

## Council Agenda Report

**Date:** May 23, 2016

**Prepared and Submitted by:** Jane Dorman, Water Resource Administrator *JD*

**SUBJECT:** Adjustment of MUC (Water) services fees

**Recommendation:**

That Council authorize incorporation of certain services fee increases into the City Wide Fees Schedule to be approved by resolution with the FY 2017 budget adoption.

**Discussion:**

The following changes have been reviewed and recommended by the Municipal Utilities Commission:

Authorize fee changes pertaining to services provided by MUC Staff.

1. Turn off/turn on charges from \$15.00 to \$50.00
2. Turn on charges after hours from \$30.00 to \$100.00
3. Turn off and turn on for customer convenience from \$5.00 to \$15.00
4. Turn on charges for new customers and reactivation (reinstallation of meters) of prior service from \$25.00 to \$50.00

The above fees have not been changed since 1992. Staff has reviewed charges for these same services from surrounding municipalities (see chart below). These proposed increases were approved by the Municipal Utilities Commission at their meeting on April 28<sup>th</sup>, 2016 to be forwarded to Council for consideration.

Billing	Municipality	Turn On	Off
Monthly	Easton	\$35	Shut off for one month delinq
Monthly	East New Mkt	\$100	\$50 to turn off & \$50 to turn on
Qrtly	Greensboro	\$50	To turn on
Qrtly	Centreville	\$100	To turn on
Qrtly	Hurlock	\$50	To turn on
Qrtly	Denton	\$50	To turn on
Qrtly	Federalsburg	\$50	Never take out meters
Qrtly	Preston	\$50	\$25 for off and \$25 back on
Qrtly	Secretary	\$50	\$100 if after hours
Qrtly	Ridgely	\$50	To turn on

The MUC's disconnect practice is to send 3 notifications prior to shut off of the service. This includes two water bills and one disconnect notice. Each bill states on the reverse side that bill must be paid by due date or disconnection will follow without further notice (with charge for reconnection).

**Fiscal Impact:**

The MUC's cost for providing these services exceed the current charge for the service.

One Hour	Cost
Service tech time w/benefits	\$ 28.00
Admin and supervision cost w/benefits	\$ 18.00
Vehicle maint & gas	\$ 4.00
<b>Total Cost For MUC</b>	<b>\$ 50.00</b>

A turn off/turn on process without complications averages 1 hour (1/2 hour each way). If the distance is unusual or more than one trip is required, the time can be greater.

Approved by: Sandra Tripp-Jones, City Manager

