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AUG 19 2015

ORDINANCE NO. 4646

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AMENDING SUBSECTION 44-7.2 AND SECTIONS 50-2, 50-10, 50-11, 50-11.1, 50-12, 50-13, 50-15, AND 50-19 OF THE CODE OF THE CITY OF CHANDLER TO CHANGE CERTAIN WATER, RECLAIMED WATER, SEWER, AND SOLID WASTE FEES.

WHEREAS, increased regulatory and operating costs have occurred since the existing reclaimed water and sewer rates were implemented in 2013; and

WHEREAS, as a result of such cost increases, and based upon the supporting data placed on file with the City Clerk, staff has recommended that Council consider changing the rates or rate components, fees or service charges set out in this Ordinance; and

WHEREAS, on May 28, 2015, Council adopted by motion a notice of intention to increase certain water, reclaimed water, sewer and solid waste rates or rate components, fees or service charges, and set July 9, 2015 as the date for a public hearing on the matter; and

WHEREAS, a copy of the notice of intention showing the date, time and place of such public hearing has been properly published at least 20 days prior to the public hearing date, and the public hearing has been conducted as scheduled; and

WHEREAS, Council finds that it is in the best interest of the City to adopt new rates in order to maintain the financial integrity of the water and sewer enterprises.

BE IT ORDAINED by the City Council of the City of Chandler, Arizona that the Code of the City of Chandler, Arizona be amended as follows:

SECTION 1: Chapter 44 is hereby amended as follows:

Amend Subsection 44-7.2 of Section 44-7, Use of recycling-solid waste collection center, to read as follows:

44-7.2. Refuse drop-off zone. The following provisions shall apply to use of the refuse drop-off zone.

A. Persons presenting documentation establishing covered residence status are entitled to use the refuse drop-off zone at no charge up to a maximum weight of specified material as set forth by City Council resolution. Additionally, persons presenting documentation to use the refuse drop-off zone pursuant to an agreement approved at a City Council meeting, and persons wishing to drop off refuse generated from neighborhood cleanup programs sponsored by the City and approved by the administrator, shall be entitled to use the refuse drop-off zone at no charge.

B. Persons presenting documentation establishing City residency, but who are not an owner or occupant of a covered residence, are entitled to use the residential drop-off zone upon payment of the fee set forth by City Council resolution.

C. Refuse to be accepted at the refuse drop-off zone shall be limited to loosely compacted matter that can be removed and handled by machinery normally used at a transfer facility. Logs, trees and stumps shall be cut into pieces not exceeding seventy-two (72) inches in length and eighteen (18) inches in diameter.

SECTION 2: Chapter 50 is hereby amended as follows:

A. Amend Section 50-2 to read as follows:

50-2. - Application for utility service; requested discontinuance of service.

All applications for utility service shall be made through the Office of the Management Services Director. The applicant shall furnish the following: name; spouse's name (if applicable); the official street number assigned to the premises or the legal description of the property; previous address; employer's name and telephone number (if employed); the property owner's name, if different from the applicant; a copy of lease or rental agreement if applicant is not the property owner and the address of which the monthly statement is to be mailed. The applicant may be required to show picture identification.

All applicants shall pay a fee of twenty-five dollars (\$25.00) to open an account and are required to give a twenty-four-hour notice to have water service turned on. Where the request requires the service be performed outside normal working hours, weekends or holidays, an additional fee of twenty-seven dollars (\$27.00) shall be charged. Normal working hours are defined as weekdays between the hours of 8:00 a.m. and 5:00 p.m.

Customers desiring to discontinue the use of water must give a twenty-four-hour notice thereof through the Office of the Management Services Director, or the charges for utilities will be continued until such notice is given. Any service call on weekends, holidays, or between the hours of 5:00p.m. and 8:00 a.m. shall pay a fee of thirty-five dollars (\$35.00). Customers desiring their water service turned off for the purpose of repairing their plumbing shall pay a fee of thirty-five dollars (\$35.00) if the service call is on weekends, holidays or between the hours of 5:00 p.m. and 8:00 a.m. During normal working hours this service will be performed at no charge.

B. Amend Section 50-10 to read as follows:

50-10. - Backflow prevention device installation fee.

A. Residential properties to be connected to the municipal water system which incorporate the use of reclaimed wastewater as a water conservation measure shall be charged a fee for installation of backflow prevention devices in accordance with the following schedule:

| | Inside City | Outside City |
|----------------------------------|-------------|--------------|
| Water service lines up to 1 inch | \$225.00 | \$315.00 |

Devices to be installed inside the City on service lines larger than one (1) inch will be installed on the basis of time and materials plus twenty-five (25) percent. The deposit fee will be estimated by the Water Quality Program Manager and shall be required by the Management Services Director prior to installation, with the balance due upon completion of the installation. Installation of devices outside the City on service lines larger than one (1) inch shall be 1.4 times the fee for installation inside the City limits.

B. An additional charge of fifty dollars (\$50.00) per device inside the City limits and seventy dollars (\$70.00) per device outside the City limits shall be made for installations requiring more than two (2) service calls, or for testing the backflow prevention device after relocation of a hydrant meter. The charge shall be levied for each return trip necessary to complete the installation of the device.

C. All backflow prevention devices installed under this program shall remain the property of the City, and the City shall be responsible for testing and maintenance of the devices.

C. Amend Section 50-11 to read as follows:

50-11. - Water rates.

A. The following rates shall apply to all individually metered water services:

| Meter Size (in inches) | Monthly Base Charge | |
|---------------------------|---------------------|--------------|
| | Inside City | Outside City |
| 5/8 | \$8.87 | \$12.42 |
| 3/4 | 10.11 | 14.16 |
| 1 | 12.91 | 18.08 |
| 1½ | 20.33 | 28.47 |
| 2 | 28.61 | 40.06 |
| 3 | 60.30 | 84.42 |
| 4 | 85.09 | 119.13 |
| 6 | 161.57 | 226.20 |
| 8 | 244.79 | 342.71 |
| 10 | 417.08 | 583.92 |
| 12 | 589.39 | 825.15 |

B. In addition to the monthly base charge, all water metered shall be charged at the following rates by class per one thousand (1,000) gallons, plus the applicable proportionate part of any taxes or any governmental impositions, which are assessed on water sales:

| | Year-Round Single-Family | |
|----------------------|-----------------------------|-----------------|
| | Inside City | Outside City |
| First 10,000 gallons | \$1.60 | \$2.24 |
| Next 10,000 gallons | 2.08 | 2.92 |
| Next 40,000 gallons | 2.62 | 3.67 |
| Over 60,000 gallons | 3.27 | 4.58 |

| | Year-Round Multi-Family | |
|----------------------|----------------------------|-----------------|
| | Inside City | Outside City |
| First 10,000 gallons | \$0.87 | \$1.22 |
| Next 10,000 gallons | 1.07 | 1.50 |
| Next 20,000 gallons | 1.47 | 2.06 |
| Over 40,000 gallons | 2.21 | 3.10 |

| | Year-Round Industrial | |
|-----------|--------------------------|-----------------|
| | Inside City | Outside City |
| All Usage | \$2.02 | \$2.83 |

| | Year-Round Landscape | |
|-----------|-------------------------|-----------------|
| | Inside City | Outside City |
| All Usage | \$2.42 | \$3.39 |

| | Year-Round All Other Non-Residential | |
|-----------|--|-----------------|
| | Inside City | Outside City |
| All Usage | \$2.03 | \$2.85 |

D. Amend Section 50-11.1 to read as follows:**50-11.1. - Reclaimed water service rates.**

The following rates per one thousand (1,000) gallons shall apply to all individually metered reclaimed water services:

| | Year-Round Rate | |
|-----------------|--------------------|-----------------|
| | Inside City | Outside City |
| Reclaimed water | \$0.596 | \$0.835 |

E. Amend Section 50-12 to read as follows:**50-12. - Wastewater service rates.**

A. The following wastewater service rates shall apply to all dwelling and commercial units where sewer main adjoins the property and the water account is active, unless the unit is outside the City limits and not connected to a City sewer main. In the event the active water account is for the sole purpose of providing fire flow, lawn, landscaping or other irrigation and sprinkling or other use approved by the City Engineer not requiring a sewer connection, the following service rates shall not apply.

| Type of Service | Water Metered | Inside City | Outside City |
|-----------------------------|----------------|----------------|-----------------|
| Single-Family Dwelling Unit | Not Applicable | \$26.35 | \$42.16 |
| Multi-Family Dwelling Unit | Not Applicable | 8.07 | 12.92 |

| | | | |
|---------------------------------------|---------------------|------|-------|
| Commercial | Monthly Base Charge | 6.95 | 11.12 |
| | Per 1,000 gallons | 3.17 | 5.08 |
| Commercial Processing & Manufacturing | Monthly Base Charge | 6.95 | 11.12 |
| | Per 1,000 gallons | 3.17 | 5.08 |
| Medical Institutions | Monthly Base Charge | 6.95 | 11.12 |
| | Per 1,000 gallons | 3.17 | 5.08 |
| Educational Institutions | Monthly Base Charge | 6.95 | 11.12 |
| | Per 1,000 gallons | 3.17 | 5.08 |
| Large Volume Industrial | Monthly Base Charge | 6.95 | 11.12 |
| | Per 1,000 gallons | 3.17 | 5.08 |

B. In the event of the installation of a separate sewer meter for approved commercial and industrial users, the following wastewater service rates shall apply.

| Type of Service | Inside City | Outside City |
|---------------------------------|-------------|--------------|
| Approved commercial-industrial: | | |
| Monthly base charge | \$6.95 | \$11.12 |
| Per 1,000 gallons | 3.17 | 5.08 |

C. In the event a sewer main adjoins property which is not served by municipal water and the owner/occupant desires to be served by wastewater service, the wastewater rates set forth in paragraph A. shall apply to all single-family and multifamily users. Wastewater rates set forth in paragraph A. shall apply to all other customers with water provider supplying water billing information to the City. In the event the water provider is the owner/occupant or the water

provider information is not available to the City for billing purposes under paragraph A., then wastewater rates set forth in paragraph B. shall apply and installation costs of the sewer meter shall be borne by the customer.

F. Amend Section 50-13 to read as follows:

50-13. - Wastewater pretreatment program cost recovery.

A. In order to provide for recovery of City costs associated with the City of Chandler wastewater pretreatment program, the following fee schedule is established:

Industrial User permit application and renewal\$480.00

Monthly metered water charge, per 1,000 gallons0.183

Excess pollutant processing charge:

Per excess lb. BOD*0.415

Per excess lb. TSS**0.083

Per excess lb. Ammonia0.487

*BOD: Biochemical oxygen demand

**TSS: Total Suspended solids

The above fees shall be separate from all other fees chargeable by the City and apply to Industrial Users required to be permitted under the procedures contained in the City's approved Pretreatment Program. Industrial Users that certify no discharging of any process and/or process related wastewater regulated under Federal Pretreatment Categorical Standards shall be exempt from the monthly metered water charge in this section. The monthly metered water charge is measured at the Industrial User's water meter(s) or at the metered combined sewer outfall if approved by the City. These fees relate solely to the pretreatment program requirements and are structured to reimburse the following:

1. Costs of setting up and operating the City's wastewater pretreatment program;
2. Costs of monitoring, inspection and surveillance procedures;
3. Costs of reviewing accidental discharge procedures and construction;
4. Costs associated with processing permit applications and issuing permits;
5. Costs associated with filing appeals;

6. Costs incurred by City for consistent removal of pollutants otherwise subject to Federal pretreatment standards;

7. Other costs deemed necessary to carry out the requirements of the pretreatment program.

Fees shall be reviewed annually each January by the Director of the Municipal Utilities Department to assure they are equitable and sufficient to recover City costs associated with the program as defined above.

B. If any provision, paragraph, word or section of this ordinance is invalidated by any court of competent jurisdiction, the remaining provisions, paragraphs, words or sections shall not be affected and shall continue in full force and effect.

C. All other ordinances and parts of other ordinances inconsistent or conflicting with any part of this ordinance are hereby repealed to the extent of such inconsistency of conflict.

G. Amend Section 50-15 to read as follows:

50-15. - Fee for basic solid waste services.

A. *Basic solid waste services.* A monthly disposal fee of fifteen dollars and ninety-seven cents (\$15.97) shall apply to all covered residences receiving basic solid waste services as set forth in Chapter 44 of this Code. The City will bill the monthly disposal fee on the water account serving each covered residence. When the owner or occupant of a covered residence does not have an active water account to bill, a utility billing account will be established. A security deposit, as specified in section 50-3, shall be required from owners or occupants of covered residences without an active water account.

B. *Unoccupied residences.* Covered residences under construction, not occupied, with the water account in the name of the contractor, will not be assessed the monthly disposal fee.

C. *Common water account.* When covered residences share a common water account, the aggregate of all of the monthly disposal fees applicable to each covered residence specified in this section will be charged to the common water account.

H. Amend Section 50-19 to read as follows:

50-19. - Construction water fees.

50-19.1. When requesting a hydrant meter for construction water, customers shall deposit the sum of one thousand four hundred fifty dollars (\$1,450.00) with the City for the hydrant meter, fittings and required backflow device. The deposit, less charges for any repair, replacement, labor or balance due, shall be refunded upon termination of the customer's use of the hydrant meter. Charges for any repair, replacement, and labor may be direct charged to the customer.

50-19.2. The customer shall pay a monthly water base charge in the amount of eighty-one dollars and thirty-four cents (\$81.34) for all hydrant meters.

50-19.3. In addition to the monthly water base charge, the customer shall pay for all water metered at the rates set forth in section 50-11 of this chapter.

50-19.4. The customer shall pay a fee of forty-six dollars (\$46.00) for each requested hydrant meter installation, repair, or relocation.

SECTION 3: The new rates and fees established by this Ordinance No. 4646 shall become effective with all bills issued on or after October 1, 2015.

INTRODUCED AND TENTATIVELY APPROVED BY the City Council of the City of Chandler, Arizona, this _____ day of _____, 2015.

ATTEST:

CITY CLERK

MAYOR

PASSED AND ADOPTED by the Mayor and City Council of the City of Chandler, Arizona, this _____ day of _____, 2015.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 4646 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ of _____, 2015, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY *GAB*

PUBLISHED