



## Legislation Text

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**File #:** 77264, **Version:** 1

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### **Fiscal Note**

For the average residential customer of the Sewer Utility, the rate increase is projected at approximately 2.1%, which would result in an annual increase in charges of about \$8.48.

Average residential customers of the Stormwater Utility can anticipate a rate increase of about 3.6%, or \$4.92 more annually.

There is no change for Landfill fees.

Overall, the average residential customer's annual bill is projected to increase about 2.5% or \$13.40.

Revenues and expenses that are predominantly consistent with these charges have been built into the 2023 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). No additional appropriation is required.

### **Title**

Amending the 2023 Operating Budget and Setting the 2023 Rates for the Sewer Utility, Stormwater Utility and Landfill Remediation (citywide)

### **Body**

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

WHEREAS, consistent Madison General Ordinances Secs. 35.02(7)(a), 35.025(4), and 37.05(4)(f), and the standards set forth in Wis. Stat. § 66.0821(4), the City Engineer sets utility rates each year, which rates go into effect upon approval by the Board of Public Works and the Common Council; and

WHEREAS, now that the 2023 City Operating Budget has been adopted, the Madison Metropolitan Sewerage District rates for 2023 have been set and the operating results of 2022 are known, it is now possible for the associated rates to be formally adopted for 2023; and

WHEREAS, following the Council's directive in RES-21-00692, the Madison Water Utility sought and obtained approval from the Wisconsin Public Service Commission (PSC) to establish the Madison Municipal Services Customer Assistance Program (Mad-CAP), as a two-year pilot program. Under this program, eligible municipal service bill recipients who earn less than 50% of the area median family income will be eligible for a \$20 or \$30 rebate on their monthly bill, with the Water Utility, Sewer Utility (including Landfill Remediation), Stormwater Utility, and Streets Division separately funding a portion of the monthly rebate. In approving the pilot program, the PSC found that it was reasonable for the Water Utility to include its costs to fund its portion of this rebate within its revenue requirement. Additional information and background about Mad-CAP is contained in a staff memo attached hereto.

NOW, THEREFORE, BE IT RESOLVED that the 2023 Rate Schedules for the Sewer Utility, the Stormwater Utility and Landfill are hereby adopted; and

BE IT FURTHER RESOLVED that the 2023 Operating Budgets of the Sewer Utility, the Stormwater Utility and Landfill shall be amended to reflect these new rates; and

BE IT FURTHER RESOLVED that the Madison Municipal Services Customer Assistance Program is hereby extended to and incorporated into the utility rates of the Sewer Utility, the Stormwater Utility and Landfill Remediation in the amounts indicated on the rate schedules attached to this resolution, the Council finding that it is reasonable to include the Utilities' respective costs to fund their share of the rebate within their respective revenue requirements; and

BE IT FURTHER RESOLVED that the new Sewer and Landfill rates shall go into effect on bills generated after June 1, 2023 for May usage; and

BE IT FINALLY RESOLVED that the new Stormwater rates shall go into effect on bills generated after May 1, 2023.