

AN ORDINANCE REPEALING ORDINANCE NO. 4.238, AND ENACTING A NEW ORDINANCE LEVYING SEWER SERVICE CHARGES AND COMMODITY RATE CHARGES IN THE CITY OF GLADSTONE, MISSOURI.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

SECTION 1. Amendment of Sections Providing for Sewer Service Charges and Commodity Rate Charges for Domestic, Commercial and Industrial Users.; Ordinance No. 14-13 codified as Sections 6110.570, are hereby enacted to read as follows:

Sec. 6110.570 Sewer Service Charges and Commodity Charges.

There is hereby levied a charge against every person occupying property having a sewer connection with the city sewer system or having sewers available for connection, or otherwise, discharging sewage, industrial waste, water or other liquid into the city's sewer system, such charge to be used to pay the cost of operating, maintaining, repairing, or enlarging the existing or future sewer systems. Such charge is to be the sum of a bi-monthly or monthly service charge and a commodity rate charge to be computed and levied as follows:

- (a) Domestic Users. For residential water service accounts (one and two-family residences), a bi-monthly service charge and a commodity rate charge each as established in subsection (c) of this section, except, that for the billing periods most closely corresponding to the months of April through November, both inclusive, the commodity rate charge shall be based upon water used during the winter period, such winter period being the billing period most closely corresponding to the months of December through March, such charges shall be payable with each bill rendered throughout the year. Where residential water service accounts do not have an acceptable history of winter water use, the commodity rate charge for the period April through November shall be the commodity rate charge established in subsection (c) of this section, or eighty-seven dollars and thirty-six cents (\$87.36) per bi-monthly billing, whichever is the lesser.

For residential water service accounts (one and two-family residences) after July 1, a monthly service charge and a commodity rate charge each as established in subsection (c) of this section, except, that for the billing periods April through December, the commodity rate charge shall be based upon water used during the winter period of December, January, and February, billed in January, February, and March, such charges shall be payable with each bill rendered throughout the year. Where residential water service accounts do not have an acceptable history of winter water use, the commodity rate charge for the period April through November shall be the commodity rate charge established in subsection (c) of this section, or forty-three dollars and sixty-eight cents (\$43.68) per monthly billing, whichever is the lesser.

- (b) Commercial and Industrial Users. For commercial and industrial users (all persons and corporations other than the occupants of one and two-family residences), a bi-monthly service charge (a monthly charge after July 1) and a commodity rate charge as established in subsection (c) of this section.

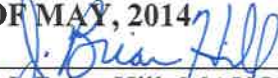
(c) Charges

- (1) A bi-monthly service charge of twenty-two dollars and thirty cents (\$22.30) or a monthly service charge of eleven dollars and fifteen cents (\$11.15).
- (2) A commodity rate charge based on the total volume of water purchased by the customer during the billing period of \$7.28 per 1,000 gallons.

SECTION 2. Effective Date. The Sewer Service Charge and Commodity Rate Charges as set forth in this ordinance are effective May 1, 2014.

SECTION 3. Severability. The provisions of this ordinance are severable and if any provision hereof is declared invalid, unconstitutional, or unenforceable, such determination shall not affect the validity of the remainder of this ordinance.

PASSED, SIGNED AND MADE EFFECTIVE BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI THIS 12th DAY OF MAY, 2014



J. Brian Hill, MAYOR

Attest:



Ruth Bocchino, CITY CLERK

First Reading: May 12, 2014

Second Reading: May 12, 2014



May 5, 2014

TO: Kirk Davis – City Manager
FROM: Debra Daily, Director of Finance *DD*
RE: FY14 Sewer Rate Increase

Attached is a notice received from the Water Services Department of the City of Kansas City, Missouri (KCMO). The notice indicates all sewer commodity accounts for which billings are issued on and after May 1, 2014, are subject to a rate increase as authorized by KCMO Ordinance No. 140172. Last year KCMO increased sewer charges 15% for Gladstone. However, this year the sewer rate increase will be 10.6%. This increase is necessary to fund an EPA mandated sewer overflow program as well as infiltration projects that require all systems to be updated. As a result of the rate change, the following sewer rate adjustments will be necessary.

Sewer Commodity Charge: Increase from \$3.21 per hundred cubic feet to \$3.55 per hundred cubic feet. This is an increase of 10.6 % in the rate charged by Kansas City to treat Gladstone's sewerage. In order to incorporate the sewer commodity charge increase, Gladstone's Sewer Commodity Rate will need to increase \$.70 from \$6.58 per 1,000 gallons to \$7.28 per 1,000 gallons. per billing.

Bimonthly Service Charge: The current bi-monthly service charge is \$19.80 and will increase to \$22.30 for a bi-monthly billing or \$11.15 for a monthly billing.

The maximum commodity charge for Gladstone residents with no winter average and maximum service charge will total \$109.66 for bi-monthly billing and will be \$54.83 for monthly bills. The attached documentation provides a comparison of Gladstone's water and sewer bills with other metropolitan cities based on monthly billing.

In summary, the City of Kansas City is increasing the Sewer Commodity Charge to the City of Gladstone by 10.6%. As a result, the sewer commodity rate is proposed to increase \$.70 per 1,000 gallons and there will also be an increase in the bimonthly service charge or \$22.30 for a 12,000 gallon sewer bill (bi-monthly) or \$11.15 for a 6,000 gallon sewer bill (monthly). The attached Bill will be placed on the May 12, 2014 Council Agenda for adoption. If you have any questions regarding the information contained in this memorandum please contact me at your convenience.

**Proposed Water & Sewer Rates of Metropolitan Cities
Based on 6,000 Gallons, Monthly Bills
As of May 2014**

Assumption: Average water and sewer bill based on
6,000 gallons each month

<u>City</u>	<u>Water Amount</u>	<u>Sewer Amount</u>	<u>Total Amount</u>
Parkville	\$ 62.11	\$ 65.22	\$ 127.33
Liberty	34.01	62.52	96.53
Raytown	41.98	46.88	88.86
Kansas City	37.55	45.12	82.67
Gladstone (proposed 7/01/14)	27.74	54.83	82.57
Gladstone (as of 5/01/14)	25.83	54.83	80.66
Gladstone (current as of 4/30/14)	25.83	49.38	75.21
Lee's Summit	26.01	34.98	60.99
Blue Springs	30.76	29.42	60.18
Grandview	37.56	20.56	58.12
Independence	28.50	25.64	54.14
North Kansas City	26.73	26.30	53.03
Current Average	<u>\$ 35.10</u>	<u>\$ 40.60</u>	<u>\$ 75.70</u>

Water Services Department



Office of the Director

4800 E. 63rd Street
Kansas City, Missouri 64130

(816) 513-0504
Fax: (816) 513-0185

April 16, 2014

Mr. Kirk Davis
City Manager
City of Gladstone
7010 N. Holmes
Gladstone, MO 64118

Dear Mr. Davis,

As a valued cooperative sanitary sewer agreement customer, we want to advise you that the KCMO Water Services Department has new sewer rates for Fiscal Year 2015. The new rates were approved by the KCMO City Council (Ordinance No. 140172) and will take effect on May 1, 2014.

The new rates that can affect your community are:

Residential

Where water Consumption is not available

\$37.00 per resident per month

Where water consumption is available

\$11.15 monthly service charge

\$ 3.55 per ccf of water consumption

Commercial

\$11.15 monthly service charge

\$ 3.55 per ccf of water consumption

Metered interconnection

\$02.80 per ccf

Surcharge rates

BOD \$0.400 per pound in excess of 250 mg/l

SS \$0.215 per pound in excess of 250 mg/l

O&G \$0.141 per pound in excess of 30 mg/l

If you have any questions or need additional information please call me at 816-513-0212.

Sincerely,

A handwritten signature in cursive script that reads "Vickie Steinly".

Vickie Steinly, M.S.
Analyst

Cc: Sean Hennessy

