



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 54962

File ID: 54962

File Type: Resolution

Status: Report of Officer

Version: 2

Reference:

Controlling Body: FINANCE
COMMITTEE

File Created Date : 03/04/2019

File Name: Amending the 2019 Operating Budget and Setting the
2019 Rates for the Sewer and Stormwater.

Final Action:

Title: SUBSTITUTE - Amending the 2019 Operating Budget and Setting the 2019 Rates
for the Sewer and Stormwater. (City Wide)

Notes: Greg F. / Steve D-R

Sponsors: Michael E. Verveer, Keith Furman and Michael J.
Tierney

Effective Date:

Attachments: 54962 v2.pdf, 2019 Average Customer.pdf, 2019
Stormwater Rate Schedule.pdf, 2019 Statistical
Summary.pdf, 2019 Sanitary Rate History.pdf, 2019
Budget Amendment.pdf, 2019 Stormwater Rate
History.pdf, 2019 Sanitary Rate Schedule.pdf

Enactment Number:

Author: Rob Phillips, City Engineer

Hearing Date:

Entered by: mhacker@cityofmadison.com

Published Date:

Approval History

Version	Date	Approver	Action
1		Travis J. Martin	Approve
2		Laura Larsen	Approve

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Engineering Division	03/04/2019	Referred for Introduction				
	Action Text:		This Resolution was Referred for Introduction				
	Notes:		Finance Committee (3/11/19), Board of Public Works (3/6/19)				
1	COMMON COUNCIL	03/05/2019	Refer	FINANCE COMMITTEE		03/11/2019	Pass

Action Text: A motion was made by Baldeh, seconded by Verveer, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.

Notes: Additional referrals to Board of Public Works, Sustainable Madison Committee.

1 FINANCE COMMITTEE 03/05/2019 Refer BOARD OF PUBLIC WORKS 03/06/2019

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

Notes:

1 FINANCE COMMITTEE 03/05/2019 Referred SUSTAINABLE MADISON COMMITTEE

Action Text: This Resolution was Referred to the SUSTAINABLE MADISON COMMITTEE

Notes:

1 BOARD OF PUBLIC WORKS 03/06/2019 Return to Lead with the Recommendation for Approval FINANCE COMMITTEE 03/11/2019 Pass

Action Text: Steve Danner-Rivers, Engineering Division, presented details. A motion was made by Branson, seconded by Adams, to Return to Lead with the Recommendation for Approval to the FINANCE COMMITTEE. The motion passed by voice vote/other.

Notes:

1 FINANCE COMMITTEE 03/11/2019 RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER Pass

Action Text: A motion was made by Verveer, seconded by Wood, to RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER. The motion passed by voice vote/other.

Notes:

1 COMMON COUNCIL 03/19/2019

Text of Legislative File 54962

Fiscal Note

The proposed resolution amends the 2019 Adopted Operating Budget and sets the 2019 rate amounts for the Sewer Utility and Stormwater Utilities.

For the average residential customer of the Sewer Utility, the rate increase is projected to be approximately 6%, or an annual increase of approximately \$19.37. The 2019 Adopted Operating Budget anticipated a 3% increase; the primary drivers of increased rate change are increased payments to the Madison Municipal Sewage District (\$1.8m increase) and adding to the Utility's Contingent Reserve (\$0.4m).

For the average residential customer of the Stormwater Utility, the rate increase is projected to be approximately 10.1%, or an annual increase of approximately \$9.60. The 2019 Adopted Operating Budget anticipated a 4% increase; the primary driver of the increase rate change is adding additional funding to the Utility's Contingent Reserve based on future year debt service projections. The increased debt service projection is attributed to capital expenditures added via amendments to the 2019 Adopted Capital Budget.

Overall, the average residential customer's annual bill for Sewer and Stormwater charges is projected to increase about 6.8% or \$28.97 in 2019.

Revenues and expenses consistent with these charges have been built into the 2019 Operating Budgets of the Sewer Utility and the Stormwater Utility, although some levy-neutral budget adjustments will need to be made (detailed out in the attached pdf).

Title

SUBSTITUTE - Amending the 2019 Operating Budget and Setting the 2019 Rates for the Sewer and Stormwater. (City Wide)

Body

WHEREAS, the Sewer Utility and the Stormwater Utility are entirely self sufficient and therefore require no property tax levy support; and

WHEREAS, consistent with the standards set forth in Wis. Stat. § 66.0821(4), the City Engineer sets utility rates each year; and

WHEREAS, now that the 2019 City Operating Budget has been adopted, the Madison Metropolitan Sewerage District rates for 2019 have been set and the operating results of 2018 are known, it is now possible for the associated rates to be formally adopted for 2019.

NOW, THEREFORE, BE IT RESOLVED that the 2019 Rate Schedules for the Sewer Utility and the Stormwater Utility are hereby adopted; and

BE IT FURTHER RESOLVED, that the 2019 Adopted Budget is amended to incorporate the appropriations outlined in the 2019 Budget Amendment template; and,

BE IT FURTHER RESOLVED that Sewer rates shall go into effect on bills generated after May 1, 2019 for April usage; and

BE IT FINALLY RESOLVED that Stormwater rates shall go into effect on bills generated after April 1, 2019.