



# Memo

Water and Pollution Control Department  
515-239-5150

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TO: Mayor and Council Members

FROM: John Dunn, Director, Water and Pollution Control Department

DATE: April 14, 2009

SUBJECT: Water Rate Increase

This is to confirm that the water rate increase contained in the ordinance before you for consideration this evening conforms to the option selected by Council on March 24, 2009. These rate changes rates place the revenue adjustment in the Winter Rate and also in the Summer Block 1 Residential, Block 1 Irrigation and Yard Water, Non-Residential, and Non-peaking Industrial Rates. No adjustment has been made to the Summer Blocks 2 and 3 Residential or Irrigation and Yard Water Rates. Each of the Minimum Bill components has been increased by 10 percent.

	<u>Current</u>	<u>Adjusted</u>	<u>Change</u>
Winter	\$0.0139	\$0.0157	\$0.0018
Summer			
Residential			
Tier 1	0.0139	0.0157	0.0018
Tier 2	0.0278	0.0278	0.0000
Tier 3	0.0417	0.0417	0.0000
Irrigation and Yard Water			
Tier 1	0.0209	0.0227	0.0018
Tier 2	0.0417	0.0417	0.0000
Tier 3	0.0695	0.0695	0.0000
Non-Residential			
All Consumption	0.0188	0.0206	0.0000
Non-peaking Industrial			
All Consumption	0.0139	0.0157	0.0000

The unit rates are per cubic foot.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY AMENDING SECTION 28.201(1)(b)(ii)(a)(b), (2)(b)(ii)(a)(b), (3)(c)(ii)(a)(b), (4)(b)(ii)(a)(b), (6)(7)(8) THEREOF, FOR THE PURPOSE OF WATER RATE REVISIONS; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by amending Section 28.201(1)(b)(ii)(a)(b), (2)(b)(ii)(a)(b), (3)(c)(ii)(a)(b), (4)(b)(ii)(a)(b), (6)(7)(8) as follows:

**“Sec. 28.201. WATER RATES AND CHARGES**

The rates and charges for water supplied to consumers by the water utility of the city, to be billed on or after July 1, 2009 are as follows:

(1) **Residential Rates.**

(a) **Availability.** The residential rate shall apply to all customer accounts serving properties that are intended for occupancy by a single family as defined by the Ames Zoning Ordinance, provided that such accounts consist of no more than two dwelling units served by a single water meter or to multiple unit residential structures (such as apartment buildings) where every dwelling unit is separately metered. The rate does not apply to domestic uses that consist of more than two dwelling units served by a single meter or to water accounts that provide service for common areas such as shared laundry facilities or for general property maintenance.

(b) **Rate per billing period.** For each monthly billing period a residential rate customer:

(i) shall be charged a minimum charge based on meter size, and in addition

(ii) shall be charged for water usage during the billing periods as follows:

(a) for bills mailed on or between July 1 and October 31 (summer period):

\$0.0157 per cubic foot for the first 1000 cubic feet of usage

\$0.0278 per cubic foot for the next 1500 cubic feet of usage

\$0.0471 per cubic foot for all usage over 2500 cubic feet

(b) for bills mailed on or between November 1 and June 30 (winter period):

\$0.0157 per cubic foot

(2) **Non-residential (Commercial) Rates**

(a) **Availability.** The non-residential rate shall apply to all accounts that do not meet the criteria for residential, irrigation and yard water, or preferred industrial rates.

(b) **Rate per billing period:** For each monthly billing period a non-residential customer:

(i) shall be charged a minimum charge based on meter size, and in addition

(ii) shall be charged for water usage during the billing periods as follows:

(a) for bills mailed on or between July 1 and October 31 (summer period):

\$0.00206 per cubic foot

(b) for bills mailed on or between November 1 and June 30 (winter period):

\$0.0157 per cubic foot

(3) **Non-Peaking Industrial Rate.**

(a) **Availability.** The non-peaking industrial rate shall be available to all non-residential rate customers who submit an acceptable application and meet the following criteria:

(i) Average winter usage greater than 100,000 cubic feet per billing period. Average winter usage per billing period will be calculated by taking the sum of the usage during the most previous December, January, and February billing periods and dividing by three.

(ii) A summer peaking factor equal to or less than 120%. The summer peaking factor shall be computed by taking the largest consumption from the previous June, July, August, and September billing periods and dividing it by the average winter usage, with the result expressed as a percentage.

(b) **Application for Non-peaking Industrial Rate.** It is the responsibility of the customer to apply for the non-peaking industrial rate each calendar year. The application shall be on a form provided by the Utility Customer Service Division. Approved applications will be valid for one summer season after which the customer shall be moved back to the non-residential rate.

(c) **Rate per Billing Period.** For each monthly billing period a non-peaking industrial rate customer:

(i) shall be charged a minimum charge based on meter size, and in addition

(ii) shall be charged for water usage during the billing periods as follows:

(a) for bills mailed on or between July 1 and October 31 (summer period):

\$0.0157 per cubic foot

(b) for bills mailed on or between November 1 and June 30 (winter period):

\$0.0157 per cubic foot

(4) **Irrigation and Yard Water Service Rate.**

(a) **Availability.** The irrigation and yard water rate shall apply to all separately metered water uses that meet one of the following criteria:

(i) Serves primarily outdoor water uses, such as irrigation systems and outside hose bibs.

(ii) Serves cooling towers, spray ponds, evaporative condensers, chillers, or such similar uses where water is used as a medium for cooling.

(iii) Serves as a temporary water service, whether for irrigation purposes or for other outdoor uses.

(b) **Rate per Billing Period.** For each monthly billing period an irrigation and yard water rate customer:

(i) shall be charged a minimum charge as described below, and in addition

(ii) shall be charged for water usage during billing periods as follows:

(a) for bills mailed on or between July 1 and October 31 (summer period):

\$0.0227 per cubic foot for the first 2000 cubic feet of usage

\$0.0417 per cubic foot for the next 3000 cubic feet of usage

\$0.0695 per cubic foot for all usage greater than 5000 cubic feet.

(b) for bills mailed on or between November 1 and June 30 (winter period):

\$0.0157 per cubic foot

(5) **Water Rate and Charge Adjustments.** It shall be the duty of the director of water and pollution control to review and recommend to the city council revisions of the rates and charges established and set out in this division at intervals appropriate to provide for the funding needs of the utility.

(6) **Water and irrigation meter minimum charges.** For each monthly billing, each customer shall be charged a minimum monthly charge based on the size of the water meter (s) and/or irrigation meter (s) at each location. The minimum monthly charge may be prorated, based on a 30-day billing period, for the customer's initial and/or final bills, provided that in no case shall the minimum monthly charge be less than three dollars and eighty-five cents (\$3.85). The minimum monthly charge for each water meter location shall be as follows:

<u>Size of Meter</u>	<u>Minimum Monthly Charge</u>
5/8 inch or 5/8" x 3/4" . . . . .	8.05
3/4 inch . . . . .	16.10
1 inch . . . . .	32.20
1-1/2 inch . . . . .	64.40
2 inch . . . . .	128.80
2 inch, battery of 2 . . . . .	249.55
2 inch, battery of 3 . . . . .	370.30
3 inch . . . . .	257.60
4 inch . . . . .	434.70
6 inch . . . . .	724.50
8 inch . . . . .	1,449.00
10 inch . . . . .	2,173.50

(7) **Multiple dwellings – Mobile home parks.** Multiple dwellings, including mobile home parks, may be serviced from a single water meter. However, there shall be a surcharge added to the water rates set forth above, to be calculates as follows:

For a 5/8 inch meter serving 2 or more dwelling units . . . . .	2.30/month/unit
For a 3/4 inch meter serving 4 or more dwelling units . . . . .	2.30/month/unit
For a 1 inch meter serving 8 or more dwelling units . . . . .	2.30/month/unit
For a 1-1/2 inch meter serving 16 or more dwelling units . . . . .	2.30/month/unit
For a 2 inch meter serving 30 or more dwelling units . . . . .	69.30/month
for the first 30 units plus \$3.60/month per unit for each additional unit in excess of 30 units	
For a 3 inch or larger meter serving any number of dwelling units . . . . .	3.20/month/unit

For the purposes of this section, a dwelling unit is defined as a self-contained living facility (i.e., including kitchen and bath) such as an apartment or a licensed independent mobile home space.

(8) **Yard meter minimum charges.**

For each monthly billing after July 1, 2000 each customer shall be charged a minimum monthly charge based on the size of the yard meter (s) at each location. The minimum monthly charge for each yard meter location shall be as follows:

<u>Size of Meter</u>	<u>Minimum Monthly Charged</u>
5/8 inch or 5/8" x 3/4" . . . . .	3.05
3/4 inch . . . . .	4.70
1 inch . . . . .	6.60
1-1/2 inch . . . . .	9.10
2 inch . . . . .	12.10
3 inch . . . . .	15.70
4 inch . . . . .	19.55
6 inch . . . . .	23.40
8 inch . . . . .	27.25
10 inch . . . . .	31.10

*(Ord. No. 2338, Sec. 1, 4-28-70; Ord. No. 2412, Sec. 2, 9-5-72; Ord. No. 2461, Sec. 3, 12-18-73; Ord. No. 2653, Sec. 2, 5-2-78; Ord. No. 3167, Sec. 1, 4-28-92; Ord. No. 3199, Sec. 1, 9-24-92; Ord. No. 3278, Sec. 1, 5-24-94; Ord. No. 3326, Sec. 1, 5-9-95; Ord. No. 3568, 6-27-00)."*

Section Two. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane R. Voss, City Clerk  
O1009

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Ann H. Campbell, Mayor