



Staff Report

Agenda Item: NOTICE OF INTENT TO SET RECLAIMED WATER RATES AND ADJUST POTABLE WATER RATES AND FEES – Discussion and possible action to adopt a Notice of Intention to set rates for reclaimed water and adjust potable water rates and fees along with establishing March 25, 2008 as the date for a public hearing on the proposed reclaimed water rates and potable water rates and fees.

Staff Contact: Ron Doba, Interim Utilities Director

Meeting Date: February 12, 2008

Background: The Town Council discussed the rate for reclaimed water at a worksession on September 11, 2007. A reclaimed water rate comparison sheet was provided at that time to the Council by Steve Burroughs, Public Works Director. The audio tape from the meeting indicates the rate was recommended by Council to be set at \$2.00 per thousand gallons and no objection was voiced.

An additional change that is required due to the new Water Code is to delete the section “Water Line Taps” that was adopted with Resolution No. 1227. That section reads as follows:

“Water Line Taps - The Clarkdale Municipal Water Utility contracts with an appropriately licensed contractor in the State of Arizona to provide meter tap services. Customers have the option of requesting that the Town authorize the Town’s approved contractor to perform the tap, or to select their own contractor to do so. If the Town’s contractor is used, the actual cost for the tap plus a 10% administrative fee will be reimbursed to the Town by the customer as a “Water Line Tap Fee.”

The wording in the new Water Code that replaces the wording in Resolution No. 1227 is as follows:

“Section 19-5-1 Connection Tap to Town Municipal Water System
All taps shall be performed by the Town’s licensed contractor or Water Division forces. The Water Division reserves the right to contract with a contractor appropriately licensed in the State of Arizona to provide water tapping services.”

ARS Title 9-511.01 provides procedures and timelines that a municipality must comply in order to increase any water or wastewater rate or rate component.

Following are the timelines necessary for adoption of the Reclaimed Water Rates:

February 4, 2008 Submit report with data supporting the increased rates filed with the Town Clerk.

- February 12, 2008 Council Adopts Notice of Intent to Set Reclaimed Water Rates and Potable Rates and Fees at a Regular Council Meeting.
- March 5, 2008 Notice of Intent and Public Hearing Notice published in newspaper. (not less than 20 days prior to the public hearing)
- March 25, 2008 Hold Public Hearing and Council Adoption of Reclaimed Water Rates and Potable Rates and Fees by Resolution. (not less than 30 days after adoption of Notice of Intention)
- April 24, 2008 Reclaimed Water Rates and Potable Water Rates and Fees for the Clarkdale Utility become effective. (effective 30 days after adoption of ordinance or resolution)

Staff Recommendation: Staff recommends that the Town Council adopt the Notice of Intent to set reclaimed water fees at the rate of \$2.00 per thousand gallons, delete the “Water Line Tap” section from Resolution 1227 and instruct staff to publish the Notice of Intent as required and schedule a public hearing on the proposed reclaimed water fee at the March 25, 2008 Council meeting.

**NOTICE OF INTENT TO SET
RECLAIMED WATER FEES AND ADJUST POTABLE WATER RATES AND
FEES**

The Town Council of the Town of Clarkdale, Arizona will conduct a Public Hearing on the proposed Clarkdale Municipal Water Utility fees on March 25, 2008, at 6:00 p.m. in the Clark Memorial Clubhouse Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

The proposed fees to become effective April 24, 2008 is as follows:

RECLAIMED WATER RATE

Per 1,000 Gallons - \$2.00

The adopted fee, as listed below, will be deleted effective April 24:

WATER LINE TAPS – The Clarkdale Municipal Water Utility contracts with an appropriately licensed contractor in the State of Arizona to provide meter tap services. Customers have the option of requesting that the Town authorize the Town's approved contractor to perform the tap, or to select their own contractor to do so. If the Town's contractor is used, the actual cost for the tap plus a 10% administrative fee will be reimbursed to the Town by the customer as a "Water Line Tap Fee".