## AN ORDINANCE UPDATING CHAPTER 14.04.420 OF THE MUNICIPAL CODE, ENTITLED "WATER RATE SCHEDULE AND FEES"

- **Whereas,** the rates for the Borough Water Utility have not been updated since 2022, and increases are needed to keep up with increased costs and expenses to the Borough.
- **Therefore,** the Petersburg Borough Ordains, Section 14.04.420 of the Petersburg Municipal Code, entitled <u>Water rate schedule and fees</u>, is hereby amended as follows:
- <u>Section 1.</u> <u>Classification:</u> This ordinance is of a general and permanent nature and shall be codified in the Petersburg Municipal Code.
- <u>Section 2.</u> Purpose: The purpose of this ordinance is to update the rates found for water utility service set out in Section 14.04.420
- <u>Section 3.</u> <u>Substantive Provisions:</u> Section 14.04.420 of the Petersburg Borough Municipal Code is hereby amended as set out below. The table containing the new proposed rates are in red, with the old rate struck through.

#### 14.04.420 Water rate schedule and fees.

A. Metered water rates shall be based on the size of service and shall be as follows:

Rate Schedule					
	<del>FY22</del>	<del>FY23</del>	<del>FY2</del> 4	<del>FY25</del>	FY26
Annual increase on July 1 of fiscal year		<del>3% inc.</del>	<del>3% inc.</del>	<del>3% inc.</del>	3% inc.
Monthly Base/Commodity Charge					
¾" residential base charge +	<del>\$35.21</del>	<del>\$36.37</del>	<del>\$37.46</del>	<del>\$38.58</del>	\$39.74
¾" residential charge per 1,000 gal	<del>\$2.30</del>	<del>\$2.37</del>	<del>\$2.44</del>	<del>\$2.51</del>	\$2.59
¾" senior discounted base charge +	<del>\$17.66</del>	<del>\$18.19</del>	<del>\$18.74</del>	<del>\$19.30</del>	\$19.88
¾" senior discounted per 1,000 gal	<del>\$1.15</del>	<del>\$1.18</del>	<del>\$1.22</del>	<del>\$1.26</del>	\$1.29
1" base charge +	<del>\$47.39</del>	<del>\$48.81</del>	<del>\$50.28</del>	<del>\$51.78</del>	\$53.34

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1" charge per 1,000 gal	\$4.10	\$ <del>4.22</del>	<del>\$4.35</del>	<del>\$4.48</del>	\$4.61
1.5" base charge+	<del>\$118.48</del>	<del>\$122.03</del>	<del>\$125.70</del>	<del>\$129.47</del>	\$133.35
1.5" charge per 1,000 gal	<del>\$4.00</del>	<del>\$4.12</del>	<del>\$4.24</del>	<del>\$4.37</del>	\$4.50
2" base charge +	<del>\$248.81</del>	<del>\$256.27</del>	<del>\$263.96</del>	<del>\$271.88</del>	\$280.04
2" charge per 1,000 gal	<del>\$3.81</del>	<del>\$3.92</del>	<del>\$4.04</del>	<del>\$4.16</del>	\$4.29
3" base charge +	<del>\$544.98</del>	<del>\$561.33</del>	<del>\$578.17</del>	<del>\$595.51</del>	\$613.38
3" charge per 1,000 gal	<del>\$2.38</del>	<del>\$2.45</del>	<del>\$2.52</del>	<del>\$2.60</del>	\$2.68
4" base charge +	<del>\$829.33</del>	<del>\$854.21</del>	<del>\$879.84</del>	<del>\$906.23</del>	\$933.42
4" charge per 1,000 gal	<del>\$1.84</del>	<del>\$1.90</del>	<del>\$1.95</del>	<del>\$2.01</del>	\$2.07
6" base charge +	<del>\$1,244.02</del>	<del>\$1,281.34</del>	<del>\$1,319.78</del>	<del>\$1,359.37</del>	\$1,400.16
6" charge per 1,000 gal	<del>\$1.04</del>	<del>\$1.07</del>	<del>\$1.10</del>	<del>\$1.14</del>	\$1.17

Rate Schedule					
	FY26	FY27	FY28	FY29	FY30
Annual increase on July 1 of fiscal year	3% inc.				
Monthly Base/Commodity Charge					
¾" residential base charge +	\$39.74	\$40.93	\$42.16	\$43.42	\$44.72
¾" residential charge per 1,000 gal	\$2.59	\$2.67	\$2.75	\$2.83	\$2.91
¾" senior discounted base charge +	\$19.88	\$20.48	\$21.09	\$21.72	\$22.37
¾" senior discounted per 1,000 gal	\$1.29	\$1.33	\$1.37	\$1.41	\$1.45
1" base charge +	\$53.34	\$54.94	\$56.59	\$58.29	\$60.04

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1" charge per 1,000 gal	\$4.61	\$4.75	\$4.89	\$5.04	\$5.19
1.5" base charge+	\$133.35	\$137.35	\$141.47	\$145.71	\$150.08
1.5" charge per 1,000 gal	\$4.50	\$4.64	\$4.78	\$4.92	\$5.07
2" base charge +	\$280.04	\$288.44	\$297.09	\$306.00	\$315.18
2" charge per 1,000 gal	\$4.29	\$4.42	\$4.55	\$4.69	\$4.83
3" base charge +	\$613.38	\$631.78	\$650.73	\$670.25	\$690.36
3" charge per 1,000 gal	\$2.68	\$2.76	\$2.84	\$2.93	\$3.02
4" base charge +	\$933.42	\$961.42	\$990.26	\$1,019.97	\$1,050.57
4" charge per 1,000 gal	\$2.07	\$2.13	\$2.19	\$2.26	\$2.33
6" base charge +	\$1,400.16	\$1,442.16	\$1,485.42	\$1,529.98	\$1,575.88
6" charge per 1,000 gal	\$1.17	\$1.21	\$1.25	\$1.29	\$1.33

B. Nonmetered water rate: \$5.00 per 1,000 gallons.

C. Fees for water utility services and administration shall be as follows:

Connect fee:	\$40.00 during normal business hours for each premises served. Actual labor cost, plus fifteen percent after business hours.
Meter testing fee:	Actual labor cost when test is performed during normal business hours.
New service fee:	\$150.00, plus the actual cost of the meter and fittings.
New service line installation:	Actual cost.
Shut-off due to unauthorized turn- on, fraud or abuse:	Actual cost to the borough, plus 15 percent.
Standby fire protection service:	No charge.
Transfer fee:	A. \$25.00, if the property owner only receives water service. The transfer fee covers the cost of name change and meter reading at two service locations and is billed to the new account.
	B. \$50.00, if the property owner receives additional borough utilities. In the case of multiple borough utilities, the transfer fee shall be divided and spread evenly between the utilities received and billed to the new account.

- D. Interest shall accrue on past due accounts: Maximum rate allowable by state law.
- E. Outside Service Area 1 rates and fees: Charges for all water services and fees for users outside Service Area 1 shall be twice the Service Area 1 rate.
- F. Water Delivery Rates. Deliveries of potable water to Borough locations are made to properties that are accessible by road. Customers may be required to install piping from the closest accessible area to their cistern or storage tank if the tank is not readily accessible or the situation is unsafe for Borough staff. Rates for water delivery are based on overall time required to make a delivery, regardless if a customer's tank has

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the capacity to contain a full 3,000-gallon load. No splitting of loads between two customers is allowed. Rates per load are as follows and charged out based on each specific load delivered:

WD1: <u>\$200.00</u> \$250.00 (One hour or less required of staff).

WD2: \$250.00 \$300.00 (over One hour and up to one and one-half hours required of staff).

WD3: <del>\$300.00</del> \$350.00 (deliveries that require over one and one-half hours).

G. Water rates and fees shall be reviewed annually by the water utility and finance departments and a recommendation made to the borough manager for the increase or decrease of rates as needed for the sound financial management of the water utility. The borough manager shall review the findings and present the recommendation to the borough assembly.

**Section 4. Severability:** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected.

<u>Section 5. Effective Date:</u> This Ordinance shall become effective immediately upon final passage.

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this \_\_\_\_ day of \_\_\_\_\_, 2025.

ATTEST:

Mark Jensen, Mayor

Rebecca Regula, Clerk

Adopted: Noticed: Effective: