

ORDINANCE NO. 20180308-035

AN ORDINANCE AMENDING ORDINANCE NO. 20170913-001 TO REVISE THE FISCAL YEAR 2017-2018 AUSTIN WATER OPERATING BUDGET TO REDUCE TOTAL WATER AND WASTEWATER REVENUE, DECREASE DEBT SERVICE REQUIREMENTS, AND INCREASE TRANSFERS OUT; AND AMENDING ORDINANCE NO. 20170913-002 TO CHANGE THE RETAIL RATES FOR WATER AND WASTEWATER SERVICES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council amends Fiscal Year 2017-2018 Austin Water Operating Budget of Ordinance No. 20170913-001 to reduce total water and wastewater revenue by \$11,643,355.00, decrease debt service requirements by \$2,978,413.00, and increase transfers out by \$9,566,159.00, resulting in an ending balance decrease of \$18,231,101.00.

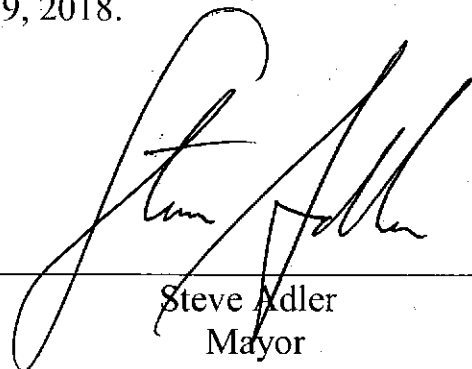
PART 2. The Council amends Ordinance No. 20170913-002 to change the water and wastewater service rates and charges for retail customers as set out on Exhibit A attached to this ordinance.

PART 3. This ordinance takes effect on March 19, 2018.

PASSED AND APPROVED


_____, March 8, 2018

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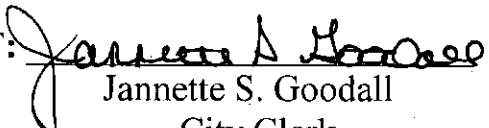
Steve Adler
Mayor

APPROVED:



Anne L. Morgan
City Attorney

ATTEST:



Jannette S. Goodall
City Clerk

Exhibit A

**CITY OF AUSTIN, TEXAS
AUSTIN WATER**

**PROPOSED WATER RATES
FY 2017-18**

PROPOSED RATES EFFECTIVE MAY 1, 2018

(Rates for bills generated on or after May 1st, 2018)

All Retail Customers:

<u>Monthly Meter Equivalent Minimum Charge:</u> Meter	<u>Current Rates</u>	<u>Proposed Rates</u>
Size:		
5/8"	\$ 7.10	\$ 7.25
3/4"	13.00	10.60
1"	15.00	13.60
1 1/2"	26.00	15.50
2"	42.00	25.40
3"	71.00	75.10
4"	136.00	124.80
6"	275.00	253.80
8"	916.00	482.20
10"	1,106.00	760.20
12"	1,336.00	998.40

**Customer Assistance Program (CAP) customers qualify for a waiver of the retail monthly meter equivalent minimum charge.*

**CITY OF AUSTIN, TEXAS
AUSTIN WATER**

**PROPOSED WATER RATES (Continued)
FY 2017-18**

PROPOSED RATES EFFECTIVE MAY 1, 2018

(Rates for bills generated on or after May 1st, 2018)

Residential Class	Current Rates	Proposed Rates
<u>Volume Charges:</u>	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
0 – 2,000 Gallons	\$ 3.03	\$ 2.89
2,001 – 6,000 Gallons	4.90	4.81
6,001 – 11,000 Gallons	8.41	8.34
11,001 – 20,000 Gallons	12.77	12.70
20,001 – over Gallons	14.28	14.21

All retail customer non-CAP volumetric rates include the Community Benefit Charge implemented on January 1, 2018

CAP Residential Class	Current Rates	Proposed Rates
<u>Volumetric Charge:</u>	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
0 – 2,000 Gallons	\$ 2.50	\$ 2.37
2,001 – 6,000 Gallons	4.13	4.05
6,001 – 11,000 Gallons	6.74	6.67
11,001 – 20,000 Gallons	11.58	11.51
20,001 – over Gallons	14.28	14.21

CITY OF AUSTIN, TEXAS AUSTIN WATER

PROPOSED WATER RATES (Continued) FY 2017-18

PROPOSED RATES EFFECTIVE MAY 1, 2018

(Rates for bills generated on or after May 1st, 2018)

<u>Multifamily Monthly Minimum Charge:</u> Meter Size:	<u>Current Rates</u>	<u>Proposed Rates</u>
5/8"	\$ 17.25	\$ 12.50
3/4"	26.00	21.00
1"	43.00	33.00
1 1/2"	86.00	42.00
2"	138.00	83.00
3"	276.00	292.00
4"	431.00	500.00
6"	863.00	1,042.00
8"	1,380.00	2,000.00
10"	1,984.00	3,167.00
12"	2,933.00	4,167.00

* This fee is charged in addition to the Retail Monthly Equivalent Minimum Charge.

<u>Multifamily Class Volumetric Rates:</u>	<u>Current Rates</u> <u>\$ / 1,000 Gallons</u>	<u>Proposed Rates</u> <u>\$ / 1,000 Gallons</u>
Off Peak/Peak	\$4.96 / \$5.47	\$4.53 / \$5.00

All retail customer non-CAP volumetric rates include the Community Benefit Charge implemented on January 1, 2018

CITY OF AUSTIN, TEXAS AUSTIN WATER

PROPOSED WATER RATES (Continued) FY 2017-18

PROPOSEED RATES EFFECTIVE MAY 1, 2018

(Rates for bills generated on or after May 1st, 2018)

<u>Commercial Monthly Minimum Charge:</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
Meter Size:		
5/8"	\$ 10.80	\$ 8.75
3/4"	16.00	15.00
1"	27.00	23.00
1 1/2"	54.00	29.00
2"	86.00	58.00
3"	173.00	204.00
4"	270.00	350.00
6"	540.00	729.00
8"	864.00	1,400.00
10"	1,242.00	2,217.00
12"	1,836.00	2,917.00

* This fee is charged in addition to the Retail Monthly Equivalent Minimum Charge.

<u>Commercial Class Volumetric Rates:</u>	<u>Proposed Rates</u>	
	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
Off Peak/Peak	\$5.82 / \$6.42	\$5.27 / \$5.66

All retail customer non-CAP volumetric rates include the Community Benefit Charge implemented on January 1, 2018

**CITY OF AUSTIN, TEXAS
AUSTIN WATER**

**PROPOSED WATER RATES (Continued)
FY 2017-18**

PROPOSED RATES EFFECTIVE MAY 1, 2018

(Rates for bills generated on or after May 1st, 2018)

<u>Large Volume Monthly Minimum Charge:</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
NXP – Ed Bluestein Blvd	\$29,500.00	\$29,250.00
NXP – W William Cannon	22,000.00	21,400.00
Samsung	127,000.00	121,100.00
Novati	3,900.00	4,250.00
Cypress (Spancion)	20,100.00	22,800.00
University of Texas	17,250.00	16,350.00

* *This fee is charged in addition to the Retail Monthly Equivalent Minimum Charge.*

<u>Large Volume Volumetric Rates:</u>	<u>Current Rates \$/ 1,000 Gallons</u>	<u>Proposed Rates \$/ 1,000 Gallons</u>
NXP – Ed Bluestein Blvd: Off Peak/Peak	\$4.89 / \$5.40	\$4.67 / \$5.16
NXP – W William Cannon: Off Peak/Peak	5.43 / 5.98	4.73 / 5.23
Samsung: Off Peak/Peak	5.47 / 6.03	4.69 / 5.18
Novati: Off Peak/Peak	5.33 / 5.88	4.96 / 5.48
Spancion: Off Peak/Peak	5.29 / 5.83	5.00 / 5.52
University of Texas: Off Peak/Peak	5.82 / 6.42	5.27 / 5.66

All retail customer non-CAP volumetric rates include the Community Benefit Charge implemented on January 1, 2018

**CITY OF AUSTIN, TEXAS
AUSTIN WATER**

**PROPOSED WATER RATES (Continued)
FY 2017-18**

PROPOSED RATES EFFECTIVE MAY 1, 2018
(Rates for bills generated on or after May 1st, 2018)

All Retail Water Customers:

	Current Rates	Proposed Rates
	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
<u>Revenue Stability Reserve Fund Surcharge – Retail</u>	\$ 0.19	\$ 0.05

**This fee is charged to all Retail water customers per 1,000 gallons of water billed for the billing period to fund the Revenue Stability Reserve Fund.*

Water Drought Rate Surcharge

** Rates remain unchanged. Effective May 1, 2018, Customer Assistance Program (CAP) customers will be exempt from the Water Drought Rate Surcharge.*

CITY OF AUSTIN, TEXAS AUSTIN WATER

PROPOSED WASTEWATER RATES FY 2017-18

PROPOSED RATES EFFECTIVE MAY 1, 2018

(Rates for bills generated on or after May 1st, 2018)

<u>Retail Volumetric Rates:</u>	<u>Current Rates</u> <u>\$ / 1,000 Gallons</u>	<u>Proposed Rates</u> <u>\$ / 1,000 Gallons</u>
Single Family:		
0 – 2,000 Gallons	\$ 5.15	\$ 4.85
2,001 – over Gallons	10.20	9.94
<i>All retail customer non-CAP volumetric rates are reduced by the amount of the Community Benefit Charge implemented on January 1, 2018</i>		
Customer Assistance Program:		
0 – 2,000 Gallons	\$ 4.50	\$ 4.46
2,001 – over Gallons	8.80	8.78
Multifamily	9.33	8.93
Commercial	9.33	8.95
Large Volume		
NXP (Freescale) Ed Bluestein	8.78	8.52
NXP (Freescale) William Cannon	8.80	8.66
Samsung	8.13	7.75
Novati	8.01	7.74
Spansion	8.24	7.90
University of Texas	9.27	8.95

CITY OF AUSTIN, TEXAS AUSTIN WATER

PROPOSED WATER RATES (Continued) FY 2017-18

PROPOSED RATES EFFECTIVE MAY 1, 2018 (Rates for bills generated on or after May 1st, 2018)

Industrial Waste Surcharge Rate for Ammonia-Nitrogen

	<u>Current Rate</u>	<u>Proposed Rate</u>
Ammonia-Nitrogen	\$0.0	\$1.559

**Rate is \$1.559 per pound of ammonia-nitrogen discharged into Austin Water's wastewater system by an Industrial User when the ammonia-nitrogen concentration is in excess of 35 mg/l. The surcharge fee for ammonia nitrogen will be charged to an Industrial User that uses or produces ammonia-nitrogen in a manufacturing process. The surcharge fee for ammonia-nitrogen will be determined by calculating the difference between the average concentrations discharged from such an Industrial User and the 35 mg/l threshold as described in the formula below:*

$$\begin{aligned} \text{Surcharge fee for ammonia-nitrogen} &= \text{Volume of wastewater discharged (in millions of gallons)} \\ &\quad \times 8.34 \text{ pounds per gallon} \times [\$1.559 \text{ per pound} \times \\ &\quad (\text{Industrial User's average ammonia-nitrogen (in mg/l)} - \\ &\quad 35 \text{ mg/l})] \end{aligned}$$

Industrial Water Surcharges for BOD, COD, or SS remain unchanged.