

Mike Dailey, Deputy City Engineer Megan Eberhardt, Engineer III

PROPOSED SANITARY SEWER UTILITY CUSTOMER BILLING CLASS FOR FOOD ESTABLISHMENTS

Proposed Billing Class for Food Establishments: Why?

- Food wastes have higher levels of fats, oils, and grease (FOG), carbonaceous biochemical oxygen demand (CBOD), total suspended solids (TSS), phosphorus (P), and ammonia nitrogen (N) compared to domestic waste.
- These nutrients require additional energy and cost more to breakdown at the wastewater treatment plant.
- Improper grease trap maintenance and high levels of FOG can clog sewer lines and create backups.
- Fairly distribute costs and eliminate residential customer subsidy.
- Encourage water conservation.





Proposed Billing Class for Food Establishments: Who?

- Food Establishments licensed by the City of Madison Department of Public Health or the State of Wisconsin:
 - Restaurants or commercial kitchens with moderate or complex food handling
 - Retail food establishments that process food and have > \$25,000/yr in gross sales

Proposed Rates

- Increases are proposed for the <u>volume</u> portion only.
 Fixed demand charges based on meter size are not affected by this proposal.
- Current Sewer Volume Rate: \$2.6709/1000 gallons
- Tier 1 has a proposed volume rate increase of 56%, phased in over a 3 year period:

18% Year 1 19% Year 2 19% Year 3

• Tier 2 has a proposed volume rate increase of 116%, phased in over a 3 year period:

38% Year 1 39% Year 2 39% Year 3



Proposed Rates (cont.)

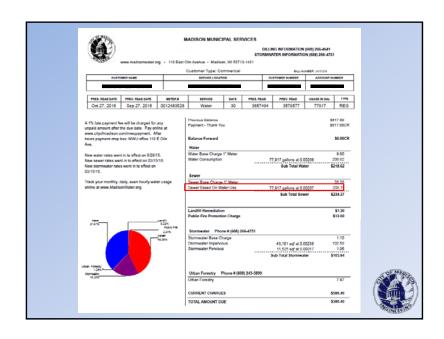
Tier 1 (all customers):

- \$3.15/1000 gallons (2017 rate)
- \$3.66/1000 gallons (2018 rate)
- \$4.17/1000 gallons (2019 and forward rate)

Tier 2* (customers who fail to submit grease trap maintenance at least once per year):

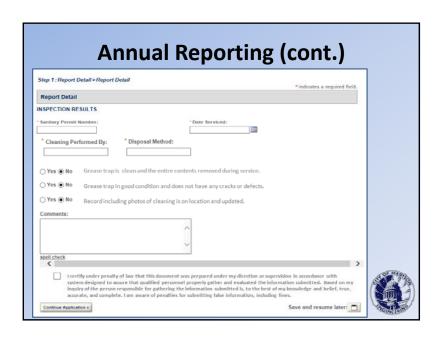
- \$3.69/1000 gallons (2017 rate)
- \$4.73/1000 gallons (2018 rate)
- \$5.77/1000 gallons (2019 and forward rate)

*Customers who are moved to Tier 2 can jump back to Tier 1 upon successful completion of the required grease trap maintenance and reporting.



Projected Average Monthly Costs TIER 1 Anticipated Monthly Increase Average Monthly Volume After Full 3 Year and Meter Size 2018 Phase In 10.000 gallons/mo 26.71 \$ 31.52 \$ 36.59 41 67 \$ 12.88 \$ 44.40 \$ 49.47 80.13 \$ 94.55 \$ 109.77 \$ 125.00 30.000 gallons/mo 5/8" meter \$ 12.88 \$ 12.88 12.88 \$ 107.43 \$ 122.65 \$ 137.88 75,000 gallons/mo 200.32 \$ 236.37 \$ 274.43 \$ 312.50 3/4" meter 12.88 \$ 12.88 \$ 12.88 213.20 \$ 249.25 \$ 287.31 \$ 325.38 100,000 gallons/mo 267.09 \$ 315.17 \$ 365.91 \$ 75.35 \$ 75.35 75.35 \$ 75.35 2" meter 342.44 \$ 390.52 \$ 441.26 \$ 492.01 150,000 gallons/mo 400.64 \$ 472.75 \$ 548.87 \$ 48.58 15" meter 48 58 \$ 48.58 449.22 \$ 521.33 \$ 597.45 \$ 673.57 \$ 630.33 200,000 gallons/mo \$ 731.83 2" meter 75.35 \$ 75.35 \$ 75.35 75.35 \$ 705.68





Schedule	
Present to Common Council	10/18/16
Public Meetings, 6pm @	11/16 at Warner Park 11/17 at 1600 Emil St 12/6 at Central Library
Ordinance Adoption:	
Draft Ordinance Available (Informational presentation to Board of Public Works)	12/14/16
Introduce to Common Council	1/3/17
Board of Public Works	1/25/17
Board of Estimates	2/13/17
Final Adoption at Common Council	2/28/17
Effective Date	4/1/17
First Grease Trap Maintenance Reporting Available	7/1/17
First Grease Trap Maintenance Reporting Due	3/31/18

Questions

Frequently asked questions document will be available on our website:

http://www.cityofmadison.com/engineering/sewerSanitary.cfm

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