



RESOLUTION FIXING RATES FOR SEWERAGE SERVICE CHARGES, SURCHARGES, AND INDUSTRIAL
PRETREATMENT CHARGES FOR THE USE OF SANITARY AND COMBINED SEWERS
AND FOR SEWAGE TREATMENT

PROJECT IDENTIFIERS:

METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI

LEGISLATIVE ACTION REQUESTED:

- DESIGN¹
 ADD'L DESIGN²
 EASEMENT OR REAL PROPERTY APPROPRIATION³
 CONSTRUCTION⁴
 ADD'L CONST⁵
 AMEND CIP⁶
 OTHER⁷: 2017 Revised Rate Structure

PROJECT TYPE:

- PROJECT GROUNDWORK / WWIP

PG / WWIP Activity ID: N/A

PG / WWIP Milestone Dates: N/A

- PROJECT GROUNDWORK / ASSET MANAGEMENT
 SUSTAINABLE INFRASTRUCTURE

- OTHER: Rate Resolution

PROJECT PURPOSE:

For 2017 the proposed minimum charges and volume rates are increased by **4.59%**, while sewerage surcharges and industrial pretreatment charges are kept constant at the existing rates. The effective result is a **4.25%** system-wide revenue increase.

The proposed rates translate into the following average residential customer billing (assuming a 5/8" water meter size and 17 ccf water usage), illustrated on Table 1. Please note, for 2017, MSD makes these calculations based upon a residential usage of 17 ccf, which more accurately reflects the actual conditions and history, rather than 25 ccf as has been the benchmark over the past decade, or longer. Therefore, this change in calculation results in lower projected billing.

TABLE 1

Usage (in ccf)*	2016 Quarterly Annualized Billing**	2017 Quarterly Annualized Billing***	2017 Annualized Quarterly increase	2017 Annualized Monthly increase	2017 Annualized Daily increase
25	\$211.41	\$221.12	\$9.70	\$3.23	\$.11
17	\$164.38	171.93	\$7.55	\$2.52	\$.08

* ccf = 100 cubic feet

** based upon the 2015 rate structure not increased by the County Commissioners in 2016

*** with 4.59% increase

- Design** = 1 resolution - authorizing preparation of detailed plans, specifications, and estimate of cost and appropriating funds for the same.
- Add'l Design** = 1 resolution - appropriating additional funds for design.
- Easement/Real Property Appropriation** = 3 resolutions - approving detailed plans, specifications and estimate of cost; declaring project necessity and intent to proceed with construction; appropriating easements or full fee takes.
- Construction** = 4 resolutions - approving detailed plans, specifications and estimate of cost; declaring project necessity and intent to proceed with construction; appropriating funds for construction; authorizing project advertisement & bid.
- Add'l Construction** = 3 resolutions - amending approved detailed plans, specifications and estimate of cost; amending project necessity and proceed resolutions; appropriating add'l funds for construction.
- Amend CIP** = 1 resolution - adding proposed project to program year Capital Improvement Plan.
- Other** = Resolutions not covered above. Purpose is listed.

PROJECT PURPOSE: *(cont.)*

The 2017 rate increase will be effective January 9, 2017. The County Commissioners held public hearings in accordance with the 1968 Management Agreement between the City of Cincinnati and Hamilton County for the operation of the Metropolitan Sewer District, to afford the opportunity for comment from all interested parties to the Board.

MINIMUM CHARGE

The sewerage service charge shall consist of a minimum charge and a commodity charge.

The minimum charge shall be based on the size of the water meter used to serve the premises, or the size of the premises served, as determined by the number of units therein, whichever results in the larger minimum charge.

The size of the premises shall be determined by the total number of residential and/or commercial and industrial units that comprise the premises.

Such minimum charge shall include the charge for the first 500 cubic feet of water used in the case of monthly bills; and the first 900 cubic feet of water used, in the case of quarterly bills.

The minimum charge rates shall be as follows:

Meter Size (inches)	Number of Family Units	Monthly Bills \$	Quarterly Bills \$
$\frac{5}{8}$	1	\$59.73	\$122.74
$\frac{3}{4}$	2 or 3	\$71.63	\$158.27
1	4 or 5	\$92.19	\$216.96
1½	6 through 12	\$142.14	\$368.69
2	13 through 20	\$195.89	\$522.25
3	21 through 50	\$480.10	\$1,340.31
4	51 through 115	\$794.97	\$2,219.71
6	116 through 250	\$1,555.36	\$3,429.16
8	Over 250	\$2,311.93	\$6,543.97
10	Over 250	\$3,106.85	\$8,744.51
12	Over 250	\$3,617.59	\$10,096.32

For trailer parks, the number of family units shall be 75 percent (75%) of the available occupancy.

For hotels and motels, the number of family units shall be 50 percent (50%) of the available occupancy.

For commercial establishments each two sets, or part thereof, of sanitary facilities shall be counted as one family unit. A set of sanitary facilities shall be any grouping of water using plumbing fixtures whose total instant demand is not greater than the total instant demand of five, one-half inch, water faucets. Where commercial or manufacturing facilities require more water than required for sanitary purposes, the minimum charge shall be not less than the minimum charge for a meter one size smaller than the branch serving the premises.

PROJECT PURPOSE: *(cont.)*

COMMODITY CHARGE

The Commodity Charge shall be based on the quantity of water used on the premises served as same is measured by a water meter or meters therein used, which meters must be acceptable to the City of Cincinnati.

The Commodity Charge shall be as follows:

Monthly Bills	Quarterly Bills
For each 100 cubic feet consumed per month in excess of 500 cubic feet but not in excess of 5,000 cubic feet	For each 100 cubic feet consumed per quarter in excess of 900 cubic feet but not in excess of 15,000 cubic feet
\$6.149 per 100 cubic feet	\$6.149 per 100 cubic feet
For each 100 cubic feet consumed per month in excess of 5,000 cubic feet	For each 100 cubic feet consumed per quarter in excess of 15,000 cubic feet
\$4.917 per 100 cubic feet	\$4.917 per 100 cubic feet

For residential water service accounts (one and two family residences), a quarterly minimum and commodity charge shall be based upon water used during a winter quarterly billing period; said winter period being the quarterly billing period most closely corresponding to usage during the months of October through April. Said charges shall be payable with each bill rendered throughout the year.

SURCHARGE

For customers having high strength waste discharge, the surcharge, which is in addition to the metered use charge, shall be computed on the following basis:

SURCHARGE¹	
Suspended Solids (SS)	\$0.002756 per 100 cubic feet for each mg/l of SS strength above 300 mg/l
Biochemical Oxygen Demand (BOD)	\$0.004707 per 100 cubic feet for each mg/l of BOD strength above 240 mg/l
Nitrogenous Oxygen (NOD)	\$0.004122 per 100 cubic feet for each mg/l of Total Kjeldahl (TKN) strength above 25 mg/l

Provided, however, that to the extent the strength of a pollutant is less than eighty percent (80%) of the corresponding value for normal strength sewage, a credit shall be allowed as an offset against surcharge otherwise due. The credit shall be calculated by multiplying the herein above specified surcharge rate for the pollutant in question times the difference between actual pollutant concentration in mg/l and eighty percent (80%) of the corresponding value for normal sewage. No credit shall be allowed in excess of surcharge otherwise due.

1. These surcharges have not been modified from the 2013 surcharge levels as per the instructions of Hamilton County Administration.

PROJECT PURPOSE: *(cont.)*

INDUSTRIAL PRETREATMENT CHARGE

All users required to apply for and obtain a wastewater discharge permit or which are subject to federal pretreatment standards, as specified in the RULES AND REGULATIONS GOVERNING THE MAINTENANCE, OPERATION, AND USE OF SANITARY AND COMBINED SEWERS IN THE METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI (“MSD Rules and Regulations”) (2001 and as amended), shall be subject to the payment of a pretreatment charge(s), as determined by the Director. Said pretreatment charge(s) shall be sufficient to recover, in whole or in part, the costs for the MSD Pretreatment Program including investigations, record keeping, administration, and monitoring of industrial waste discharges to the system. Each industrial user shall pay a pretreatment charge(s) as follows:

INDUSTRIAL PRETREATMENT CHARGE	
Annual Fee	\$2,889 Per annum
Monitoring Charge	\$17,912 maximum per monitoring event

Any user which discharges any toxic pollutants which cause an increase in the cost of managing effluent or sludge from the District's treatment system shall pay such increased costs.

That the sewerage service charges, surcharges, and industrial pretreatment charges shall be applied in accordance with the provisions of the MSD Rules and Regulations and as may be modified from time to time.

The County Commissioners will hold public hearings on the proposed revised rate structure on December 7 and December 14, 2016 as required under the 1968 Management Agreement for MSD.

BACKGROUND DATA, SCHEDULES, AND BUDGET:

PRIOR LEGISLATION N/A

FUTURE LEGISLATION

- | | |
|---|---|
| <input type="checkbox"/> Approving detailed plans, specifications, and estimate of cost | <input type="checkbox"/> Necessity / Proceed Resolution |
| <input type="checkbox"/> Appropriating funds | <input type="checkbox"/> Advertise and bid |
| <input checked="" type="checkbox"/> OTHER: NONE ANTICIPATED AT THIS TIME | |

CONSTRUCTION N/A

CIP N/A

FUNDING REQUEST N/A

BUDGET SPECIFICS N/A