

RESOLUTION # WWB-116-10

**A RESOLUTION TO ADOPT A REVISED SCHEDULE OF RATES,
CHARGES, AND FEES TO BE CHARGED BY THE WATER AND
WASTEWATER BOARD OF THE CITY OF MADISON,
ALABAMA (dba MADISON UTILITIES) FOR SERVICES
PROVIDED BY THE BOARD AND TO REPEAL ANY PRIOR
RESOLUTIONS OF THE BOARD INCONSISTENT WITH THIS
RESOLUTION**

WHEREAS, the Water and Wastewater Board of the City of Madison is empowered by Ala. Code §11-50-314(1975) to adopt a schedule of rates, fees, and charges for the services it provides to its customers¹; and

WHEREAS, the Board desires to further amend its schedule of rates, fees and charges to address the following areas;

- Water and Wastewater Availability Fees

NOW, THEREFORE, BE IT RESOLVED by the Water and Wastewater Board of the City of Madison that the following schedule of rates, fees, and charges is adopted as of the effective date stated below:

ARTICLE I. WATER SERVICE

SECTION 1.1. WATER RATES.

The Board hereby establishes a schedule of monthly rates for water service from the water system of the Board as shown below.

Base charge per month per meter (all meters) \$3.00

Commodity Charge per month per meter per 1,000 gallons:

- Inside Madison Corporate Limits:
 - Residential and Commercial:
 - Regular \$2.74
 - Irrigation²
 - Up to 20,000 gallons 3.07
 - 20,001 to 50,000 gallons 3.15
 - Above 50,000 gallons 3.29
 - Conservation rate (above 50,000 gallons)³ 3.45
 - Senior⁴ and School/City⁵: 2.47
- Outside Madison Corporate Limits⁶:
 - Residential and Commercial: 3.29
 - Senior: 2.96

¹ For a history of rates established by the Board since June 1991, see the following resolutions: WWB-120-91, 125-91, 101-94, 105-95, 101-97, 105-95, 101-97, 112-97, 119-00, 101-01, 140-01, 109-04, 126-05, 127-05, 141-05, 102-06, 109-07, 117-08, 120-08, 122-08, 141-08, 144-08, 106-09, 118-09 and 131-09.

² Irrigation rates apply to water delivered through separate irrigation meters installed by the Board. Irrigation meters are not used to measure consumption of sewer services. Applies to all classes of customers.

³ Conservation rates for irrigation meters apply whenever the Board has adopted a resolution declaring a water emergency.

⁴ Residential accounts for which the Board has been provided with proof of age establishing that the customer in whose name the account is maintained, or the customer's spouse residing in the same household, is 65 years of age or older, shall be billed at the senior rate. Does not apply to irrigation rates.

⁵ Accounts maintained by the City of Madison or any public school of the City of Madison Board of Education, shall be billed at the School/City rate. Does not apply to irrigation rates.

⁶ Irrigation meters, and School/City rates are not available outside Madison corporate limits

SECTION 1.2. SERVICE DEPOSIT

(a) Deposits Generally. Each person desiring to become a water customer of the Board shall, before receiving water service, make a deposit as provided herein to the Board guaranteeing to the Board payment of charges for such water service. The established service deposit (except as indicated) shall also serve as a deposit for sewer service obtained under Article II of this Resolution and may be used by the Board to guarantee payment of charges for sewer service.

(b) Residential Service Deposits.

(i) Owner Occupied

Standard 5/8" Household Meter (with sewer)	\$100.00 refundable cash deposit
Standard 5/8" Household Meter (without sewer)	60.00 refundable cash deposit
Standard 5/8" Watering Meter	100.00 refundable cash deposit

A Letter of Reference from another electric, water or wastewater utility may be substituted for the deposit if it shows that the customer had a perfect payment record (no late payments) and no terminations of service for the latest twelve (12) months.

Cash deposits will be refunded or applied to the account after two (2) years of service, provided that there were no more than three late payments or no terminations of service for failure to pay for water or sewer service within the last (24) months of service. Those customers who are not eligible for return of deposit on the two (2)-year anniversary date of service will be reviewed for refund monthly thereafter until eligible.

If service is terminated for failure to pay amounts due the Board after a deposit has been returned to a customer, full payment of the amount due, plus a full deposit, will be required prior to reconnection of service.

(ii) Rental or Leased Property

All Accounts	\$150.00 nonrefundable cash deposit
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A Letter of Reference is not accepted for rental properties. One third of the deposit requirement may be added to the first bill for services.

(c) Non-Residential Service Deposits.

(i) Service deposits for all non-residential customers of the Board shall be posted and maintained in amounts equal to at least two (2) times the actual highest monthly billing to the customer over the previous twelve (12) months, or if no billing history is available, then in an amount determined by the General Manager of the Board. In making such a determination, the General Manager may rely on information provided or available to him, based on which the deposit may be established as nearly as possible in an amount equal to the projected two (2) highest months billing for water and sewer service to the customer.

(ii) Deposits may be reviewed annually on or about the anniversary date of the posting of a service deposit with the Board pursuant to this Resolution. The General Manager of the Board may, from time to time, in his sole discretion, modify a utility service deposit based on the two (2) highest monthly billings, or two (2) times the General Manager's estimate of water and sewer services to the customer, based on full capacity use of the customer's location, whichever is greater.

- (iii) The General Manager will have sole discretion in calculating, establishing, or modifying a service deposit under subsection 1.2(c), and his decision shall be final.
- (iv) A deposit posted under subsection 1.2(c) shall be in the form of (a) cash or other certified funds; or (b) an irrevocable Letter of Credit issued by a financial institution with an office located in Madison County, Alabama (or Limestone County with respect to customers located there) in a form acceptable to the General Manager.
- (v) Any present customer of the Board who or which posted a utility service deposit under previous policies or resolutions of the Board may be required to post an additional deposit in a form approved by subsection 1.2(c)(iv) if the General Manager determines that the amount of the existing deposit is insufficient to protect the interests of the Board. Such additional deposit shall be posted (a) within six (6) months from the date of notice to the customer of the requirement for additional deposit; (b) immediately when the account becomes thirty (30) days delinquent; or (c) upon the filing of a bankruptcy petition or other indication of insolvency of the customer, whichever shall first occur.

In the event that any customer (not in default on any payment to the Board) desires to substitute an acceptable Letter of Credit as a replacement for a previously posted cash bond, the cash bond shall be refunded to the customer in full.

- (d) The service deposit for a fire hydrant meter shall be \$1000.00 and will be refunded after the final bill is paid and the meter is returned without damage.
- (e) A failure to post and maintain an adequate service deposit pursuant to this Section 1.2 shall serve as a basis for termination of service in the same manner that service may be terminated for failure to pay charges due to the Board.
- (f) Deposits for all non-residential accounts must be maintained with the Board for as long as the account is active.
- (g) Governmental and non-profit entities or agencies may be exempted from service deposits required by this section.

SECTION 1.3. NEW WATER INSTALLATION SERVICE (TAP) FEES

- (a) There is hereby imposed the following schedule of service (tap) fees (by size of meter with appropriate backflow preventor and touch-read device) for new water service installations. Fees for meter sizes greater than 1” shall be based on actual costs and must be approved by the Board at the time of development.

Size of Meter:	Amount of Fee:
5/8" Meter (Short Side)	\$ 675
5/8" Meter (Long Side)	1,405
1" Meter (Short Side)	784
1" Meter (Long Side)	1,504

- (b) Determination of size of meters to be required for all such new water service installations, and the required type of backflow preventor, for purposes of applying the schedule adopted in this section, shall be within the sole discretion of the Board.

- (c) Service provided upon payment of the water installation service charges outlined in the schedule in Section 1.3(a) above will include tapping the main, installing a corporation stop, installing a meter box and service line to a point adjacent to the customer's property line within a dedicated right-of-way or easement, and installation of the appropriate meter and backflow preventor, including the cost of the meter and backflow preventor. The described service, however, shall not include system availability fees imposed by this Resolution.

SECTION 1.4. METER SET; WATER SERVICE FEES

- (a) There is hereby imposed the following schedule of water service fees (by meter size with back flow preventor and touch-read devices) for setting a meter for new service where the main has been tapped and service lines previously installed to customer's property line. Fees for meter sizes greater than 1” shall be based on actual costs and must be approved by the Board on a case-by-case basis.

Size of Meter:	Amount of Fee:
5/8" Register Meter	\$ 197
5/8" Register Meter (Second Meter on Existing Service Line)	297
1" Single Register Meter	257
1" Single Register Meter (Second Meter on Existing Service Line)	367

- (b) Determination of size of meters to be required for all such new meter installations shall be within the sole discretion of the Board.
- (c) Service provided upon payment of the service charges outlined in the schedule in Section 1.4(a) above will include only installation of the necessary meter and backflow preventor. The described service, however, shall not include system availability fees imposed by this Resolution.

SECTION 1.5. WATER SYSTEM AVAILABILITY FEES

- (a) Definitions. For the purpose of this section, the following terms shall have the meanings assigned to them herein.

Residential Single-Family:

A residential development or property consisting of single-family units, commonly found in subdivision development. The individual units are independent structures with no interconnectivity with other similar units.

Residential Multi-Family:

A residential development consisting of multi-family units, commonly found in apartments, town homes, or condominiums. Property can be owner occupied, rental, or leased.

Commercial Development:

A commercial development consisting of a single business, public or educational facility, or other non-residential use or purpose, whether existing as a separate building or as part of a larger building or complex.

Irrigation Accounts:

Irrigation accounts are seasonal use accounts typically used for outdoor water applications. Interconnectivity with the wastewater system is not allowed.

(b) There is hereby imposed a schedule of system availability fees for tying onto water mains of the Board as follows:

- Residential Single-Family
 - \$1,200 per lot or unit
 - \$600 due at time Board approves construction drawings
 - \$600 due before meter is set
- Residential Multi-Family
 - \$1,100 per unit
 - \$550 due at time Board approves construction drawings
 - \$550 due at time meters are set (includes master meters or individually meters locations)
- Commercial
 - Fees based on water meter size
 - 1" or less - \$2,000
 - 2" - \$12,000
 - 3" - \$28,000
 - 4" - \$35,000
 - 6" - \$52,000
 - Fees are per meter and due at time Board approves construction drawings
- Irrigation Accounts (Residential and Commercial)
 - Fees based on water meter size
 - 5/8" - \$800
 - 1" - \$1,400
 - All fees due before meter is set

Notwithstanding the system availability fees imposed by this sub-section:

(i) Availability fees for fire protection lines, when required, will be based on the following guidelines:

- Single family residential – Waived
- Multi-family residential – 50% of the currently approved rates listed under (b) above
- Commercial – full rate based on water meter size

(c) Aid-in-construction charges will apply to cover expenses of interconnecting a development with the Board distribution system. These fees will be calculated specifically to the project and require approval of the Board. Fees approved by the Board must be paid before any meters are set.

SECTION 1.6. FEES FOR WATER SAMPLING

There is hereby imposed the following schedule of fees for water sampling services provided to customers:

<u>Type of Sampling</u>	<u>Amount</u>
(a) Simple bacteria test for coliform (including new subdivision line testing)	\$ 50.00
(b) Test to identify undetermined substances (per substance) (plus cost of test)	100.00
(c) Test for chlorine and pH content	25.00

(d)	Test to identify mineral content of water (per mineral)	75.00
(e)	Test for volatile organic chemicals	250.00
(f)	Test for radiological sampling	180.00
(g)	Test for trihalomethanes	180.00

ARTICLE II. WASTEWATER DISPOSAL SERVICE

SECTION 2.1. WASTEWATER DISPOSAL RATES

The Board hereby establishes a schedule of monthly rates for wastewater disposal service by the sanitary sewer system of the Board based on water usage as shown below. Rates for residential sewer disposal shall apply to any customer to whom residential water rates apply. Commercial sewer disposal rates shall apply to provision of sewer disposal services to all other customers of the Board.

Base Charge per month per service \$3.00

Commodity Charge per month per meter per 1,000 gallons⁷:

- Inside Madison Corporate Limits:
 - Residential and Commercial \$3.87
 - Senior and School/City 3.48
- Outside Madison Corporate Limits
 - Residential and Commercial 4.64
 - Senior 4.18

SECTION 2.2. ADDITIONAL PROVISIONS RELATED TO WASTEWATER DISPOSAL RATES

- (a) Secondary Meters. The schedule of rates established above shall be inapplicable and shall not serve as a basis for calculating a wastewater disposal service charge for water supplied through a secondary meter installed by the Board to provide water not serviced by the Madison Sanitary Sewer System.
- (b) Mandatory Charge. The foregoing schedule of wastewater disposal rates shall be charged and imposed against any customer connected with the sanitary sewer system and any residence or business establishment required by law to be connected to the sanitary sewer system, whether or not such establishment has actually been connected with the sanitary sewer system as required.

SECTION 2.3. NEW WASTEWATER DISPOSAL SYSTEM INSTALLATION SERVICE (TAP) CHARGES

- (a) There is hereby imposed the following schedule of new wastewater disposal system installation service (tap) charges (by type of installation) for new wastewater disposal service installations:

<u>Type of Installation</u>	<u>Amount</u>
Residential (for each single family residence tapped to sewer)	Short Side: \$ 893 Long Side: \$2,630
Commercial (all other taps to sewer, including apartment complex and other multifamily residential connections)	Actual estimated cost of labor and materials plus 30%

⁷ Sewer service commodity usage is measured by gallons of water purchased through the sewer customer's non-irrigation water meter(s).

- (b) The Board may establish such reasonable guidelines as it deems necessary for determining, in its sole discretion, the type of installation required and the actual estimated costs of labor and material for commercial taps.
- (c) Services provided upon payment of the wastewater disposal system installation service charges outlined in Section 2.3(a) above will include all services necessary to tap the sewer line in a dedicated easement or right-of-way and to make a connection between such sewer line and a service line provided and installed by the customer. The described service, however, shall not include system availability fees imposed by this Resolution.

SECTION 2.4. WASTEWATER DISPOSAL SYSTEM AVAILABILITY FEES

- (a) Definitions. For the purpose of this section, the following terms shall have the meanings assigned to them herein.

Residential Single-Family:

A residential development or property consisting of single-family units, commonly found in subdivision development. The individual units are independent structures with no interconnectivity with other similar units.

Residential Multi-Family:

A residential development consisting of multi-family units, commonly found in apartments, townhouses or condominiums. Property can be owner occupied, rental or leased units.

Commercial:

A commercial development consisting of a single business, public or educational facility, or other non-residential use or purpose, whether existing as a separate building or as part of a larger building or complex.

- (b) There is hereby imposed a schedule of system availability fees for tying onto wastewater mains of the Board as follows:

- Residential Single-Family
 - \$1,200 per lot or unit
 - \$600 due at time Board approves construction drawings
 - \$600 due before water meter is set
 - In areas where the Board does not provide water service, this fee must be paid before MU will release hold on the Certificate of Occupancy
- Residential Multi-Family
 - \$1,100 per unit
 - \$550 due at time Board approves construction drawings
 - \$550 due at time water meters are set (includes master meters or individually meters locations)
 - In areas where the Board does not provide water service, this fee must be paid before MU will release hold on the Certificate of Occupancy
- Commercial
 - Fees based on water meter size
 - 1" or less - \$2,000
 - 2" - \$12,000
 - 3" - \$28,000
 - 4" - \$35,000
 - 6" - \$52,000
 - Fees are per meter and due at time Board approves construction drawings

- (c) Aid-in-construction charges will apply to cover expenses of interconnecting a development with the Board distribution system. These fees will be calculated specifically to the project and require approval of the Board. Fees approved by the Board must be paid before any meters are set.

ARTICLE III. GENERAL PROVISIONS

SECTION 3.1. MISCELLANEOUS FEES, AND CHARGES

There is hereby imposed the following miscellaneous fees, and charges for services provided by the Board.

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|-----|---|--|
| (a) | Franchise Fee imposed by the City of Madison ⁸
(3% of total water and wastewater billed amount) | 3% |
| (b) | Account Charge | |
| | (i) New Service | \$50.00 |
| | (ii) Transferred Service | 50.00 |
| | (iii) Seasonal connection for irrigation meters only | 15.00 |
| (c) | Fire Protection Services Per Inch of Service Line: | |
| | (i) Monthly Availability Charge for Sprinklers
(based on size of service line) | 3.00 |
| | (ii) Standpipe Installation | 40.00 |
| | (iii) Setting and Removing Fire Hydrant Meter | 50.00 |
| (d) | Returned Check Charge | 25.00 |
| (e) | Late Charge on Statement | 10% of amount delinquent monthly |
| (f) | Termination Notice | 2.00 |
| (g) | Termination Reconnection Charge | |
| | (i) Normal Working Hours | 45.00 |
| | (ii) After Hours, Weekends, Holidays | 95.00 |
| (h) | Mapping Prints and Disks: | |
| | (i) Blue Line Printed Map (per sheet) | 5.00 |
| | (ii) Plotter Printed Map (city limits, streets, and
subdivisions only) (per sheet) | 50.00 |
| | plus (for each additional overlay) | 10.00 |
| | (iii) Digitized Mapping Data on Computer Disk
(per quarter quarter-section) | 50.00 |
| | (iv) Governmental entities or agencies may be
exempted from the above-established charges. | |
| (i) | Transaction fee for credit or debit card payment processing
(no charge if customer makes payment online without MU assistance) | 2.00 |
| (j) | Construction Specifications | 10.00 |
| (k) | Commercial Waste Dumping Tickets | |
| | a. Portable Toilets | \$10 per month plus \$25/1000 g (\$25.00 minimum) |
| | b. All Other | \$10 per month plus \$180/1000g (\$180.00 minimum) |
| (l) | Return Trip Charges (caused by customer) | |

⁸ Per City of Madison Ordinance 91-91 by which the City requires payment by the Board of a franchise fee equal to 3% of the Board's gross revenue from sales of utility service to its customers, both within and outside the corporate limits of the City.

a. During business hours	15.00
b. If employee called out from home	50.00
(m) Meter Tampering	50.00
(n) All Other Services	50.00

SECTION 3.2. REPEAL OF CONFLICTING RESOLUTIONS

All resolutions or parts of resolutions previously adopted by the Board in conflict herewith are repealed as of the effective date of this resolution.

SECTION 3.3. EFFECTIVE DATE

This Resolution and the rates, fees, and charges set out herein shall become effective on June 8, 2010.

READ, PASSED, AND ADOPTED this 7th day of June, 2010.