



# City of Madison

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

## Master

**File Number: 20850**

<b>File ID:</b> 20850	<b>File Type:</b> Resolution	<b>Status:</b> Items Referred
<b>Version:</b> 1	<b>Reference:</b>	<b>Controlling Body:</b> BOARD OF PUBLIC WORKS
<b>Lead Referral:</b> BOARD OF PUBLIC WORKS	<b>Cost:</b>	<b>File Created Date :</b> 12/21/2010
<b>File Name:</b> A resolution revising the Rate Adjustment Policy as Provided by Section 37.05(4)(d) of the Madison General Ordinances.		<b>Final Action:</b>
<b>Title:</b> A resolution revising the Rate Adjustment Policy as Provided by Section 37.05(4)(d) of the Madison General Ordinances.		

**Notes:** Mike Dailey

**Code Sections:**

**CC Agenda Date:** 02/01/2011

**Indexes:**

**Agenda Number:** 8.

**Sponsors:** David J. Cieslewicz

**Enactment Date:**

**Attachments:** Sub 20850.pdf

**Enactment Number:**

**Author:** Rob Phillips, City Engineer

**Hearing Date:**

**Entered by:** mhacker@cityofmadison.com

**Published Date:**

### Approval History

Version	Date	Approver	Action
1	12/22/2010	Craig Franklin	Approve

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Engineering Division	12/21/2010	Referred for Introduction				
	<b>Action Text:</b>		This Resolution was Referred for Introduction				
	<b>Notes:</b>		Board of Estimates (1/10/11), Board of Public Works (1/5/11)				
1	COMMON COUNCIL	01/04/2011	Referred	BOARD OF ESTIMATES			
	<b>Action Text:</b>		This Resolution was Referred to the BOARD OF ESTIMATES.				
	<b>Notes:</b>		Additional Referral: Board of Public Works				
1	BOARD OF ESTIMATES	01/04/2011	Referred	BOARD OF PUBLIC WORKS		01/05/2011	

**Action Text:** This Resolution was Referred to the BOARD OF PUBLIC WORKS

**Notes:**

1	BOARD OF PUBLIC WORKS	01/05/2011	Refer	BOARD OF PUBLIC WORKS	01/19/2011	01/19/2011	Pass
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**Action Text:** Mike Dailey, City Engineering, presented the resolution.

A motion was made by Palm, seconded by Ald. Skidmore, to Refer to the BOARD OF PUBLIC WORKS, with the acknowledgment that part of the changes to be made must include revisions for the billing cycle that has passed, and should be returned by 1/19/2011. The motion passed by voice vote/other.

**Notes:**

1	BOARD OF PUBLIC WORKS	01/19/2011	Return to Lead with the Recommendation to Approve as Substituted	BOARD OF ESTIMATES			Pass
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**Action Text:** Motion by Palm, seconded by Skidmore to approve. Motion did not pass.

Motion by Palm, seconded by Skidmore to reconsider.

Motion by Skidmore, seconded by Palm to table.

Motion by Palm, seconded by Skidmore to take off the table.

The revisions to the resolution are attached to the file.

A motion was made by Palm, seconded by Ald. Skidmore, to Return to Lead with the Recommendation to Approve as Substituted to the BOARD OF ESTIMATES,. The motion passed by the following vote:

**Notes:** A motion was made by Palm, seconded by Ald. Skidmore, to RECOMMEND TO COUNCIL TO ADOPT the substitute resolution - REPORT OF OFFICER . The motion failed by the following vote:

No - One  
Aye - Five

Excused: 1 Scott A. Vaughn

Ayes: 5 Paul E. Skidmore; Larry Palm; Lucas K. Dailey; Jaclyn D. Lawton and Russell D. Pietz

Noes: 1 Steven M. Fix

1	BOARD OF ESTIMATES	01/24/2011					
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1	BOARD OF PUBLIC WORKS	02/02/2011					
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### Text of Legislative File 20850

#### Title

A resolution revising the Rate Adjustment Policy as Provided by Section 37.05(4)(d) of the Madison General Ordinances.

#### Body

WHEREAS, the City established a Storm Water Utility in November of 2000 and began utility billings in the second half of 2001. The Ordinance creating the Storm Water Utility provided for application of rate adjustments based upon guidance from the Public Service Commission and previous court rulings. In March of 2002, the City Engineer established the Rate Adjustment Policy for the Storm Water Utility. The policy provided for Agricultural parcels to receive a reduction in billable area to 5 acres, for a period of 10 years (Section 3.5 of the Rate Adjustment Policy approved on March 5th, 2002), and;

WHEREAS, the purpose of this revision is to account for the Agriculture properties that have

received the rate adjustment for 10 years as previously approved, and to establish a more equitable and uniform policy going forward.

NOW, THEREFORE, BE IT RESOLVED, Section 3.5 of the Rate Adjustment Policy approved on March 5th, 2002 is revised as follows: Any newly annexed parcel that requests and is determined to be eligible for a rate adjustment for Agricultural purposes, shall receive full credit for the year in which they annexed and the entirety of the following year. In subsequent years, the adjustment shall be reduced by 10% per year until fully eliminated. For the purposes of this policy, a 'full credit' is a reduction in the billable area to 5 acres, including all impervious areas and the homestead if one exists. Any other properties eligible for this credit and having never taken this credit, would be eligible for the full credit for the remainder of the year the request is made and the following year, with reductions beginning the year following that.

**Schedule for Rate Adjustments:**

Year or application and approval	Full Credit (reduced to 5 acres)
1st Full Year following application	Full Credit
2nd Year	90% of Full Credit
3rd Year	80% of Full Credit
4th Year	70% of Full Credit
5th Year	60% of Full Credit
6th Year	50% of Full Credit
7th Year	40% of Full Credit
8th Year	30% of Full Credit
9th Year	20% of Full Credit
10th Year	10% of Full Credit
11th Year	No Credit

**Fiscal Note**

This amendment to the Storm Water Utility rate adjustment policy provides for a 10 year 'phase out' period for rate adjustments applied to properties used for Agricultural purposes. Based on 2011 billing rates, this would result in an approximate increase in revenues of \$198,000 per year at the end of the phase out period for all Agricultural properties.