

FISCAL IMPACT NOTE

Legislation No: O-20-14

First Reader Date: 05-12-14

Note Date: 05-14-14

Legislation Title: Water Service Charges

Description: For the purpose of instituting charges for re-establishing water service after non-payment; authorizing a charge for billing adjustments; authorizing a charge for estimating property transfer charges; and for all other matters related to water service charges.

Analysis of Fiscal Impact: This legislation produces positive fiscal impacts in the Water and Sewer Funds. These rate increases are intended to establish an appropriate rate structure for water and sewer services that supports operation, maintenance, and capital costs of the water and sewer systems, and contributes to reserves. The following changes to water and sewer rates are included in this legislation:

- A. *Charge for transfer of property.* A charge of fifty dollars shall be assessed each time a customer submits a request for estimated property transfer to the Department of Finance. There are approximately twenty-five transfers received on a weekly basis, which would generate \$65,000 in revenue annually.
- B. *Charges for turn off, turn on, or reconnect any water supply system.* A charge of sixty dollars, an increase of fifty dollars, shall be billed each time a customer requests the City to turn on, turn off, or reconnect any water supply system and that service is performed during normal business hours. If the service is performed outside normal business hours, the charge shall be one-hundred and fifty dollars, an increase of seventy-five dollars.

A charge of fifty dollars shall be assessed the second time, and all subsequent times, within each calendar year, that a customer's water service is interrupted for non-payment.

A charge of fifty dollars shall be assessed for the second trip, and all subsequent trips, within each calendar year that the department of public works makes to restore water service that has been interrupted due to non-payment.

- C. *Charge for billing adjustment requests.* After the customer submits one request for adjustment, the customer shall be assessed a charge of thirty-five dollars for any additional requests for adjustment that the customer submits. If the department of Finance determines that an error has occurred, the thirty-five dollar charge shall be refunded to the customer. Adjustments that are determined to be erroneous shall not count towards the one adjustment request without charge allowed per customer.