

BILL NO. 22-33

ORDINANCE NO. 4.610

AN ORDINANCE AMENDING SECTION 6.110.100 OF THE CODE OF ORDINANCES OF THE CITY OF GLADSTONE, MISSOURI LEVYING THE WATER PRIMACY FEE PREVIOUSLY ESTABLISHED BY ORDINANCE NO 4.006.

WHEREAS, the Missouri General Assembly adopted the Missouri “Drinking Water Fee Law,” and

WHEREAS, rule 10 CSR 60-16 was recently amended to increase the drinking water primacy fee, and the State of Missouri has thereby imposed this tax increase upon the people of Missouri who consume drinking water, and has required each water supplier to collect this tax and remit it to the State and

WHEREAS, the City governing body desires to adopt regulations and procedures to comply with this new law,

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

Section 1. When Collected

The Missouri state “primacy fee” will be collected monthly. This fee will be stated separately on the customer’s water bill as a “state fee” or “Primacy Fee.”

Section 2. Amount of State Fee

The charge assessed against each customer of the City utility as established by the State is determined on the basis of meter size and number of connections as stated below. The City shall use its records to determine the initial fee, which unless challenged within 30 days after the date of the fee becomes delinquent shall be conclusively presumed to be accurate:
Meter of 1 inch or smaller

7,001 to 10,000 Connections	\$ 5.28
10,001 to 20,000 Connections	\$ 4.80
Meter size greater than 1 inch but less than or equal to 2 inch	\$ 21.00
Meter size greater than 2 inch but less than or equal to 4 inch	\$102.00
Meter size more than 4 inch	\$198.00

Section 3. Effective Date

This ordinance shall be in full force and effect from and after its passage and approval.

Section 4. Severability

It is the intention in adopting this ordinance that each section, subsection, paragraph, sentence, clause, and phrase contained herein are severable, and if any should be declared unconstitutional or otherwise invalid, such invalidity shall not affect any of the remaining sections, subsections, paragraphs, sentences, clauses and phrases.

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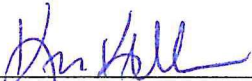
ORDINANCE NO. 4.610

**PASSED, SIGNED, AND MADE EFFECTIVE BY THE COUNCIL OF THE CITY
OF GLADSTONE, MISSOURI, THIS 22ND DAY OF AUGUST 2022.**



Bill Garnos, Mayor

ATTEST:



Kris Keller, City Clerk

1st Reading: August 22, 2022

2nd Reading: August 22, 2022



Request for Council Action

RES ☐ # City Clerk Only

BILL ☒ # 22-33

ORD # 4.610

Date: 8/17/2022

Department: Finance

Meeting Date Requested: 8/22/2022

Public Hearing: Yes ☐ Date: [Click here to enter a date.](#)

Subject: Water Primacy Fee Change

Background: In 1992, the Missouri Legislature enacted the public drinking water primacy fee to support the department's efforts to ensure Missourians have access to adequate water that is safe to drink. The fee provides funding for laboratory services and activities the state performs in order to maintain delegation of the federal drinking water program. Fees are assessed to the utility by the number of meter connections and size of meter. The fee is not a revenue to the City, but a pass-through or liability that is paid to the state by September 1 every year. The fees have remained the same since 2006. On a current residential water bill, there is a line item called "Primacy Fee" with a charge of \$.20 per month. This will increase \$.24 per month to \$.44 per bill or \$4.80 annually. The new fee structure will go into effect for August usage (bills received at the end of September due in October).

Budget Discussion: Funds are budgeted in the amount of \$0 from the N/A Fund. Ongoing costs are estimated to be \$ 0 annually. Previous years' funding was \$

Public/Board/Staff Input: Ordinance amending code, statement from Department of Natural Resources and current water bill follow the RCA.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor

Dominic Accurso
Department Director/Administrator

JM
City Attorney

SW
City Manager



MISSOURI DEPARTMENT OF NATURAL RESOURCES

(/)

The Drinking Water Primacy Fee: What Does the Fee Do for You? - PUB2229

Water Protection Program

02/14/2022

fact sheet

PUB2229

Division of Environmental Quality

Director: Kyra Moore

In 1992, the Missouri legislature enacted the public drinking water primacy fee to support the department's efforts to ensure Missourians have access to adequate water that is safe to drink. The primacy fee provides critical funding for laboratory services and activities the state must perform in order to maintain delegation of the federal drinking water program. This delegation is called "primacy." In the 49 states that have primacy, public drinking water systems are regulated by a state agency instead of the federal government. Without the primacy fee, the Missouri Department of Natural Resources would lack the funding to implement critical regulations necessary for protecting public health and maintaining primacy. Regulation of Missouri's public water systems would revert to the U.S. Environmental Protection Agency.

The primacy fee is a user fee, paid by the customers of Missouri's public water supply systems and set by state law. Approximately \$4.6 million per year is generated by the fee. Two percent of the primacy fee goes to the public water system to cover the costs of collecting the

fee. The remainder is forwarded to the Missouri Department of Revenue for use by the Missouri Department of Natural Resources. The department uses the primacy fee to fund testing for drinking water contaminants, inspections, compliance activities, complaint investigations and technical assistance. In 2010, the **Missouri Department of Health and Senior Services (<https://health.mo.gov/>)** began receiving an appropriation from the primacy fee for their bacteriological work. Previously this work was funded by general revenue - about \$455,000 annually.

The benefits of the primacy fee to public water systems:

- Laboratory testing services provided by the state
- Reduced monitoring to match contamination risk, based on vulnerability assessments provided by the department
- Water system inspections and compliance oversight provided by the department to satisfy federal requirements
- Technical assistance from the department to help maintain and achieve compliance and improved customer satisfaction
- Access to low-interest loans for capital improvements from the state revolving fund
- Additional operator training opportunities funded by the state revolving fund

Historically, maintaining primacy has saved Missouri public water systems and the public water system customers about \$6.5 million per year. Over the next three years, Missouri water systems would have to pay more than \$15 million if they were to pay for their own testing. This is because public water systems would have to do more monitoring under the federal regulation than they do under state regulation. Vulnerability assessments performed by the department reduce the amount of monitoring by approximately 75%. EPA does not perform such assessments and would require the full scope of monitoring. Also, the state laboratory can perform tests for significantly less than a water system would have to pay on the open market. The costs of the increased monitoring would inevitably affect customer water bills.

In 2006 the Missouri Legislature increased the drinking water primacy fee and extended it through Sept. 1, 2012. The fee increase was necessary to help the department implement new federal rules that dramatically increased the state’s monitoring costs. In 2012 the legislature extended the fee through Sept. 1, 2017.

Community public water supply systems collect the fee according to this rate table, based on the system’s number of active service connections.

Missouri Drinking Water Primacy Fee Rate Structure Table

Residential Customers - Number of Connections	Fee Effective Jan. 1, 2022
1 to 10 Connections	\$50*

Residential Customers - Number of Connections	Fee Effective Jan. 1, 2022
11 to 10,000 Connections	\$5.28 per connection
10,001 to 50,000 Connections	\$4.80 per connection
50,001 to 100,000 Connections	\$4.20 per connection
More than 100,000 Connections	\$3.48 per connection
Meters greater than 1", but less than or equal to 2"	\$21
Meters greater than 2" but less than or equal to 4"	\$102
Meters greater than 4"	\$198

Nothing in this document may be used to implement any enforcement action or levy any penalty unless promulgated by rule under chapter 536 or authorized by statute.

For more information

Water Protection Program

1101 Riverside Drive
 PO Box 176
 Jefferson City, MO 65102-0176
 United States

Main
573-751-1300 (tel:573-751-1300)
 Toll-free
800-361-4827 (tel:800-361-4827)
 Fax
573-526-1146 (tel:573-526-1146)

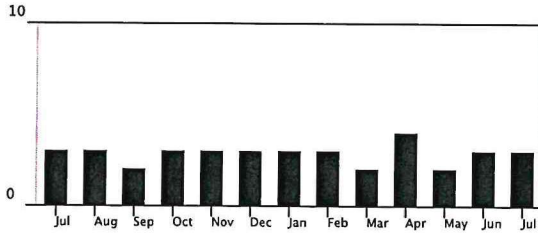


**City of Gladstone
Water and Waste Department**

7010 N. Holmes, Gladstone, MO 64118
(816) 436-2200 www.gladstone.mo.us

Account Number:
Customer Name:
Service Address:
Service Period:

GLADSTONE MO 64119-1519



Meter Reading Information			
Prior Reading	Current Reading	Consumption	Days
249	252	3	24

Total Amount Now Due: 75.15

Previous Charges Due Immediately

Billing Information:
Previous Balance 72.28
Payments -72.28

Prior Balance: 0.00

Current Charges:

Water 23.97
Sewer Res - Winter Average 50.68
Primacy Fee 0.20
Sewer Fee 0.06
Sales Tax 0.24
Total Current Charges: 75.15

Due by 08/15/2022 75.15

If paid after 08/15/2022 78.91

City Bulletin Board:

PRIOR BALANCES NOT PAID BEFORE AUGUST 4 MAY BE SUBJECT TO A \$25 DELINQUENT FEE AND DISCONNECT

ONLY RAIN DOWN THE STORM DRAIN

RETAIN THIS PORTION FOR YOUR RECORDS

For billing inquiries call (816) 436-2200 between
8:00 AM and 5:00 PM
or email us at: <http://www.gladstone.mo.us/contact>
To report an EMERGENCY after 5:00 PM daily,
Saturday, Sunday and Holidays call (816) 436-3550.

RETURN THIS PORTION WITH PAYMENT. DO NOT SEND CASH.

Make Check or Money Order Payable To: City of Gladstone
Save a Stamp: Pay on-line at: <http://www.gladstone.mo.us/e-services>

Payment must be RECEIVED, NOT POSTMARKED, by the due date to avoid a late
payment charge.

Total Amount Due		75.15
Prior Balance:		0.00
Current Balance Due	08/15/2022	75.15
Current Balance if Paid after 08/15/2022		78.91
Payment Amount Enclosed		

Please remit full payment of this bill by due date.



CITY OF GLADSTONE, MISSOURI
P.O. BOX 801727
KANSAS CITY, MO 64180-1727