AN ORDINANCE REPEALING ORDINANCE NO. 4.280, 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. 4.304 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 monthly service charge and a commodity rate charge to be computed and levied as follows:

- (a) <u>Domestic Users.</u> For residential water service accounts (one and two-family residences), 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 the lesser of actual water used or an average of 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-five dollars and fifty-four cents (\$45.54) per monthly billing, whichever is the lesser.
- (b) <u>Commercial and Industrial Users.</u> For commercial and industrial users (all persons and corporations other than the occupants of one and two-family residences), a monthly service charge and a commodity rate charge as established in subsection (c) of this section.
- (c) <u>Charges</u>
 - (1) A monthly service charge of twelve dollars and forty cents (\$12.40).
 - (2) A commodity rate charge based on the total volume of water purchased by the customer during the billing period of \$7.59 per 1,000 gallons.

<u>SECTION 2.</u> <u>Effective Date.</u> The Sewer Service Charge and Commodity Rate Charges as set forth in this ordinance are effective May 1, 2015

<u>SECTION 3</u>. <u>Severability</u>. 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 27th DAY OF APRIL, 2015

Mayor Bill Garnos

Attest:

Ruth E Bocelium
Ruth Bocchino, City Clerk

First Reading: April 27, 2015 Second Reading: April 27, 2015



April 17, 2015

TO:

Kirk Davis - City Manager

FROM:

Debra Daily, Director of Finance DD

RE:

FY15 Sewer Rate Increase

Attached is a notice received from the Water Services Department of the City of Kansas City, Missouri (KCMO). The notice indicates that new rates were approved under KCMO Ordinance No. 150144 with an effective date of May 1, 2015. Last year KCMO increased sewer charges 10.6% for Gladstone. However, this year the sewer rate increase will be 4.225%. 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 \$3.55 per hundred cubic feet to \$3.70 per hundred cubic feet. This is an increase of 4.225% 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 \$.31 from \$7.28 per 1,000 gallons to \$7.59 per 1,000 gallons. per billing.

Bimonthly Service Charge: The current monthly service charge is \$11.15 and will increase to \$12.40 for a monthly billing.

The maximum commodity charge for Gladstone residents with no winter average and maximum service charge will total \$57.94 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 4.225%. As a result, the sewer commodity rate is proposed to increase \$.31 per 1,000 gallons and the monthly service charge will increase to \$12.40 per sewer bill. The attached Bill will be placed on the April 27, 2015 Council Agenda for adoption. If you have any questions regarding the information contained in this memorandum please contact me at your convenience.





KANSAS CITY WATER SERVICES

OFFICE OF THE DIRECTOR 4800 E. 63rd Street Kansas City, MO 64130

P: 816-513-0504 F: 816-513-0185

March 31,*2015

Ms. Debra Daily Director of Finance City of Gladstone 7010 N. Holmes Gladstone, MO 64118

Dear Ms. Daily:

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 2016. The new rates were approved by the KCMO City Council (Ordinance No. 150144) and will take effect on May 1, 2015.

The new rates that can affect your community are: Residential

Where water Consumption is not available

\$39.75 per resident per month

Where water consumption is available

\$12.40 monthly service charge

\$ 3.70 per ccf of water consumption

Commercial

\$12.40 monthly service charge

\$ 3.70 per ccf of water consumption

Metered interconnection

\$02.92 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,

Victio Steinly MS

Vickie Steinly, M.S. Senior Analyst

Cc: Sean Hennessy

Proposed Water & Sewer Rates of Metropolitan Cities Based on 6,000 Gallons, Monthly Bills As of May 2015

Assumption:

Average water and sewer bill based on

6,000 gallons each month

	Water		Sewer		Total	
City	Amount_		Amount		Amount	
Parkville	\$	62.11	\$	46.83	\$	108.94
Liberty		33.95		69.84		103.79
Kansas City		50.90		65.57		116.47
Raytown		47.48		46.88		94.36
Gladstone (proposed)		28.99		57.94		86.93
Gladstone (current as of 4/30/15)		27.74		54.83		82.57
Lee's Summit		30.66		40.79		71.45
Grandview		48.86		24.05		72.91
Independence		34.41		30.31		64.72
Blue Springs		30.76		29.42		60.18
North Kansas City		22.41		28.79		51.20
Current (4/30/15) Average	\$	38.93	\$	43.73	\$	81.36