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AUG 09 2007

ORDINANCE NO. 3943

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AMENDING SECTIONS 50-1 THROUGH 50-3, 50-5, 50-8 THROUGH 50-12, 50-18 THROUGH 50-19 AND 52-7 OF THE CODE OF THE CITY OF CHANDLER TO CHANGE CERTAIN WATER, RECLAIMED WATER AND SEWER FEES.

WHEREAS, increased regulatory and operating costs have occurred since the existing water, reclaimed water and sewer rates were established over a decade ago; and

WHEREAS, Council approved a consultant contract for a water and wastewater fee study to perform a comprehensive review of the City's rate structures and philosophies and appointed citizens to serve on the Water/Wastewater Rate Design Committee; and

WHEREAS, the Water/Wastewater Rate Design Committee recommended changes to the existing rate structures to allow users more ability to influence the amount of their monthly utility bill through conservation measures; and

WHEREAS, the differential in cost of providing service to outside City customers, as compared with providing service to inside City customers, has declined for both the water and sewer enterprises; and

WHEREAS, it is in the best interests 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 50 is hereby amended as follows:

A. Amend Section 50-1 to read as follows:

50-1. Definitions.

The following definitions shall apply:

A. *Utilities* shall mean domestic water, reclaimed water, sewage disposal service and garbage and refuse collection.

B. *Single family dwelling* shall mean a building located upon a separate lot, designed for occupancy by one (1) family for living purposes. Single family dwelling shall include a mobile home located upon a lot in a mobile home subdivision. Single family dwelling shall also include a condominium or townhouse which has a separate water meter.

C. *Multi-family dwelling* shall mean a building or group of buildings located upon a lot or group of adjoining lots having common ownership served by common water meters,

designed for occupancy by two (2) or more families such as duplexes, triplexes, multiplex apartments, condominiums, townhouses and trailer or mobile home parks.

D. *Commercial building* shall mean a building or group of buildings upon a lot or group of adjoining lots, having common ownership designed for any commercial purpose other than multifamily dwellings. Any building or group of buildings where combined residence and business is practiced, where such business is advertised by a sign of any type on the premises and/or listed in the telephone directory as a business, shall be classified as commercial. Commercial building shall include hotel, motel, tourist courts, rooming houses or any establishment catering to transient residents.

E. *Reclaimed water* shall mean effluent, other than effluent produced by the City's reverse osmosis plant, which has been treated to achieve a quality suitable for its intended use as prescribed by federal and state regulations.

F. *Special request recovered water* shall mean recovered reclaimed water delivered directly from a recovery well for the exclusive use of a single user.

B. Amend the first paragraph of 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 at 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.

C. Amend Section 50-3(A) and (B) to read as follows:

50-3. Security deposits.

A. When satisfactory credit has not been established all utility customers shall place a deposit with the Management Services Director before being furnished utilities in accordance with the following minimums:

Single Family, Duplex and Triplex

Residential Customers

Meter Size (Inches)	Inside City Minimum Deposit	Outside City Minimum Deposit
5/8	\$70.00	\$98.00
3/4	75.00	105.00
1	120.00	168.00
1 1/2	275.00	385.00
2	275.00	385.00

All Other Type-User Customers

The total amount of the deposit shall be determined by the Management Services Director and shall be equal to one and one-half (1 1/2) times the average monthly charges for the past twelve (12) months. The following minimums shall be charged when no historical billing data exists.

Type User	Inside City Minimum Deposit (Per Meter)	Outside City Minimum Deposit (Per Meter)
Multi-family	\$1,500.00	\$2,100.00
Commercial	200.00	280.00
Commercial Processing and Manufacturing	550.00	770.00
Medical Institutions	600.00	840.00
Educational Institutions	350.00	490.00
Large Volume Industrial	9,000.00	12,600.00
Landscape	850.00	1,190.00

The Management Services Director may require a security deposit equal to two (2) times the maximum monthly bill during the previous twelve (12) months in lieu of the minimum deposit listed above.

B. In the single family residential category, ownership of the property is prima facie evidence to establish credit. However, the Management Services Director may require proof of ownership of the property being served from the person applying for service. Minimum proof will be the escrow number and the name of title insurance company. Upon default of payment for utility services by the property owner, the Management Services Director may require the placement of a security deposit, equal to two (2) times the maximum monthly bill during the previous twelve (12) months, before continuation or resumption of City Services.

D. Amend subsections 50-5.1 and 50-5.3 to read as follows:

50-5. Payment of bills.

50-5.1. All bills rendered are due and payable upon presentation and are past due (delinquent) twenty-one (21) calendar days after date rendered. If the total of such bill is not paid within five (5) days after delinquency, water service is subject to discontinuance.

50-5.3. A customer's water service may be disconnected for nonpayment of a bill for utility service rendered to the customer at a previous location, provided such bill is not paid within twenty-one (21) days after the unpaid bill has been rendered to the customer at the new location.

E. Amend subsection 50-8.1 to read as follows:

50-8.1. Accessibility of water meter. Water meter boxes shall be installed and maintained such that the access cover is exposed and not lower than the finished grade. It shall be the responsibility of the consumer to ensure that access by employees of the City to the water meter

is not obstructed by landscape materials, vehicles or any other obstruction. In the event the consumer does not allow adequate access to the water meter box, ten business days after proper written notification the City will remove the obstruction and charge a fee on the basis of time and materials.

F. Amend Section 50-9 to read as follows:

50-9. Water meter installation fee.

50-9.1. Properties inside City limits to be connected to the municipal water or reclaimed water distribution system shall pay a fee for which the City will install a service line and meter in accordance with the following schedule:

Meter Size (In Inches)	Inside City
5/8	\$900.00
3/4	925.00
1	990.00
1 1/2	1,100.00
2	1,200.00

Installation of the above size meters outside the City limits shall be one and four-tenths (1.4) times the fee for installation inside the City limits.

50-9.2. Properties to be connected to the municipal water or reclaimed water distribution system where the service line (from the water main to the property line) is installed by the subdivider or developer shall be charged a fee for the meter installation in accordance with the following schedule:

Meter Size (In Inches)	Inside City	Outside City
5/8	\$180.00	\$252.00
3/4	190.00	266.00
1	240.00	336.00
1 1/2	360.00	504.00
2	440.00	616.00

An additional charge of fifty dollars (\$50.00) per meter inside the City limits and seventy dollars (\$70.00) per meter outside the City limits shall be made for installations requiring more than two (2) service calls. The charge shall be levied for each return trip necessary to complete the meter installation.

50-9.3. All water meters larger than two (2) inches shall be purchased and installed by the subdivider or developer using specifications approved by the City.

50-9.4. All water meters shall remain the property of the City, and the City shall be responsible for maintenance of meters.

G. 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 operations superintendent 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 twice 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. 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.

H. Amend Section 50-11 and subsection 50.11.1 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	\$6.31	\$8.84
3/4	7.20	10.08
1	9.19	12.87
1 1/2	14.47	20.26
2	20.37	28.52
3	42.94	60.12
4	60.60	84.84
6	115.07	161.10
8	174.34	244.08
10	297.06	415.89
12	419.79	587.71

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:

	Winter Rate – Single Family		Summer Rate – Single Family	
	Inside City	Outside City	Inside City	Outside City
First 10,000 gallons	\$1.23	\$1.73	\$1.23	\$1.73
Next 10,000 gallons	1.53	2.15	1.84	2.58
Next 20,000 gallons	2.29	3.21	3.21	4.50
Over 40,000 gallons	4.01	5.62	6.41	8.98

	Winter Rate – Multi-Family		Summer Rate – Multi-Family	
	Inside City	Outside City	Inside City	Outside City
First 10,000 gallons	\$0.76	\$1.07	\$0.76	\$1.07
Next 10,000 gallons	0.94	1.32	0.94	1.32
Next 20,000 gallons	1.18	1.66	1.41	1.98
Over 40,000 gallons	1.48	2.08	2.47	3.46

	Winter Rate – Industrial		Summer Rate – Industrial	
	Inside City	Outside City	Inside City	Outside City
All Usage	1.62	2.27	2.07	2.90

	Winter Rate – Landscape		Summer Rate – Landscape	
	Inside City	Outside City	Inside City	Outside City
All Usage	1.59	2.23	2.53	3.55

	Winter Rate – All Other Non-Residential		Summer Rate – All Other Non-Residential	
	Inside City	Outside City	Inside City	Outside City
All Usage	1.51	2.12	2.08	2.92

1. Winter rates will be effective with all billings on and after October 1.
2. Summer rates will be effective with all billings on and after May 1.

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:

	Winter rate (1)		Summer rate (2)	
	Inside City	Outside City	Inside City	Outside City
Reclaimed water	\$0.153	\$0.215	\$0.184	\$0.258
Special request recovered water	1.071	1.500	1.288	1.804

- (1) Winter rates will be effective with all billings on and after October 1.
- (2) Summer rates will be effective with all billings on or after May 1.

I. Amend Section 50-12 to read as follows:

50-12. Sewer service rates.

A. The following sewer service rates shall apply to all dwelling and commercial units where sewer main adjoins the property and the water account is active. 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	\$17.67	\$28.28
Multi-family dwelling unit	Not applicable	5.39	8.63
Commercial	Monthly Base Charge	4.65	7.44
	Per 1,000 gallons	2.11	3.38
Commercial Processing & Manufacturing	Monthly Base Charge	4.65	7.44
	Per 1,000 gallons	2.11	3.38
Medical Institutions	Monthly Base Charge	4.65	7.44
	Per 1,000 gallons	2.11	3.38
Educational Institutions	Monthly Base Charge	4.65	7.44
	Per 1,000 gallons	2.11	3.38
Large Volume Industrial	Monthly Base Charge	4.65	7.44
	Per 1,000 gallons	2.11	3.38

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

Type of Service	Inside City	Outside City
Approved commercial-industrial:		
Monthly base charge	\$4.65	\$7.44
Per 1,000 gallons	2.11	3.38

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 sewer service, the sewer rates set forth in paragraph A. shall apply to all single-family and multifamily users. Sewer 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 sewer rates set forth in paragraph B. shall apply and installation costs of the sewer meter shall be borne by the customer.

J. Amend subsection 50-18.2 to read as follows:

50-18.2. All tests shall conform with requirements set forth by the American Water Works Association.

K. Amend subsections 50-19.1 and 50-19.2 to read as follows:

50-19.1. When requesting a hydrant meter for construction water, contractors shall deposit the sum of seven hundred fifty-five dollars (\$755.00) with the City for the hydrant meter, fittings

and required backflow device. The deposit, less charges for any repair or replacement, shall be refunded upon termination of the contractor's use of the hydrant meter.

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

SECTION 2: Chapter 52, Section 52-7 is hereby amended to read as follows:

52-7. Charge for standby fire protection service.

For the providing of standby fire protection service, a monthly charge shall be made as follows:

Inside City, per inch diameter of service pipe . . . \$1.00

Outside City, per inch diameter of service pipe . . . 1.40

SECTION 3: The new rates and fees established by this Ordinance shall become effective with all bills issued on or after October 1, 2007.

INTRODUCED AND TENTATIVELY approved by City Council of the City of Chandler, Arizona, this ___ day of _____, 2007.

ATTEST:

CITY CLERK

MAYOR

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this ___ day of _____, 2007.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 3943 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on ____ day of _____, 2007 and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY