

# CITY OF HAMILTON WASTEWATER RATES

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## **WASTEWATER RATES**

The City of Hamilton Wastewater System bases wastewater (sanitary sewer) rates upon the quantity of water used on or in the property/premises subject to such rates and charges, as measured by the water meter(s) in use at that location. Water meters are read on a monthly basis through the City's Automated Meter Reading (AMR) system.

**City of Hamilton Wastewater System**  
**Wastewater Service Rates for All Customers by Meter Size**

Water Meter Size	Effective Date				
	8/1/2016	7/1/2017	7/1/2018	7/1/2019	7/1/2020
<b>Customer Service Charge (per Month)</b>	\$ 3.08	\$ 3.08	\$ 3.08	\$ 3.08	\$ 3.08
<b>Capacity Charge (per Month per Meter Size)</b>					
- 5/8"	\$ 1.00	\$ 2.00	\$ 3.00	\$ 4.00	\$ 5.00
- 3/4"	\$ 1.50	\$ 3.00	\$ 4.50	\$ 6.00	\$ 7.50
- 1"	\$ 2.50	\$ 5.00	\$ 7.50	\$ 10.00	\$ 12.50
- 1 1/2"	\$ 5.00	\$ 10.00	\$ 15.00	\$ 20.00	\$ 25.00
- 2"	\$ 8.00	\$ 16.00	\$ 24.00	\$ 32.00	\$ 40.00
- 3"	\$ 15.00	\$ 30.00	\$ 45.00	\$ 60.00	\$ 75.00
- 4"	\$ 25.00	\$ 50.00	\$ 75.00	\$ 10.00	\$ 125.00
- 6"	\$ 50.00	\$ 100.00	\$ 150.00	\$ 200.00	\$ 250.00
- 8"	\$ 80.00	\$ 160.00	\$ 240.00	\$ 320.00	\$ 400.00
- 10"	\$ 115.00	\$ 230.00	\$ 345.00	\$ 460.00	\$ 575.00
- 12"	\$ 215.00	\$ 430.00	\$ 645.00	\$ 860.00	\$ 1,075.00
- 14"	\$ 320.00	\$ 640.00	\$ 960.00	\$ 1,280.00	\$ 1,600.00
- 16"	\$ 458.00	\$ 916.00	\$ 1,347.00	\$ 1,832.00	\$ 2,290.00
- 18"	\$ 732.50	\$ 1,465.00	\$ 2,197.50	\$ 2,930.00	\$ 3,662.50
- 20"	\$ 925.00	\$ 1,850.00	\$ 2,775.00	\$ 3,700.00	\$ 4,625.00
<b>Volumetric Charge (per Ccf)</b>	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005
<b>Wastewater Surcharges</b>					
- BOD5, in excess of 200 mg/l (per lb. of BOD)	\$ 0.433	\$ 0.433	\$ 0.433	\$ 0.433	\$ 0.433
- SS, in excess of 300 mg/l (per lb. of SS)	\$ 0.265	\$ 0.265	\$ 0.265	\$ 0.265	\$ 0.265
<b>Riders</b>					
- <b>Rider A:</b> Unfunded Governmental and Regulatory (Including Environmental) Mandates Adjustment (per Ccf)	\$ -	\$ -	\$ -	\$ -	\$ -
- <b>Rider B:</b> Economic Development Cost Adjustment (per month)	\$ -	\$ -	\$ -	\$ -	\$ -
- <b>Suburban Surcharge</b> (% of monthly charges)	150.0%	150.0%	150.0%	150.0%	150.0%

**NOTES:**

(i) Rates effective as of August 1, 2016.

- (ii) *Similar to the City's water rates, Wastewater rates are subject to a Minimum Monthly Charge. The Minimum Monthly Charge is equal to the Customer Service Charge plus the Capacity Charge based on water meter size.*

## **Wastewater Riders**

Wastewater Riders are monthly, volumetric or usage charges and fees, used to collect various earmarked expenses by the City of Hamilton's water utility.

### ***Rider A – Unfunded Governmental and Regulatory, including Environmental, Mandates Wastewater Utility Adjustment (UGRMA)***

The UGRMA is designed to collect the costs associated with the Wastewater System's compliance with governmental and regulatory mandates that are not included or recovered in the base wastewater rate charges.

The expenditures associated with the UGRMA could be for operations, capital improvements, investments and related debt service principal and interest payment. No City salaries or benefits are recoverable through this Rider.

For more information, please view Appendix B, Wastewater Rider A Ordinance.

### ***Rider B – Economic Development Cost Wastewater Utility Adjustment (EDCA)***

The EDCA is designed to collect costs associated with projects in the City of Hamilton that are determined to satisfy the economic development goals and objectives of the City and provide a benefit to the City's utility systems. Depending upon the project, the EDCA may be collected from individual utilities or equally across all four primary utilities (Electric, Gas, Water, Sanitary).

The collection is made on a weighted per customer basis, as opposed to a volumetric or other basis. The economic development expenditures recovered by the EDCA shall be determined to be for a "public purpose" and benefit the utility. The Ohio Revised Code has defined economic development as a "public purpose", thereby authorizing municipalities to fund projects based upon this definition.

For more information, please view Appendix C, Wastewater Rider B Ordinance.

### ***Suburban Surcharge (SS)***

The SS is the additional amount that customers outside the corporate limits of the City of Hamilton are charged to receive wastewater service from the City. The SS is currently 150.0% of all applicable charges.

## Appendix A

### **AN ORDINANCE AMENDING SUBPARAGRAPH 935.02(e)(1)(2) OF CHAPTER 935 – SEWER RATES, OF THE CODIFIED ORDINANCES OF THE CITY OF HAMILTON, OHIO, RELATIVE TO SEWER SERVICE RATES, AND REPEALING SAID SUBPARAGRAPHS AS THEY CURRENTLY EXIST**

WHEREAS, on December 27, 2007, Hamilton City Council adopted Ordinance No. 2007-12-162, establishing the City's current sewer rates schedules, as set forth in Subparagraph 935.02(e)(1) and Subparagraph 935.02(e)(2) of the Codified Ordinances of the City of Hamilton, Ohio; and

WHEREAS, the City Administration, along with the City's utility rate consultant, Courtney & Associates, have analyzed the operational and capital needs of the Wastewater System, and have determined the need to adjust sewer rates; and

WHEREAS, the Utility Administration presented the amendments to Subparagraph 935.02(e)(1) and Subparagraph 935.02(e)(2) and the accompanying sewer rate changes at a public meeting of the Hamilton Public Utilities Commission on June 9, 2016; and

WHEREAS, the new sewer rates, along with continued operational cost reductions, are designed to address the long-term needs of the Wastewater System;

WHEREAS, in order to achieve the foregoing, it is necessary to amend Subparagraph 935.02(e)(1) and Subparagraph 935.02(e)(2) of the Codified Ordinances of the City of Hamilton, Ohio and repeal said Subparagraphs as they currently exist;

NOW, THEREFORE, BE IT ORDAINED by the council of the City of Hamilton, Ohio:

SECTION I: That Subparagraph 935.02(e)(1) and Subparagraph 935.02(e)(2) of Chapter 935 – SEWER RATES, of the Codified Ordinances of the City of Hamilton, Ohio, are hereby amended to be and read as follows:

#### **935.02 DETERMINATION OF CHARGES**

(e) The water usage schedule on which the amount of total sewer charges will be determined shall be as follows:

(1) Total service charge (TSC) for residential, commercial, governmental and industrial users on volume usage basis with surcharge. See definition of terms under Section 935.01 hereof. The TSC shall be the sum of the following amounts in effect on the dates as hereinafter indicated:

**See Table on Page 2.**

(2) The above stated sewer service charges and those provided for in Section 935.12 are in addition to water rates and charges. The minimum charge per month for each sewage bill rendered under subsection (e)(1) hereof or Section 935.12 shall be equal to the monthly customer charge plus the monthly capacity charge (by meter size).

SECTION II: That the rate changes set forth in SECTION I hereof shall be effective for bills rendered on or after **August 1, 2016 and the subsequent Effective Dates stated in Subparagraph 935.02(e)(1).**

SECTION III: That existing Subparagraph 935.02(e)(1) and Subparagraph 935.02(e)(2) of the Codified Ordinances of the City of Hamilton, Ohio, as they existed prior to the enactment of this Ordinance **be and are hereby repealed effective August 1, 2016.**

(Ord. 2016-6-59. Passed 06-22-16.)

## Appendix B

### **935.14 UNFUNDED GOVERNMENTAL AND REGULATORY (INCLUDING ENVIRONMENTAL) MANDATES WASTEWATER UTILITY ADJUSTMENT RIDER “A” (RIDER A).**

#### **(a) Unfunded Governmental and Regulatory (Including Environmental Mandates Adjustment (UGRMA)).**

(1) Scope. The Utility shall recover through application of the UGRMA all expenditures for operating, capital improvements, investments and related debt service principal and interest payments that are paid or payable to parties other than Utility employees which are associated with the Utility’s compliance with governmental and regulatory mandates that are not included or recovered in base wastewater rate charges (Governmental and Regulatory Costs). Governmental and Regulatory Costs shall include utility debt service payments (including principal and interest payments) associated with the deferral of Governmental and Regulatory Costs. Governmental and Regulatory Costs will be credited to reflect proceeds received from insurance carriers or other entities for amounts that represent reimbursement of costs associated with governmental and regulatory caused compliance projects. Governmental and Regulatory Costs shall not include the salaries of Utility employees, or any benefits related thereto.

The UGRMA will be applied monthly as a volumetric charge (\$ per hundred cubic feet) to wastewater customers total monthly billings so as to recover anticipated Governmental and Regulatory Costs during the period such expenditures are projects to be incurred by the Utility (Recovery Period). The total amount of any over or under recovery of Governmental and Regulatory Costs for preceding collection periods will be included as Governmental and Regulatory Reconciliation. Adjustment and thereby reflected in the UGRMA for the Recovery Period.

(2) Calculation. The formula for calculating the UGRMA, expressed as a volumetric charge (\$ per hundred cubic feet), is:

$$\text{UGRMA} = (\text{EC} + \text{ERA})/\text{S}$$

Where:

EC = Governmental and Regulatory Costs (\$) to be recovered from wastewater customers during the Recovery Period.

ERA= Governmental and Regulatory Reconciliation Adjustment is a dollar adjustment that reflects the difference between actual Governmental and Regulatory Costs incurred during preceding collection periods and the actual revenues collected by the UGRMA during the same collection period.

S = Projected Sales (hundred cubic feet) billed to wastewater customers during the Recovery Period.

(b) Application.

(1) The Utility shall annually review the UGRMA calculation and make projections for the Recovery Period. The Utility shall, when it deems necessary, make adjustments to the UGRMA applied to customers for such period as it deems necessary to accomplish the purposes of this Rider in a timely manner.

(Ord. 2007-12-160. Passed 12-27-07.)

## Appendix C

### **935.15 ECONOMIC DEVELOPMENT COST WASTEWATER UTILITY ADJUSTMENT RIDER “B” (RIDER B).**

(a) Economic Development Cost Adjustment (EDCA).

(1) Scope. The Waste Water Utility (Utility) shall recover economic development expenditures through the application of the EDCA including the sum of the Economic Development Agreement (EDA) Annual Rebates and all expenditures including funds transferred from the Utility to the City of Hamilton Department of Administrative Division of Economic Development, operating, capital improvements, investments and related debt service principal and interest payments that are paid or payable to parties other than Utility employees which are associated with the Utility’s economic development activities that are not included or recovered in base wastewater rate charges, Power Cost Adjustment (Rider A) charges, Unfunded Environmental Mandates Adjustment (Rider D) and Unfunded Governmental and Regulatory (including Environmental) Mandates Wastewater Utility Adjustment (Rider A). Economic Development expenditures will be credited to reflect proceeds received from other entities for amounts that represent reimbursement of costs associated with economic development projects. Economic Development expenditures shall not include the salaries of Utility employees, or any benefits related thereto. Economic Development expenditures recovered by the EDCA shall be determined to be for a public purpose and benefit to the Utility. “Public purpose” and “Utility benefit” shall be determined by the Law Director and the Finance Director and approved by the Hamilton City Council. The EDCA will be applied monthly and added to wastewater customers monthly billings to recover the Economic Development Cost Adjustment.

(2) Application. The Utility shall review the Economic Development Cost Adjustment calculation and shall make annual projections for the succeeding period January to December (Collection Period). The Utility shall, when it deems necessary, make adjustments to the EDCA applied to customers for such period as it deems necessary to accomplish the purposes of this Rider in a timely manner.

(3) Calculation. The formula for calculating the economic development cost adjustment (EDCA) is:

$$\text{EDCA} = (\text{EDC} * (\text{MWF} * \text{RCM}/\text{PTWM}))/\text{RCM}/12 + \text{RA}$$

Where:

$(\text{EDC} * (\text{MWF} * \text{RCM}/\text{PTWM}))/\text{RCM}/12$  = the Economic Development cost component, expressed in dollars per meter per month.

RA = Reconciliation Adjustment as determined below, expressed in dollars per meter per month

$$RA = (AEDC * MWF * AM/ATWM)/AM/12 - (PPEDC * (MWF * PCM/ATWM))/PCM/12$$

(4) Definitions.

EDC = PEDC-BEDC

PEDC = Projected Economic Development expenditures in the Collection Period.

BEDC = Economic Development expenditures in the base rates of \$183,512. At the time this rider was written, Economic Development expenditures in base rates were \$0.00 for EDA Annual Rebates and \$183,512 for funds transferred to the City Department of Administrative Division of Economic Development.

PPEDC= Economic Development costs to be collected in the preceding Collection Period.

PPTWC= Projected total weighted meters during the preceding Collection Period.

AEDC= Actual Economic Development cost for the preceding Collection Period.

MWF= Meter weighting factor for each meter size in Table 1 below.

RCM= Projected average number of meters for a given meter size during the Collection Period.

PCM= Projected average number of meters for a given meter size during the preceding Collection Period.

PTWM= Projected total weighted meters during the Collection Period.

AM= Actual average number of meters in the meter class during the preceding Collection Period.

ATWM= Actual total weighted meters during the preceding Collection Period.

**Table 1**  
**Meter Weighting Factors**  
**(MWF)**

Meter Size	Meter Weighting Factor	Sharon Park Subdivision Meter Weighting Factor
5/8"	1.0	1.5
3/4"	1.1	1.7
1"	1.4	2.1
1 1/2"	1.8	2.7
2"	2.9	4.4
3"	11.0	16.5
4"	14.0	21.0
6"	21.0	31.5
8"	29.0	43.5
10"	37.0	55.5

(Ord. 2010-8-68. Passed 8-11-10; Ord. 2011-8-79. Passed 8-24-11.)