

Presented by: The Manager  
Introduced: 06/05/2006  
Drafted by: J.W. Hartle

## ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2006-21

### **An Ordinance Increasing the Rates for Water and Wastewater Utility Services.**

WHEREAS, it is the mission of the CBJ Water Utility to provide safe drinking water and fire protection flows for the citizens of the City and Borough of Juneau; and

WHEREAS, it is further the mission of the CBJ Wastewater Utility to protect the public health and environment by collecting and treating the community's sanitary sewage; and

WHEREAS, it is the responsibility of the CBJ Water Utility and the CBJ Wastewater Utility to ensure that the enterprises are managed, operated, and maintained in a stable, sustainable, and financially healthy state; and

WHEREAS, the Water Utility has not had a customer rate increase since 2003; and

WHEREAS, the Financial Plans and Policies adopted for each utility in 2003 called for a biennial financial review of each utility beginning in FY2007; and

WHEREAS, the City and Borough must collect sufficient service revenues to meet the major deferred maintenance expenses of the Water Utility and the Wastewater Utility; and

WHEREAS, the City and Borough has conducted a comprehensive and independent review of the Water Utility and Wastewater Utility revenue requirements, and developed equitable rate adjustments; and

WHEREAS, the Assembly, after reviewing the findings of the utility rate analysis, has expressed a preference for "across the board" two percent increases to make up the revenue requirements; and

WHEREAS, the FY2007 two percent increases are dependent on the use of alternative funding sources for each utility, including property tax for fire protection services within the Water Utility, Street Sales Tax support of sewer collection system replacement within streets, and a bond/loan for FY2007 capital replacement work for the Wastewater Utility; and

WHEREAS, without alternative funding for FY2007, the water rate increase would need to be approximately 10.5 percent, and the wastewater rate increase would need to be 8.5 percent.

NOW THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough code.

**Section 2. Amendment of Section.** CBJ 75.01.180 Water Utility Rate Schedule is amended to read:

**75.01.180 Rate schedule.**

(a) The schedule of rates charged for water service shall be as follows:

Water Utility Rate Schedule			
Customer Class	Monthly Allowance (Gallons)	RATES	
		Base (per month)	Volume Charge (per 1000 gallons)
Flat Residential	–	\$ 23.06	–
Metered Residential	4,000	\$ 15.78	\$ 2.12
Flat Commercial	–	\$ 23.06	–
Metered Commercial	4,000	\$ 15.78	\$ 2.12
Large Commercial	500,000	\$ 303.45	\$ 0.61
Bulk Water	–	\$ 15.78	\$ 2.12

(b) General provisions: For any property upon which the water utility has installed more than one meter, each meter shall be read and billed to the owner of the property as if it were a separate service. Metered residential and commercial accounts will be billed at corresponding flat rates until meters are installed. Accounts not fitting the class definitions will be assigned to an appropriate customer class by the Water Utilities Superintendent. Existing residential water exemptions shall remain in effect until meters are installed.

**Section 3. Amendment of Subsection.** CBJ 75.02.130(a)(4) Waste Water Utility Rate Schedule is amended to read:

**75.02.130 Schedule of rates and charges; establishment; delinquencies.**

(a) The schedule for sewer rates and charges shall be as follows:

...

(4) Rate:

Commencing July 1, 2006, customers shall pay for sewer service at the following rates:


<b>Waste Water Utility Rate Schedule</b>			
<b>Customer Class</b>	<b>Monthly Allowance (Gallons)</b>	<b>RATES</b>	
		<b>Base (per month)</b>	<b>Volume Charge (per 1000 gallons)</b>
Flat Residential	–	\$ 56.01	–
Metered Residential	4,000	\$ 56.01	\$ 7.45
Flat Commercial	–	\$ 56.01	–
Metered Commercial (Domestic)	4,000	\$ 56.01	\$ 7.45
Metered Commercial (High)	4,000	\$ 56.01	\$ 7.45
Septage Hauling	–	–	\$ 21.27

**Section 4. Effective Date.** This ordinance shall be effective July 1, 2006.

Adopted this 26<sup>th</sup> day of June, 2006.

  
Bruce Botelho, Mayor

Attest:

  
Laurie J. Sica, Clerk