

RESOLUTION No. 30718B

ROLL CALL

VOTING	YES	NO
KURT L. CHRISTENSEN <i>Mayor (votes only in case of tie)</i>		
HOWARD CHUNTZ <i>Council member</i>	DC	
STERLING M. REES <i>Council member</i>	SR	
CRISTY SIMONS <i>Council member</i>	CS	
SETH SORENSEN <i>Council member</i>	AS	
CRAIG B. WARREN <i>Council member</i>		

I MOVE this resolution be adopted: Council member C. Simons
 I SECOND the foregoing motion: Council member Howard Chuntz

RESOLUTION No. 30718B

RESOLUTION AMENDING SEWER RATES

WHEREAS, Salem City owns and operates its own sewer collection and treatment system; and

WHEREAS, the City must generate sufficient revenue from its sewer rates to provide for operation and maintenance of the system; and

WHEREAS, the City is replacing the existing lagoon sewer treatment system with a new mechanical sewer treatment system; and,

WHEREAS, the City has secured a loan through the Utah Department of Environmental Quality to fund replacement of the sewer treatment plant; and

WHEREAS, the City has completed a rate study and analysis, which establishes the minimum rate needed to meet the projected expenses; and

WHEREAS, the City increased sewer rates for FY 2018 from \$24 per month to \$28 per month in preparation for increased operation and maintenance and debt service costs, and will gradually increase the sewer rates over a period of time to reach the required rates;

NOW THEREFORE, be it resolved by the Salem City Council as follows:


1. Effective July 1, 2018, the rates are amended to establish separate base rate charges for two classes, (1) residential and (2) commercial/industrial/schools/churches. The 10,000 gallon allowance in the base rate is removed, and a tiered usage charge is established.
 - a. Base Charge:
 - i. Residential: \$36.00 per month per connection
 - ii. Commercial/Industrial/School/Church are based on water meter size:
 1. 1" and smaller meter: \$36.00 per month per connection (1.0 ERUs)
 2. 1.5" meter: \$72.00 per month per connection (2.0 ERUs)
 3. 2" meter: \$115.20 per month per connection (3.2 ERUs)
 4. 3" meter: \$230.40 per month per connection (6.4 ERUs)
 5. 4" meter: \$360.00 per month per connection (10.0 ERUs)
 6. Base rates for connections with a water meter larger than 4" will be determined on an individual basis.
 - b. Usage Charge (for both classes of users):
 - i. Tier 1: The first 5,000 gallons per month is charged at \$1.50 per 1,000 gallons total usage.
 - ii. Tier 2: The second 5,000 gallons per month is charged at \$1.75 per 1,000 gallons total usage between 5,001-10,000 gallons per month.
 - iii. Tier 3: The third 5,000 gallons per month is charged at \$2.00 per 1,000 gallons total usage between 10,001-15,000 gallons per month.
 - iv. Tier 4: All usage over 15,000 gallons per month is charged at \$2.25 per 1,000 gallons total usage greater than 15,000 gallons.
2. Effective July 1, 2019, the rates are amended to increase the base charge. Usage charges remain unchanged.
 - a. Base Charge:
 - i. Residential: \$45.50 per month per connection
 - ii. Commercial/Industrial/School/Church are based on water meter size:
 1. 1" and smaller meter: \$45.50 per month per connection (1.0 ERUs)
 2. 1.5" meter: \$91.00 per month per connection (2.0 ERUs)
 3. 2" meter: \$145.60 per month per connection (3.2 ERUs)
 4. 3" meter: \$291.20 per month per connection (6.4 ERUs)
 5. 4" meter: \$455.00 per month per connection (10.0 ERUs)

6. Base rates for connections with a water meter larger than 4" will be determined on an individual basis.
3. The City may determine that the standard rate or formula as defined in this resolution produces an inaccurate or inappropriate charge for an individual user. Therefore, the City may calculate an individual sewer rate based on other available information. The new rate calculated must be equitable with respect to other users in the system.
4. This resolution repeals all prior resolutions which establish sewer rates. All existing due dates, late charges, and other rules and regulations relating to sewer rates shall remain in effect and are not modified by this resolution.

DATED this 7th day of March, 2018.


KURT L. CHRISTENSEN, Mayor

Attest:


Jeffrey D. Nielson, City Recorder