Sanitary Sewer Combined Fees		
Fiscal Year	Total Projected Additional Revenue	Total Projected Revenue
*FY 18		\$ 4,692,767
FY 19	\$ 2,346,384	\$ 7,039,151
FY 20	\$ 2,557,558	\$ 7,250,325
FY 21	\$ 2,775,068	\$ 7,467,835
FY 22	\$ 2,999,103	\$ 7,691,870
FY 23	\$ 3,229,859	\$ 7,922,626
FY 18-FY 38	\$ 95,289,272	\$ 193,837,381

**Based on FY 17 Numbers*

***3% annual increase begins FY 20
(does not include inflation)*

Financial Details of Stormwater Rate Scenarios

Rate Increase Over Time

Parcel Type	Monthly Charge	# of Users*
Single-Family and Duplexes		
Small Parcel (gross area ≤ 7,000 ft ³)	\$ 2.90	8,187
Medium Parcel (7,000 ft ³ < gross area ≤ 12,000 ft ³)	\$ 4.35	10,978
Large Parcel (gross area > 12,000 ft ³)	\$ 7.25	4,606
Parcels other than Single-Family, Duplexes**		
Small Commercial Parcels ≤ 4,000 sq. ft.	\$ 5.80	1,792
Large Commercial	Varies	7,165
Base charge per IAU	\$ 1.45	

*FY 17 Numbers from Water Department

**Parcels other than Single-Family and Duplexes greater than 4,000 ft³ are charged for actual number of IAUs within the parcel or 4 IAUs, whichever is greater.

This model includes additional staff from master plan, but does not include inflation.

Stormwater Fixed Fee							
Fiscal Year	Rate per IAU	Fee Increase	Fee % Increase	Projected Additional Revenue	Cumulative Projected Additional Revenue	Projected Revenue Increase	Projected Revenue
*FY 18	\$ 1.45						\$ 2,803,291
FY 19	\$ 1.57	\$ 0.12	8.2%	\$ 229,870	\$ 229,870	\$ 229,870	\$ 3,033,161
FY 20	\$ 1.70	\$ 0.13	8.2%	\$ 478,589	\$ 708,459	\$ 248,719	\$ 3,281,880
FY 21	\$ 1.84	\$ 0.14	8.2%	\$ 747,703	\$ 1,456,162	\$ 269,114	\$ 3,550,994
FY 22	\$ 1.99	\$ 0.15	8.2%	\$ 1,038,885	\$ 2,495,047	\$ 291,182	\$ 3,842,176
FY 23	\$ 2.15	\$ 0.16	8.2%	\$ 1,353,943	\$ 3,848,990	\$ 315,058	\$ 4,157,234

Includes additional staff from master plan and a 3% annual increase beginning FY 24 (does not include inflation)

**Based on FY 17 Number*

Financial Details of Stormwater Rate Scenarios

Rate Increase Over Time

Stormwater Fees		
Fiscal Year	Total Projected Additional Revenue	Total Projected Revenue
*FY 18		\$ 2,803,291
FY 19	\$ 229,870	\$ 3,033,161
FY 20	\$ 478,589	\$ 3,281,880
FY 21	\$ 747,703	\$ 3,550,994
FY 22	\$ 1,038,885	\$ 3,842,176
FY 23	\$ 1,353,943	\$ 4,157,234
FY 18 - FY 38	\$ 41,439,266	\$ 100,308,377

**Based on FY 17 Numbers*

***3% annual increase begins FY 24
(does not include inflation)*

Financial Details of Stormwater Rate Scenarios

Immediate Rate Increase

Parcel Type	Monthly Charge	# of Users*
Single-Family and Duplexes		
Small Parcel (gross area ≤ 7,000 ft ³)	\$ 2.90	8,187
Medium Parcel (7,000 ft ³ < gross area ≤ 12,000 ft ³)	\$ 4.35	10,978
Large Parcel (gross area > 12,000 ft ³)	\$ 7.25	4,606
Parcels other than Single-Family, Duplexes**		
Small Commercial Parcels ≤ 4,000 sq. ft.	\$ 5.80	1,792
Large Commercial	Varies	7,165
Base charge per IAU	\$ 1.45	

*FY 17 Numbers from Water Department

**Parcels other than Single-Family and Duplexes greater than 4,000 ft³ are charged for actual number of IAUs within the parcel or 4 IAUs, whichever is greater.

This model includes additional staff from master plan, but does not include inflation.

Stormwater Fixed Fee							
Fiscal Year	Rate per IAU	Fee Increase	Fee % Increase	Projected Additional Revenue	Cumulative Projected Additional Revenue	Projected Revenue Increase	Projected Revenue
*FY 18	\$ 1.45						\$ 2,803,291
FY 19	\$ 1.89	\$ 0.44	30.0%	\$ 840,987	\$ 840,987	\$ 840,987	\$ 3,644,278
FY 20	\$ 1.94	\$ 0.06	3.0%	\$ 950,316	\$ 1,791,303	\$ 109,328	\$ 3,753,607
FY 21	\$ 2.00	\$ 0.06	3.0%	\$ 1,062,924	\$ 2,854,227	\$ 112,608	\$ 3,866,215
FY 22	\$ 2.06	\$ 0.06	3.0%	\$ 1,178,910	\$ 4,033,137	\$ 115,986	\$ 3,982,201
FY 23	\$ 2.12	\$ 0.06	3.0%	\$ 1,298,376	\$ 5,331,513	\$ 119,466	\$ 4,101,667

Includes additional staff from master plan and a 3% annual increase beginning FY 20 (does not include inflation)

**Based on FY 17 Number*

Financial Details of Stormwater Rate Scenarios

Immediate Rate Increase

Stormwater Fees		
Fiscal Year	Total Projected Additional Revenue	Total Projected Revenue
*FY 18		\$ 2,803,291
FY 19	\$ 840,987	\$ 3,644,278
FY 20	\$ 950,316	\$ 3,753,607
FY 21	\$ 1,062,924	\$ 3,866,215
FY 22	\$ 1,178,910	\$ 3,982,201
FY 23	\$ 1,298,376	\$ 4,101,667
FY 18 - FY 38	\$ 41,857,303	\$ 100,726,414

**Based on FY 17 Numbers*

*3% annual increase begins FY 20
(does not include inflation)*

Sanitary Sewer and Stormwater Master Plans Proposed Rate Increases

Capital Projects

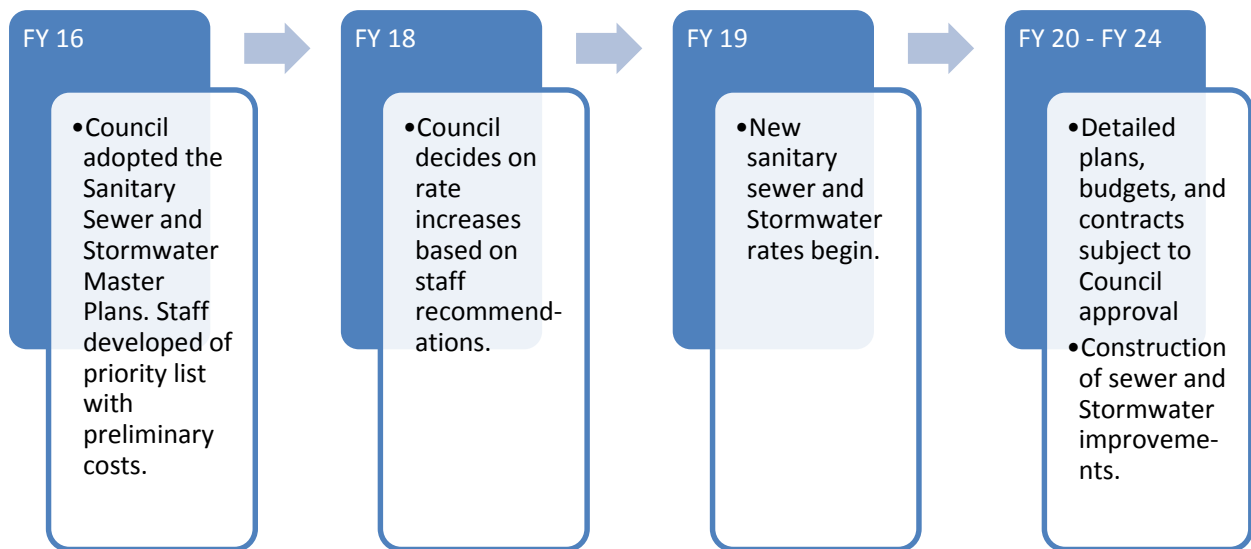
Introduction

This report gives narrative details on capital projects of \$500,000 or greater for the first five years of the proposed sanitary sewer and stormwater master plans proposed rate increases.

The report is divided into four parts:

- Part 1: Rate-Funded Sanitary Sewer Projects FY 20 to FY 24
- Part 2: Rate-Funded Stormwater Projects FY 20 to FY 24
- Part 3: Funding Levels for Capital Projects and Staff for Immediate Rate Increase and Rate Increase Over Time
- Part 4: Current Rates for Sanitary Sewer, Stormwater, and Water Services

Timeline



Part 1: Rate-Funded Sanitary Sewer Projects FY 20 to FY 24



Ongoing sanitary sewer programs address two key issues: Aging sewers in the core of the city and inflow and infiltration (I/I) of groundwater and Stormwater into sanitary sewers. The following sanitary sewer programs will help the City eliminate inflow and infiltration.

Multi-Year Sewer CCTV Evaluations

Digital camera footage is analyzed to detect problems and plan corrections. CCTV inspection of public sewer mains will take place in target areas that are experiencing I/I, deterioration, and street maintenance or resurfacing.

Manhole Inspections

Leaking and defective manholes are a common source of I/I. City crews will inspect manholes to help determine the next course of action.

Manhole and Sewer Main Lining

In core areas, including Downtown, old sewers can be rehabilitated with spot repairs and lining – at considerably lesser costs than sewer main replacement. On the east side, lining is being used to reduce I/I, and effectiveness will be analyzed from a test area.

Part 2: Rate-Funded Stormwater Projects FY 20 to FY 24

Sump Pump Drain Program

The sump pump drain program provides funding to install or maintain public sump pump drains, which allow private sump pumps to safely drain into public storm sewers.

Rowe Drive Drainage Way Improvements Design

Design and construction of improvements to the Rowe Drive Drainage Channel, a tributary to Sugar Creek, entails rehabbing this Sugar Creek tributary. Early plans advocate installation of underground piping to convey water during low flow. The sides of the channel would be stabilized and vegetated to prevent erosion during high-flow periods. Construction would occur along 2,700 feet of channel, from Towanda Avenue to Veterans Parkway.



Pond Inspection and Maintenance Program for Public and Private Ponds

The program entails systematic inspection and maintenance of 73 City-owned detention ponds. Maintenance includes items such as sediment removal and shoreline repair/stabilization. The program also entails inspection of detention ponds that are part of the Stormwater system but are owned by private interests such as a homeowners association. Corrections are the owners' responsibility. There are more than 300 such ponds, 81 of which exceed a half-acre in size. Private ponds have great impact on City infrastructure.



Urban Channel Retrofits and Urban Stream Repairs

Urban channels are straighter than rural channels, and they have less room for meandering because of development. Straighter channels run faster during heavy flow periods, and that lends itself to erosion on the sides of the channels. Site-specific solutions must be developed, and the City has identified numerous locations that require work

Part 3: Funding Levels for Capital Projects and Staff for Immediate Rate Increase and Rate Increase Over Time

Rate Increase Over Time

Sanitary Sewer Projects	FY 20	FY 21	FY22	FY 23	FY 24	Total
CCTV Evaluations	\$(200,000)	\$ (400,000)	\$ (400,000)	\$ (500,000)	\$ (500,000)	\$ (2,000,000)
Manhole Inspections	\$ -	\$ (125,000)	\$ (120,000)	\$ (85,000)	\$ (120,000)	\$ (450,000)
Manhole and Sewer Main Lining	\$(350,000)	\$ (600,000)	\$ (1,300,000)	\$ (2,000,000)	\$(2,800,000)	\$ (7,050,000)
Capital Cost Subtotal						\$ (9,500,000)
Projected Additional Revenue	FY 20	FY 21	FY22	FY 23	FY 24	Total
11.6% Rate Increase through FY23, 3% Rate Increase Thereafter)	\$ 544,361	\$ 1,151,868	\$ 1,829,845	\$ 2,586,469	\$ 3,430,860	\$ 9,543,403
Total	\$ (5,639)	\$ 26,868	\$ 9,845	\$ 1,469	\$ 10,860	\$ 43,403

Stormwater Projects	FY 20	FY 21	FY22	FY 23	FY 24	One-Time Cost	Total
Sump Pump Drain Program	\$(100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	N/A	\$ (500,000)
Rowe Drive Drainage Way	N/A	N/A	N/A	N/A	N/A	\$ (1,000,000)	\$ (1,000,000)
Pond Inspection and Maintenance	\$(130,000)	\$ (350,000)	\$ (560,000)	\$ (560,000)	\$ (600,000)	N/A	\$ (2,200,000)
Total						\$ (3,700,000)	
Projected Additional Revenue	FY 20	FY 21	FY22	FY 23	FY 24	Total	
8.2% Rate Increase through FY23, 3% Rate Increase Thereafter	\$ 229,870	\$ 478,589	\$ 747,703	\$ 1,038,885	\$ 1,353,943	\$ 3,848,990	
Total	\$ (130)	\$ 28,589	\$ 87,703	\$ 378,885	\$ 653,943	\$ 148,990	

Immediate Rate Increase

Sanitary Sewer Projects	FY 20	FY 21	FY22	FY 23	FY 24	Total
CCTV Evaluations	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (2,000,000)
Manhole Inspections	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (450,000)
Manhole and Sewer Main Lining	\$ (1,800,000)	\$ (2,000,000)	\$ (2,200,000)	\$ (2,500,000)	\$ (2,700,000)	\$ (11,200,000)
Capital Cost Subtotal						\$ (13,650,000)
Projected Additional Revenue	FY 20	FY 21	FY22	FY 23	FY 24	Total
50% Rate Increase FY 19, 3% Rate Increase Thereafter	\$ 2,346,384	\$ 2,557,558	\$ 2,775,068	\$ 2,999,103	\$ 3,229,859	\$ 13,907,971
Total	\$ 56,384	\$ 67,558	\$ 85,068	\$ 9,103	\$ 39,859	\$ 257,971

Stormwater Projects	FY 20	FY 21	FY22	FY 23	FY 24	One-Time Cost	Total
Sump Pump Drain Program	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (150,000)	\$ (150,000)	N/A	\$ (600,000)
Rowe Drive Drainage Way Improvem	N/A	N/A	N/A	N/A	N/A	\$ (1,000,000)	\$ (1,000,000)
Urban Stream Repair	\$ (140,000)	\$ (140,000)	\$ (150,000)	\$ (150,000)	\$ (150,000)	N/A	\$ (730,000)
Pond Inspection and Maintenance	\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)	N/A	\$ (3,000,000)
Total							\$ (3,700,000)
Projected Additional Revenue	FY 20	FY 21	FY22	FY 23	FY 24	Total	
30% Rate Increase FY 19, 3% Rate Increase Thereafter	\$ 840,987	\$ 950,316	\$ 1,062,924	\$ 1,178,910	\$ 1,298,376	\$	5,331,513
Total	\$ 987	\$ 110,316	\$ 212,924	\$ 278,910	\$ 398,376	\$	1,513

Part 4: Current Rates for Sanitary Sewer, Stormwater, and Water Services

Water Rates - Effective 2012

The cost for use of City water shall be ascertained according to the amount of water used during the month for which the charge is made and shall be graduated as follows:

Rate Per 100 Cubic Feet	Inside City	Outside City
First 2,300 cubic feet per month	\$4.01	\$9.06
Next 11,700 cubic feet per month	\$3.87	\$8.86
Next 486,000 cubic feet per month	\$3.42	\$7.75
Over 500,000 cubic feet per month	\$2.69	\$6.12

Monthly Service Charge

Meter Size	Inside City	Outside City
5/8 x 1/2" meters	\$1.25	\$2.75
5/8 x 3/4" meters	\$5.00	\$6.50
3/4" meters	\$6.00	\$7.50
1" meters	\$8.00	\$10.00
1.5" meters	\$10.50	\$13.00
2" meters	\$16.00	\$20.00
3" meters	\$28.00	\$39.00
4" meters	\$46.00	\$66.00
6" meters	\$92.00	\$131.00
8" meters	\$146.00	\$196.00

(City Code Ch. 27 Sec. 27) 7.48 Gallons = 1 cubic foot

Stormwater Rates – Effective 2004

Parcel Type	Monthly Charge	# of Users*
Single-Family and Duplexes		
Small Parcel (gross area ≤ 7,000 ft ³)	\$ 2.90	8,187
Medium Parcel (7,000 ft ³ < gross area ≤ 12,000 ft ³)	\$ 4.35	10,978
Large Parcel (gross area > 12,000 ft ³)	\$ 7.25	4,606
Parcels other than Single-Family, Duplexes**		
Small Commercial Parcels ≤ 4,000 sq. ft.	\$ 5.80	1,792
Large Commercial	Varies	7,165
Base charge per IAU	\$ 1.45	

*FY 17 Numbers from Water Department

**Parcels other than Single-Family and Duplexes greater than 4,000 ft³ are charged for actual number of IAUs within the parcel or 4 IAUs, whichever is greater.

Sanitary Sewer Rates – Effective 2012

Rate per 100 cubic feet
\$1.60

The monthly service charge of \$1.50 applies to each bill, regardless of usage.



Sanitary Sewer and Stormwater Master Plans: Proposed Rate Increases

Jim Karch, PE CFM, Director of Public Works

September 25, 2017

A Proactive Approach to Sanitary Sewer and Stormwater

- Both rate proposals enable proactive repairs and meet goals from the City's master plans
- Revenue Generated
 - Sanitary Sewer: **\$95 million**
 - Stormwater: **\$42 million**
 - Total: **\$137 million**

<u>Funding Goals from Master Plans</u>	
Asset Management	\$16 million
Stormwater	\$36 million
Sanitary Sewer	\$83 million
TOTAL	\$136 million

How does this affect a typical residential customer?

Storm Sewer Rate Increase Impact to Typical Residential Customer		
Fiscal Year	Typical Residential Bill	Percent Increase
(Current) *FY 18	\$ 4.35	N/A
FY 19	\$ 5.66	30.0%
<p><i>*Based on FY 17 Number</i> <i>3% annual increase begins FY 20</i></p>		

How does this affect the typical customer?

Sanitary Sewer Rate Increase Impact to Typical Residential Customer		
	Immediate Increase	
Fiscal Year	Typical Total Residential Bill (500 ft ³ & Fixed Fee)	Percent Increase
Current *FY 18	\$ 9.50	N/A
FY 19	\$ 14.25	50.0%
<p><i>*Based on FY 17 Number 3% annual increase begins FY 20</i></p>		