

RESOLUTION NO. 2464

RESOLUTION ESTABLISHING SEWER CONNECTION FEES AND REPEALING RESOLUTION NO. 2001

WHEREAS, connection charges are established to finance the oversizing of sanitary sewers and a partial expansion of the Wastewater Treatment Plant necessary to serve new users within the city; and a detailed study of the annual costs for oversizing and sewage treatment expansion have been carried out

WHEREAS, the Construction Fees Review Task Force has reviewed the uses of the sewer connection fees and recommend a sewer connection fee increase.

NOW, THEREFORE, BE IT RESOLVED sewer connection charges under the provisions of Albany Municipal Code Section 10.08.070 are hereby established as follows:

Single-family residential = ~~\$565~~ \$800

Multi-family residential = ~~\$565~~ \$800 per dwelling unit

Commercial Buildings. For each commercial building, the sum of ~~\$565~~ \$800 for each group of four or less plumbing fixtures. For each additional plumbing fixture in excess of four plumbing fixtures, the sum of ~~\$70~~ \$99 each will be assessed.

High-strength commercial and industrial users' connection charges may are to be made in accordance with the following formula: ~~hereinafter set forth.~~
High-strength commercial and industrial users may be charged according to the following formula

$$X = (M)(Y)$$

where: X = connection charge

M = ~~\$1,283,500~~ \$1,817,400

Y = maximum of V_c or BOD_c or SS_c or V_d or BOD_d or SS_d

and where:

V_c = the customer's estimated average daily flow in gallons for the two highest weeks in a calendar year.

V_d = 1 million gallons per day (MGD) since the cost "M" is calculated on this basis.

BOD_c = the customer's estimated daily average biochemical oxygen demand (BOD) discharge in pounds per day for the two highest weeks in a calendar year.

BOD_d = 4,450 pounds per day since the cost of "M" is based on the fact that plant design of 1 MGD will treat this amount of BOD.

SS_c = the customer's estimated daily average suspended solids (SS) discharge demand in pounds per day for the two highest weeks in a calendar year.

SS_d = 2,350 pounds per day since the cost "M" is based on the fact that the plant design of 1 MGD will treat this amount of SS.

These connection charges are based on required revenues, the expected number of new connections, and the average wastewater loadings in each customer class

The wastewater loading for new high-strength commercial and industrial users may should be monitored or sampled after normal operating conditions for the user are reached. At that point, the connection charges should be recalculated based on the actual loadings and adjusted payments (or refunds) should be made.

Sewer user rates and connection fees should be reviewed and updated annually. This updating procedure should at a minimum include consideration of changing system costs and prevailing price levels. The following formula outlines a methodology by which city staff can perform this type of annual update:

Demand Charges

$$B_{2i} = (B_{1i}) \left(1 + \frac{a_2 - a_1}{a_1} - \frac{P_{2i} - P_{1i}}{P_{1i}} \right)$$

- where: B_{2i} = updated demand charge for customer class "i"
- B_{1i} = old demand charge for customer class "i"
- a_2 = total expenditures shown in Sewer Fund of most recent audit
- a_1 = same as for a_2 except figures are for one year prior
- P_{2i} = current number of customers (accounts) in customer class "i"
- P_{1i} = prior year number of customers (accounts) in customer class "i"

(Note: For industrial users, B is equivalent to J in the industrial rate formula.)

Variable Rates (nonindustrial)

$$G_{2i} = (G_{1i}) \left(1 + \frac{b_2 - b_1}{b_1} \right)$$

- where: G_{2i} = updated variable rate for customer class "i"
- G_{1i} = old variable rate for customer class "i"
- b_2 = total expenditures minus capital outlays as shown in most recent audit
- b_1 = same as for b_2 except figures are for one year prior

Variable Rates (industrial)

$$K_{2i} = K_{1i} \left(1 + \frac{b_2 - b_1}{b_1} \right) \quad L_{2i} = L_{1i} \left(1 + \frac{b_2 - b_1}{b_1} \right) \quad M_{2i} = M_{1i} \left(1 + \frac{b_2 - b_1}{b_1} \right)$$

where: K_{2i} = updated SS rate for industry "i"
 K_{1i} = old SS rate for industry "i"
 L_{2i} = updated BOD rate for industry "i"
 L_{1i} = old BOD rate for industry "i"
 M_{2i} = updated flow rate for industry "i"
 M_{1i} = old flow rate for industry "i"
 b_2 = same as for nonindustrial rates
 b_1 = same as for nonindustrial rates

Connection Charges (all customer classes)

$$D_{2i} = D_{1i} \left(1 + \frac{E_2 - E_1}{E_1} \right)$$

where: D_{2i} = updated connection charges (or M in the case of the industrial connection charge formula) for customer class "i"
 D_{1i} = old connection charge for customer class "i"
 E_2 = most recent Engineering News Record Construction Cost Index for the geographic area closest to Albany
 E_1 = same as E_2 except one year prior

BE IT FURTHER RESOLVED that the rates herein established shall become effective July 1, 1984.

BE IT FURTHER RESOLVED that Resolution No. 2001 is hereby repealed.

DATED THIS 9TH DAY OF MAY, 1984.

Donald Brudwig
 Mayor

ATTEST:

Spillay
 City Recorder