



Legislation Text

File #: O-538-19z, **Version:** 1

DPU111219WATERRATES
Department of Public Utilities
Ed Moore (x1845)

Amending portions of Section 933.02 in Title III, Chapter 933 of the Toledo Municipal Code to establish new water rates.

SUMMARY & BACKGROUND:

Ordinance No. 124-13 established water rates for a period of five years from 2014 with the last increase effective on January 1, 2018. On November 6, 2018, the citizens of Toledo paved the way for historic regional cooperation through passage of a Charter Amendment allowing the creation of the Toledo Regional Water Commission, charged with continuing to provide a safe and dependable water supply at the lowest cost for all customers. All regional contract jurisdictions have signed 40-year uniform contracts to purchase the City of Toledo produced water. The City of Toledo now can proceed to establish an improved rate design that supports continued infrastructure investment, adds water affordability measures and ties customer costs directly to water use. This ordinance establishes rates for water service for the years 2020 through 2023 that will cover existing and future debt service incurred to fund the cost of water infrastructure improvement projects, and provide sufficient funds for the proper operation and maintenance of the water treatment plant and distribution system. The amount of the Senior/Homestead discount will remain at 25%, which greatly benefits those who qualify.

The fiscal impact of this ordinance is as follows:

- The amount of funds requested: none
- The expenditure budget line item: n/a
- New revenue generated (operational revenue, grants, if any): n/a
- Revenue budget line item (if any): n/a
- Are funds budgeted in the current fiscal year (yes/no)?: n/a
- Is this a capital project (yes/no)?: no
- If yes, is it new or existing (new/existing)?: n/a
- What section of the City's Strategic Plan does this support:
 - o Excellence in Basic Services (yes/no) yes
 - o Quality Community Investment (Livable City, Development) (yes/no) yes

- Workplace Culture & Customer Service (yes/no) yes
- Environment (yes/no) yes

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That Section 933.02(a)(1) (10) of the Toledo Municipal Code which reads as follows:

(a) Rates for Water Furnished Inside the City Limits.

Rates are based on either monthly or quarterly metered use and billed in increments of one hundred cubic feet effective through December 31, 2013 and on January 1st of each year in years 2014, 2015, 2016, 2017 and 2018, respectively, as follows:

Net Rate per 1,000 Cubic Feet (in dollars)					
	2014	2015	2016	2017	2018
(1) For the first 10,000 cubic feet per or 30,000 cubic feet per quarter	\$16.45	\$18.62	\$21.08	\$23.86	\$24.93
(2) For the next 150,000 cubic feet per r or 450,000 cubic feet per quarter	\$15.98	\$18.09	\$20.48	\$23.19	\$24.23
(3) For the next 1,000,000 cubic feet month or 3,000,000 cubic feet per qu	\$12.55	\$14.21	\$16.09	\$18.21	\$19.03
(4) For all over 1,160,000 cubic feet month or 3,480,000 cubic feet per qu	\$9.16	\$10.37	\$11.74	\$13.28	\$13.88
(5) A minimum charge for water serv be made according to meter size rega the amount of water used, as follows					
5/8 inch: Monthly	\$16.45	\$18.62	\$21.08	\$23.86	\$24.93
Quarterly	\$32.90	\$37.24	\$42.15	\$47.72	\$49.87
3/4 inch: Monthly	\$24.80	\$28.08	\$31.78	\$35.98	\$37.60
Quarterly	\$49.60	\$56.15	\$63.56	\$71.95	\$75.19
1 inch: Monthly	\$41.28	\$46.73	\$52.90	\$59.89	\$62.58
Quarterly	\$82.55	\$93.44	\$105.78	\$119.74	\$125.13
1 1/2 inch & larger: Monthly	\$100.08	\$113.29	\$128.25	\$145.17	\$151.71
Quarterly	\$200.16	\$226.58	\$256.49	\$290.35	\$303.41

(Ord. 124-13. Passed 4-30-13.)

(6) Those water consumers residing inside the City limits who are eligible for the Senior Water Discount Program as specified in subsection (a)(7), and are furnished 1,000 cubic feet of water per quarter or less, shall pay a quarterly charge which is based upon 1,000 cubic feet of consumption. Those consumers who qualify for the Senior Water Discount Program shall pay a quarterly rate which is twenty-five percent (25%) less than the

rates established herein for the first 2,000 cubic feet consumed and an amount determined by the rates in subsections (a)(1) through (5), hereof, for all water furnished over 2,000 cubic feet consumed per quarter.

Those consumers who qualify for the Senior Water Discount Program and have an eligible total income shall pay a quarterly rate which is forty percent (40%) less than the rates established herein for the first 2,000 cubic feet consumed and an amount determined by the rates in subsections (a)(1) through (5), hereof, for all water furnished over 2,000 cubic feet consumed per quarter. An eligible total income shall be a household income that is at or below the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).

(7) Consumers eligible for the Senior Water Discount Program shall be any consumer who satisfies all of the criteria immediately below:

A. Is receiving service by means of a single meter for a single unit utilized solely for residential purposes that is owned and occupied by the consumer;

B. Is the contract holder or spouse of the contract holder for DPU's utility services; and

C. Has been certified or whose spouse has been certified by the Director of Public Utilities as being sixty-five years of age or older or permanently and totally disabled at any age. For the purposes of this section, the terms "sixty-five years of age or older" and "permanently and totally disabled" shall be defined in a like manner as provided for in the State of Ohio Homestead Exemption, under Ohio R.C. 323.151.

(8) The Senior Water Discount Program shall only apply to charges levied against the permanent residence of the consumer.

(Ord. 174-14. Passed 12-16-14.)

	2014	2015	2016	2017	2018
(9) A fire service charge per inch of non of fire service connection	\$6.51	\$7.37	\$8.34	\$9.44	\$9.87
A fire service charge for each private fire connected to the distribution system	\$6.51	\$7.37	\$8.34	\$9.44	\$9.87

(Ord. 124-13. Passed 4-30-13.)

(10) To use a fire hydrant, a user shall obtain a hydrant meter and permit from the Department of Public Utilities, and shall pay deposit charges and daily rental fees as set by the Director of Public Utilities. Water used shall be paid for at the rates set forth in this section.

(Ord. 607-10/56-11. Passed 2-8-11.)

(b) Rates for Water Furnished Outside the City Limits.

(1) Rates for surplus water furnished outside the City limits shall be pursuant to the method of calculating rates contained in a binding contract entered into between said outside City jurisdiction and the City of Toledo for such water services in the applicable service area. In the event such binding contract refers only to this subsection 933.02(b) as the method of calculating the rate under such contract, the intent of the City of Toledo is to maintain the method of calculation in effect at the time the contract was entered into throughout the term of the contract. Thus, the sum of the Step One calculation of the rate structure (e.g., declining block or first block of the Toledo inside City rates) and the Step Two calculation of the percent surcharge would remain constant throughout the term of the contract, while Step One is subject to the revisions and amendments to the Toledo inside City rates enacted as subsection 933.02(a) of the Toledo Municipal Code.

(2) In the absence of a binding contract or where no previous written contract exists, the rates for surplus water furnished outside the City limits shall be the sum of the calculations described in Step One and Step Two after written notice from the Director of the Department of Public Utilities has been issued advising the affected outside City jurisdiction when the non-contract rate shall take effect; provided, however, that this non-contract rate shall not be applicable during the first ninety (90) days after the expiration of a binding contract where sincere contract negotiations have occurred and continue to occur as determined by the Mayor and the Director of Law.

(i) Step One. A uniform rate (i.e., first block of Toledo inside water rate with no declining block discount) shall be computed based on all metered water volume multiplied by the uniform rate stated in subsection 933.02(a)(1) of the Toledo Municipal Code as the same is enacted, revised or amended from time to time, plus any charges accruing from subsection 933.02(a)(9). Subsections 933.02(a)(2) through (8) are specifically excluded from the Step One calculations; and

(ii) Step Two. A surcharge of one hundred twenty-five percent (125%) shall be added to the uniform rate calculated in Step One. This surcharge shall be increased by an additional five percent (5%) for each twelve (12) month period that passes without the execution of a written contract with the affected outside City jurisdiction beginning on the date specified in the written notice from the Director of the Department of Public Utilities to said outside City jurisdiction that the non-contract rate shall take effect as set forth in subsection 933.02(b)(2) of the Toledo Municipal Code.

(Ord. 582-10. Passed 11-9-10.)

be and the same is repealed

SECTION 2. That amending Section 933.02 by adding new Sections 933.02 (a) and (b) of the Toledo Municipal Code effective January 1, 2020 through December 31, 2023 are enacted to read as follows:

(a) Retail Rates

Rates for water consumers, residing inside the Toledo city limits and Lucas County water consumers located outside the boundaries Contract Community service area, shall be based on metered water consumption plus a monthly fixed charge per bill. Consumption shall be based on monthly metered use and billed in increments of one hundred cubic feet effective through December 31, 2023 and on January 1st of each year in years 2020, 2021, 2022, 2023, respectively, as follows:

Net Rate per 1,000 Cubic Feet (in dollars)	Rate Transition Period	2020	2021	2022	2023
(1) Toledo for the first 160,000 cubic feet per month	2020-2027	\$27.42	\$30.17	\$33.18	\$36.50
(2) Toledo for all over 160,000 cubic feet per month	2020-2028	\$15.27	\$16.79	\$18.47	\$20.32
(3) Lucas County for the first 160,000 cubic feet per month	2020-2027	\$43.00	\$42.00	\$41.50	\$41.00
(4) Lucas County for all over 160,000 cubic feet per month	2020-2028	\$43.00	\$42.00	\$41.50	\$35.00
Fixed Charge (in dollars)					
(5) Toledo Fixed Charge per month		\$6.00	\$6.00	\$6.00	\$6.00
(6) Lucas County Fixed Charge per month		\$9.00	\$8.00	\$7.00	\$6.00

(7) Those water consumers residing inside the city limits who are eligible for the Senior Water Discount Program as specified in subsection (a)(8), and are furnished 667 cubic feet of water per month or less, shall pay a monthly rate which is twenty-five percent (25%) less than the rates established above in subsection Retail Rates (a)(1) and (a)(5). Non-discounted Retail Rates shall apply for all water consumed greater than 667 cubic feet per month.

Those consumers who qualify for the Senior Water Discount Program and have an eligible total income shall pay a monthly rate for all metered water consumption which is forty percent (40%) less than the rates established above in subsection Retail Rates (a)(1) and (a)(5). An eligible total income shall be a household income that is at or below the poverty guidelines updated periodically in the *Federal Register* by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).

(8) Consumers eligible for the Senior Water Discount Program shall be any consumer who satisfies all of the criteria immediately below:

- A. Is receiving service by means of a single meter for a single unit utilized solely for residential purposes that is owned and occupied by the consumer;
- B. Is the contract holder or spouse of the contract holder for DPU's utility services; and
- C. Has been certified or whose spouse has been certified by the Director of Public Utilities as being sixty-five years of age or older or permanently and totally disabled at any age. For the purposes of this section, the terms "sixty-five years of age or older" and "permanently and totally disabled" shall be defined in a like manner as provided for in the State of Ohio Homestead Exemption, under Ohio R.C. 323.151.

(9) The Senior Water Discount Program shall only apply to charges levied against the permanent residence of the consumer.

Monthly	2020	2021	2022	2023
(10) A fire service charge per inch of nominal fire service connection	\$10.86	\$11.94	\$13.14	\$14.45
A fire service charge for each private fire hydrant connected to the distribution system	\$10.86	\$11.94	\$13.14	\$14.45

(11) To use a fire hydrant, a user shall obtain a hydrant meter and permit from the Department of Public Utilities, and shall pay deposit charges and daily rental fees as set by the Director of Public Utilities. Water used shall be paid for at the rates set forth in this section.

(b) Contract Community Rates

Rates for each Contract Community shall be based upon their signed contract and on monthly metered use billed in increments of one hundred cubic feet effective through December 31, 2023 and on January 1st of each year in years 2020, 2021, 2022, 2023, respectively, as follows:

Net Rate per 1,000 Cubic Feet (in dollars)					
Contract Community	Rate Transition Period	2020	2021	2022	2023
Sylvania	2020-2025	\$43.00	\$42.00	\$41.50	\$41.00
South Monroe County	2020-2025	\$43.00	\$42.00	\$41.50	\$41.00
Wood County (Rossford, et al)	2020-2025	\$43.00	\$42.00	\$41.50	\$41.00
Fulton County	2020-2022	\$32.73	\$32.50	\$34.57	\$35.62
Whitehouse	2020	\$31.42	\$32.05	\$34.57	\$35.62
Wood County Main NWWSD	2020-2027	\$24.88	\$27.61	\$30.37	\$33.13
Maumee	2020-2027	\$23.65	\$26.37	\$29.33	\$32.29
Perrysburg	2020-2027	\$23.30	\$26.06	\$29.08	\$32.09

SECTION 3. This council finds and determines that all formal actions of this council and any of its committees concerning and relating to the passage of this ordinance were taken, and that all deliberations of this council and any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

SECTION 4. That this ordinance shall take effect and be in force from and after the earliest date permitted by law.

Passed: _____: yeas _____, nays _____.

Attest: _____
Clerk of Council

President of Council

Approved: _____

Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

_____.

Attest: _____
Clerk of Council