

Water Rates Ordinance

_____ City
A Municipal Corporation

ORDINANCE NO. _____

AN ORDINANCE AMENDING PROVISION OF THE _____ CITY MUNICIPAL CODE PERTAINING TO THE SERVICE RATES FOR THE CULINARY WATER SYSTEM.

Section 1. Preamble

- A. WHEREAS, [the City] operates a culinary water system; and
- B. WHEREAS, the city council understands that current water rates are not sufficient for present and future increases in costs of providing water to residents; and
- C. WHEREAS, the city council desires to amend the provision of the _____ city municipal code pertaining the fee for culinary water service; and
- D. WHEREAS, the city council understands the pressing need to use water in a more efficient manner to allow for future sustained growth of the community;

Section 2. Ordaining Clause

NOW, THEREFORE, IT IS ORDAINED BY THE CITY COUNCIL OF _____ CITY, UTAH:

Section ___ Subsection ___ of the _____ City Municipal Code is hereby repealed and reenacted to read as follows:

Section 3. Culinary Water Rates

The City Manager or his / her designee shall read meters monthly. Each account will be assessed a monthly fee using a daily rate as set forth below. Water service charges shall be collected monthly for each water connection. Service charges will be composed of the following parts:

- A. A basic daily service charge, based upon the size of the meter connection calculated to cover major fixed costs associated with paying debt service, salaries, and other costs of operating and maintaining the water system, which do not vary with the amount of water delivered, is set according to the following schedule:

Meter Size	Daily Service Charge (\$)	Monthly Service Charge (\$)
.75	.33	9.90
1.0	.83	24.90
1.5	1.16	34.80
2.0	1.66	49.80
3.0	4.98	149.40
4.0	10.62	318.60

(Numbers used in this table are hypothetical and are used only to illustrate one methodology)

- B. A charge for all water delivered through the meter, calculated to cover the variable costs of operating and maintaining the water system, which do vary according to the amount of water delivered, is set according to the following schedule:

OPTION 1: INCREASING BLOCK RATE STRUCTURE

(Numbers used in this table are hypothetical and are used only to illustrate one methodology)

Gallons Used	Monthly Service Charge (\$)	Metered Water Rate (\$ / Kgal)
0 – 4,200	9.90	1.00
4,201 – 19,200	9.90	1.50
19,201 – 28,200	9.90	2.00
28,201 – 33,000	9.90	2.50
33,001 – 39,000	9.90	3.00
39,001 – 49,000	9.90	3.50
Over 49,000	9.90	4.00

OPTION 2: SEASONAL BLOCK RATE STRUCTURE

(Numbers used in this table are hypothetical and are used only to illustrate one methodology)

Monthly Service Charge (\$)	Metered Water Rate (\$ / Kgal)	
	Oct - May	Jun - Sep
9.90	1.00	1.50

OPTION 3: ASCENDING BLOCK RATE STRUCTURE

(Numbers used in this table are hypothetical and are used only to illustrate one methodology)

Tier Name	Usage (% of Target)	Metered Water Rate (\$ / Kgal)
Low-Volume	0 – 50%	.75
Conservation	51 – 100%	1.00
Inefficient	101 – 150%	2.00
Excessive	151 – 200%	4.00
Wasteful	Over 200%	8.00

Each customer has a water budget or target, which is based on:

- Lot size
- Number of occupants
- Daily evapotranspiration, totaled for the billing period, as measured at the nearest weather station