RESOLUTION R-25-15

RESOLUTION PERTAINING TO EQUIVALENT RUNOFF UNIT (ERU) CHARGES FOR STORM WATER UTILITY

Introduced by Mayor Merkes

WHEREAS, the ordinance creating a storm water utility contains a provision that charges for storm water services for each lot within the City of Menasha shall be made by resolution, and

WHEREAS, the current storm water charge does not equate to adequate revenues to operate the storm water utility prudently per the rate analysis that has been completed (ATTACHMENT A), and

WHEREAS, staff recommends a two phased increase, one in 2015 and one in 2016, to ease the initial burden on the ratepayers.

THEREFORE, BE IT RESOLVED that the storm water charge shall be based on the Equivalent Runoff Unit (ERU) and the charge for one (1) ERU shall be $87.00, applicable for services billed by the Menasha Utilities or the City of Menasha on or after September 1, 2015.

BE IT FURTHER RESOLVED that the storm water charge shall be based on the Equivalent Runoff Unit (ERU) and the charge for one (1) ERU shall be $99.00, applicable for services billed by the Menasha Utilities or the City of Menasha on or after July 1, 2016.

BE IT FURTHER RESOLVED that the Comptroller and Director of Public Works shall report to the Mayor and the Common Council as to whether the rates are still appropriate at least annually.

Passed and approved this 3rd day of August, 2015.

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Donald Merkes, Mayor

ATTEST:

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Deborah A. Galeazzi, City Clerk

City of Menasha
Storm Water Utility Budget and Rate Needs for 2015 & 2016
July 30, 2015

	Actual			Estimate*	Budget	W/Out Increase**	Increase Recommendation**	Recommendation
Line Item	**2011**	**2012**	**2013**	**2014**	**2015**	**2015**	**2015**	**2016**
Operating Expenses								
Operation and Maintenance	$677,850	$882,997	$1,082,615	$1,125,403	$1,262,101	$1,262,101	$1,262,101	$1,306,275
Depreciation and Amortization	$93,666	$93,666	$93,666	$95,028	$97,400	$97,400	$97,400	$99,835
Operation Expenses Total	$771,516	$976,663	$1,176,281	$1,220,431	$1,359,501	$1,359,501	$1,359,501	$1,406,110
Debt Service								
Principal and Interest	$0	$80,690	$43,564	$43,551	$43,788	$43,788	$43,788	$45,000
Transfer to Other Funds	$0	$67,758	$0	$0	$0	$0	$0	$0
Planned CIP Projects					$478,450	$343,000	$343,000	$272,745
Use of Funds	$771,516	$1,125,111	$1,219,845	$1,263,982	$1,881,739	$1,746,289	$1,746,289	$1,723,855
Source of Funds								
Borrowed Funds	$0	$0	$0	$0	$478,450	$343,000	$343,000	$272,745
Interest Revenue	$1,584	$1,567	$1,884	$2,115	$1,500	$2,000	$2,000	$2,000
Cash Reserve/Borrowed Funds on Hand Spending	$0	$0	$0	$0				
Federal & State Grants	$0	$0	$0	$0				
Misc. Revenue	$5,038	$4,493	$2,434	$5,481	$43,000	$43,000	$43,000	$43,000
Subtotal	$6,622	$6,060	$4,318	$7,597	$522,950	$388,000	$388,000	$317,745
Storm Water Utility Fees Annual Revenue	$1,070,820	$1,093,510	$1,111,310	$1,125,492	$1,120,000	$1,119,000	$1,178,680	$1,387,560
Change in Net Assets / Per Annual Operations	$305,926	($25,541)	($104,217)	($130,893)	($238,789)	($239,289)	($179,609)	($18,550)
Net Assets (Balance as of 1/1/2011 = $9,209,466)	$9,515,392	$9,489,851	$9,385,633	$9,254,740	$9,015,951	$9,015,451	$9,075,131	$9,056,582
Total # of ERUs:	14,278	14,580	14,817	15,007	14,934	14,920	14,920	14,920
Utility Rate ($/ERU/year)	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00	$87.00	$99.00
Utility Rate ($/ERU/month)	$6.25	$6.25	$6.25	$6.25	$6.25	$6.25	$7.25	$8.25
Rate Increase Recommendation							16%	14%

* Please note that these numbers are marked as estimates at this time as 2014 is not completely closed out.
** 2015 Budget adjustments made based on current information available.