

AN ORDINANCE TO AMEND CHAPTER 45 OF THE CITY CODE REGARDING SEWER SYSTEM RATES AND CHARGES, WATER RATES AND CHARGES, AND STORMWATER RATES AND CHARGES FOR FISCAL YEAR 2022

#0042

Sponsor:

Council
Member
Johnson

WHEREAS, City Council enacted Chapter 45 of the Wilmington City Code, Article II of which includes provisions: (i) regarding sewer systems and sewage disposal and the associated rates and charges, such rates and charges being most recently increased by Ordinance No. 19-010; (ii) establishing a system of drinking water user rates and charges, such rates and charges being most recently increased by Ordinance No. 19-010; and (iii) establishing a system of stormwater rates and charges, such rates and charges being most recently increased by Substitute No. 1 to Ordinance No. 14-013; and

WHEREAS, Council deems it necessary and appropriate to increase the sewer, water, and stormwater rates and charges for Fiscal Year 2022.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. Section 45-175 of the City Code is hereby amended by adding the underlined language and deleting the stricken language to read as follows:

Sec. 45-175. Monthly water rates and fire service charges.

(a) *General water rates, excluding residential.* Charges for water service shall be composed of a monthly facility charge for each meter and usage charges based on rates per 1,000 gallons of actual consumption. The monthly facilities charge for five-eighths-inch, three-fourths-inch and one-inch meters shall include a monthly allowance of 3,000 gallons of water. Facilities and usage charges for all accounts in each classification of customers shall be payable monthly based on monthly meter readings. The classification of customers, monthly facilities charges, and usage charges shall be as follows:

Meter Size (Inches)	Monthly Facilities Charge \$		Inside City Usage Charges (\$ per 1,000 gallons)					
			Commercial		Industrial		Apartment	
5/8	22.90	<u>23.59</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
3/4	25.80	<u>26.57</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
1	28.64	<u>29.50</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
1½	28.64	<u>29.50</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
2	37.26	<u>38.38</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
3	120.31	<u>123.92</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
4	229.10	<u>235.97</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
6	309.29	<u>318.57</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
8	429.58	<u>442.47</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
10	429.58	<u>442.47</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
12	429.58	<u>442.47</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
14	429.58	<u>442.47</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>
16	429.58	<u>442.47</u>	9.379	<u>9.660</u>	7.504	<u>7.726</u>	8.850	<u>9.116</u>

Meter Size (Inches)	Monthly Facilities Charge \$		Outside City Usage Charges (\$ per 1,000 gallons)					
			Commercial		Industrial		Apartment	
5/8	34.82	<u>35.86</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
3/4	38.10	<u>39.24</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
1	42.43	<u>43.70</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
1½	40.26	<u>41.47</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
2	54.39	<u>56.02</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
3	184.96	<u>190.51</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
4	359.02	<u>369.79</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
6	478.66	<u>493.02</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
8	680.32	<u>700.73</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
10	680.32	<u>700.73</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
12	680.32	<u>700.73</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
14	680.32	<u>700.73</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>
16	680.32	<u>700.73</u>	12.224	<u>12.588</u>	10.326	<u>10.636</u>	13.186	<u>13.582</u>

(b) *General water rates, residential only.* Charges for water service shall be composed of a monthly facilities charge for each meter and usage charges based on rates per 1,000 gallons of actual consumption. The monthly facilities charge for five-eighths-inch, three-fourths-inch, and one-inch meters shall include a

monthly allowance of 2,000 gallons of water. Facilities and usage charges for all accounts in each classification of customers shall be payable monthly based on monthly meter readings. The classification of customers, monthly facilities charges, and usage charges shall be as follows:

Meter Size (Inches)	Monthly Facilities Charge (1)		Inside City Residential Customers Usage Charges (\$ per 1,000 gallons)			
			1st Block (2)		2nd Block (3)	
5/8	19.46	<u>20.04</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
3/4	21.94	<u>22.60</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
1	24.33	<u>25.06</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
1½	28.64	<u>29.50</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
2	37.26	<u>38.38</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
3	120.31	<u>123.92</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
4	229.10	<u>235.97</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
6	309.29	<u>318.57</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>
8	429.58	<u>442.47</u>	6.163	<u>6.348</u>	7.703	<u>7.934</u>

- (1) Includes a monthly allowance of 2,000 gallons for five-eighths-inch, three-fourths-inch, and one-inch metered customers.
- (2) All usage between 2,001 gallons and 5,000 gallons per month for five-eighths-inch, three-fourths-inch, and one-inch metered customers. All usage up to 5,000 gallons per month for all other meter sizes.
- (3) All usage over 5,000 gallons per month.

Meter Size (Inches)	Monthly Facilities Charge (1)		Outside City Residential Customers Usage Charges (\$ per 1,000 gallons)			
			1st Block (2)		2nd Block (3)	
5/8	29.59	<u>30.48</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
3/4	32.37	<u>33.34</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
1	36.07	<u>37.15</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
1½	40.26	<u>41.47</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
2	54.39	<u>56.02</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
3	184.96	<u>190.51</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
4	359.02	<u>369.79</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
6	478.66	<u>493.02</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>
8	680.32	<u>700.73</u>	10.597	<u>10.915</u>	13.239	<u>13.636</u>

- (1) Includes a monthly allowance of 2,000 gallons for five-eighths-inch, three-fourths-inch, and one-inch metered customers.
- (2) All usage between 2,001 gallons and 5,000 gallons per month for five-eighths-inch, three-fourths-inch, and one-inch metered customers. All usage up to 5,000 gallons per month for all other meter sizes.
- (3) All usage over 5,000 gallons per month.

(c) *Charges for certain elderly homeowners.* All property owners including the disabled who are eligible for and have been granted exemptions from municipal taxation of real property in the city pursuant to the provisions of section 44-64 shall be charged monthly for all meters servicing exempt properties and shall pay the monthly facilities charge of ~~\$13.37~~ \$13.77 for the monthly allowance of 2,000 gallons. All usage between 2,001 gallons and 5,000 gallons per month shall be charged at ~~\$2.314~~ \$2.383 per 1,000 gallons. All usage above 5,000 gallons per month shall be charged at ~~\$2.893~~ \$2.980 per 1,000 gallons.

(d) *General water rates, non-residential fire meters.* Charges for water service to a fire meter shall be composed of a ~~quarterly~~ monthly facilities charge for each meter and usage charges based on rates per 1,000 gallons of actual consumption.

(1) *Fire only meter.* The ~~quarterly~~ monthly facilities charge shall be assessed for each meter as per the table shown for the non-residential inside city and outside city customer classes. The usage charge shall be assessed based on the rates for the commercial customer class.

(2) *Fire line with detector check bypass meter.* The main flow line size shall be deemed as the meter size, not the size of the detector check bypass. The ~~quarterly~~ monthly facilities charge shall be assessed for the defined meter size as per the table shown for the non-residential inside city and outside city customer classes. The usage charges shall be assessed based on the rates for the commercial customer class.

* * * *

SECTION 2. Section 45-53(d) of the City Code is hereby amended by adding the underlined language and deleting the stricken language to read as follows:

Sec. 45-53. - Sanitary and storm water rates and charges.

(d) *Storm water charge.* The storm water charge represents an equitable system for recovering costs related to all aspects of storm water

management, including but not limited to: capital improvements including debt service; operation and maintenance costs including routine replacements; combined sewer overflow mitigation and long term control plan creation and implementation; compliance with all current and future storm water and surface water regulatory requirements; surface water quality monitoring, inspection, management and improvement projects; flooding mitigation; inspections of storm water management facilities; billing and administration; plan review and inspection of sediment control and storm water management plans and practices; acquisition of interests in land including easements; and watershed planning and protection initiatives. All parcels that are within the city’s corporate boundaries, shall be assessed a monthly storm water charge as per the provisions of this article. In the event that the owner of a parcel and the user of a parcel are not the same, the owner shall be liable for the storm water charge.

The storm water charge shall be determined as per the provisions of this article, based on the equivalent storm water unit “ESU” and ESU rate. The ESU, the ESU rate and the single family residential tiers may be amended by city council from time to time as necessary. The storm water charge for the various storm water classes shall be determined as follows:

(1) *Single-family residential storm water classes.* For the single-family residential storm water classes, a four-tiered storm water charge is established to accommodate the wide range of impervious area square footage that exists among the single-family residential parcels in the city. The four tiers of impervious area and the storm water charge for each tier are as shown in Table 1:

Table 1: Single-Family Residential Parcels

Tier	Impervious Area (square feet)	Equivalent Storm Water Unit Ratio (ESU ratio)	Monthly Storm Water Charge*
Tier 1	0 to 799	1.00	\$4.95 <u>\$5.05</u>
Tier 2	800 to 1,299	1.45	\$7.18 <u>\$7.32</u>
Tier 3	1,300 to 2,399	2.48	\$12.27 <u>\$12.52</u>
Tier 4	2,400 and over	4.40	\$21.78 <u>\$22.21</u>

*The monthly storm water charge is calculated by multiplying the assigned ESU ratio, by the ESU rate.

The impervious area for each residential parcel is determined based on the actual main floor, attached area, and detached structure square footage

data provided by the county's tax assessment system. Based on the impervious area determined, the residential parcels are assigned to one of the four tiers of impervious area. The department of public works shall assign a tier and apply the associated ESU ratio to each single-family residential parcel. A storm water charge will be assessed monthly based on the assigned ESU ratio and ESU rate. In the event of a newly constructed single-family residential dwelling, the department of public works shall assign a tier and ESU ratio upon issuance of the certificate of occupancy for that dwelling and upon recording of the parcel attributes in the county's tax assessment system.

* * * *

(9) *Equivalent storm water monthly unit rate.* The equivalent storm water monthly unit rate (ESU rate) is ~~\$4.949~~ \$5.048.

* * * *

SECTION 3. This Ordinance shall become effective as of July 1, 2021.

First Reading.....March 18, 2021
Second Reading.....March 18, 2021
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2021.

Mayor

SYNOPSIS & FISCAL IMPACT: This Ordinance enacts water, sewer, and stormwater charges and rates for Fiscal Year 2022. The charges and rates for water and sewer services will increase by three percent (3.0%). The stormwater charges and rates will increase by two percent (2.0%). This Ordinance does not amend the unit charges for sewer service contained in City Code Section 45-58.

The projected fiscal impact of this Ordinance is an annual increase of almost \$1.58 million in revenue (net of bad debt) to the Water/Sewer Fund. Below is a table showing the fiscal impact on a typical residential customer living in the City.

FY 2022 Rate Increase Impact on Typical Residential Customer				
Water, Sewer & Stormwater Typical Monthly Bill Impact (Inside City Residential 5/8 inch meter @ 4,000 gallons monthly consumption)				
Services	Monthly Charge FY 2021	Monthly Charge FY 2022	Monthly Increase	Monthly % Increase
Water	31.79	32.74	0.95	3.00%
Sewer	23.25	23.95	0.70	3.00%
Stormwater	4.95	5.05	0.10	2.02%
Total Bill	\$59.99	\$61.74	\$1.75	2.92%

Finally, as a housekeeping matter, this Ordinance changes the phrase “quarterly facilities charge” to “monthly facilities charge” in Section 45-175(d) to correct an oversight in Substitute No. 1 to Ordinance No. 17-009, which converted the frequency of the City’s water/sewer/stormwater billing cycles from once a quarter to once a month.

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