

RESOLUTION R-34-15

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

Introduced by

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 \$88.44 applicable for services billed by the Menasha Utilities or the City of Menasha on or after November 15, 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 \$100.68, 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 19<sup>th</sup> day of October, 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

Line Item	Actual			Estimate*		Budget		W/Out Increase**		Increase Recommendation**		Recommendation	
	2011	2012	2013	2014	2015	2015	2015	2015	2015	2015	2016		
<b>Operating Expenses</b>													
Operation and Maintenance	\$677,850	\$882,997	\$1,082,615	\$1,125,403	\$1,262,101	\$1,262,101	\$1,262,101	\$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	\$97,400	\$97,400	\$97,400	\$99,835		
<b>Operation Expenses Total</b>	<b>\$771,516</b>	<b>\$976,663</b>	<b>\$1,176,281</b>	<b>\$1,220,431</b>	<b>\$1,359,501</b>	<b>\$1,359,501</b>	<b>\$1,359,501</b>	<b>\$1,359,501</b>	<b>\$1,359,501</b>	<b>\$1,359,501</b>	<b>\$1,406,110</b>		
<b>Debt Service</b>													
Principal and Interest	\$0	\$80,690	\$43,564	\$43,551	\$43,788	\$43,788	\$43,788	\$43,788	\$43,788	\$43,788	\$45,000		
<b>Transfer to Other Funds</b>	\$0	\$67,758	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
<b>Planned CIP Projects</b>													
<b>Use of Funds</b>	<b>\$771,516</b>	<b>\$1,125,111</b>	<b>\$1,219,845</b>	<b>\$1,263,982</b>	<b>\$1,881,739</b>	<b>\$1,881,739</b>	<b>\$1,746,289</b>	<b>\$1,746,289</b>	<b>\$1,746,289</b>	<b>\$1,746,289</b>	<b>\$1,723,855</b>		
<b>Source of Funds</b>													
Borrowed Funds	\$0	\$0	\$0	\$0	\$478,450	\$478,450	\$343,000	\$343,000	\$343,000	\$343,000	\$272,745		
Interest Revenue	\$1,584	\$1,567	\$1,884	\$2,115	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000		
Cash Reserve/Borrowed Funds on Hand Spending	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Federal & State Grants	\$0	\$0	\$0	\$0	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000		
Misc. Revenue	\$5,038	\$4,493	\$2,434	\$5,481	\$43,000	\$43,000	\$388,000	\$388,000	\$388,000	\$388,000	\$317,745		
Subtotal	\$6,622	\$6,060	\$4,318	\$7,597	\$522,950	\$522,950	\$388,000	\$388,000	\$388,000	\$388,000	\$317,745		
<b>Storm Water Utility Fees Annual Revenue</b>	<b>\$1,070,820</b>	<b>\$1,093,510</b>	<b>\$1,111,310</b>	<b>\$1,125,492</b>	<b>\$1,120,000</b>	<b>\$1,120,000</b>	<b>\$1,119,000</b>	<b>\$1,119,000</b>	<b>\$1,119,000</b>	<b>\$1,178,680</b>	<b>\$1,387,560</b>		
<b>Change in Net Assets / Per Annual Operations</b>	<b>\$305,926</b>	<b>(\$25,541)</b>	<b>(\$104,217)</b>	<b>(\$130,933)</b>	<b>(\$238,789)</b>	<b>(\$239,289)</b>	<b>(\$179,609)</b>	<b>(\$18,550)</b>	<b>(\$18,550)</b>	<b>(\$18,550)</b>			
<b>Net Assets (Balance as of 1/1/2011 = \$9,209,466)</b>	<b>\$9,515,392</b>	<b>\$9,489,851</b>	<b>\$9,385,633</b>	<b>\$9,254,740</b>	<b>\$9,015,951</b>	<b>\$9,015,951</b>	<b>\$9,015,451</b>	<b>\$9,015,451</b>	<b>\$9,015,451</b>	<b>\$9,056,582</b>			
<b>Total # of ERUs:</b>	<b>14,278</b>	<b>14,580</b>	<b>14,817</b>	<b>15,007</b>	<b>14,934</b>	<b>14,920</b>	<b>14,920</b>	<b>14,920</b>	<b>14,920</b>	<b>14,920</b>			
<b>Utility Rate (\$/ERU/year)</b>	<b>\$75.00</b>	<b>\$99.00</b>											
<b>Utility Rate (\$/ERU/month)</b>	<b>\$6.25</b>	<b>\$8.25</b>											
<b>Rate Increase Recommendation</b>										<b>16%</b>			

\* 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.