



TOWN OF JEROME

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Founded 1876
Incorporated 1899

STAFF SUMMARY REPORT

FROM: Brett Klein, Town Manager/Clerk

ITEM: **Item: Consideration of Certain Sewer Rates and a Request from The Surgeons House**

MEETING DATE: August 8, 2023

Summary:

The Town is currently in its second year of the revised commercial water and sewer rate structure. The Surgeons House is classified as commercial. The Surgeons House uses a considerable amount of water for irrigation purposes to maintain their garden / landscaping that does not ever enter the Town's sanitary sewer system. The owner has requested to only pay for sewer charges that actually enter the Town's sanitary sewer system. The Town does not have a provision for handling this type of charge or request. However, the Town Council can set rates by resolution, and a reduction in rates need not follow ARS 9-511.01. The owner of The Surgeon House has submitted a memo and made payment based on a formula she thought was equitable, however, there are many flaws in her methodology. Nonetheless, we accepted payment with the understanding that there will be a future adjustment. There are two methods for handling this type of situation. In my opinion, the best and most equitable method is through the use of a separate irrigation meter. However, that will take some time to craft a policy and get the system in place. A very common method utilized in Arizona, and which legal counsel feels is appropriate as well, is simply averaging their utility bill from November through April, and utilizing that average for a baseline water and sanitary sewer usage amount. That average usage will be utilized in calculating the sanitary sewer usage and applied accordingly.

Fiscal Impact:

Essentially no impact based on impact to sanitary sewer system.

Recommendation

Staff recommend Council apply the averaging method to The Surgeons House and make it policy until a different formal policy is available for consideration.