

CITY COUNCIL

READ FILE COVER SHEET

Subject: **Ordinance 1153 concerning Establishing the FY 2025
Water & Sewer Rates**

(Public Hearing)

Date: **5/7/2024**

Notice: Any comments made after 5:00 p.m. on the Thursday before the Council Meeting will not be seen in the agenda packet.

Purpose:

- FYI
- Read and Comment as Needed**
- Action Required by May 20, 2024**
- In Confidential File Drawer

Approve:

Johnny Boker Yes No No Comment
Comment: _____

Casi Boyer Yes No No Comment
Comment: _____

Vicki Jones Yes No No Comment
Comment: _____

Jim Ringsaker Yes No No Comment
Comment: _____

Jason Robertson Yes No No Comment
Comment: _____

Tammy Lynn Schneegas Yes No No Comment
Comment: _____

Note: N/A

CITY COUNCIL
OF
HAVRE DE GRACE, MARYLAND

ORDINANCE NO. 1153

Introduced by _____ Council Member Boker

AN ORDINANCE BY THE MAYOR AND CITY COUNCIL OF HAVRE DE GRACE, MARYLAND, ADOPTED PURSUANT TO THE AUTHORITY OF ARTICLE XI-E OF THE MARYLAND CONSTITUTION, THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, SECTIONS 33 AND 34 OF THE HAVRE DE GRACE CITY CHARTER, CITY CODE CHAPTER 196 AND EXHIBIT A THERETO, ESTABLISHING THE CITY WATER AND SEWER RATES AND SERVICE PARTICIPATION FEES FOR THE USERS OF THE CITY WATER AND SEWER SYSTEM

On: May 6, 2024
at: 7:00 p.m.

Ordinance introduced, read first time, ordered posted and public hearing scheduled.

PUBLIC HEARING

A Public Hearing is scheduled for May 20, 2024 at 6:00 p.m.

EXPLANATION
Underlining indicates matter added to existing law.
[Bold Brackets] indicate matter deleted from existing law.
Amendments proposed prior to final adoption will be noted on a separate page with line references or by handwritten changes on the draft legislation.

33 **WHEREAS**, the Mayor and City Council of Havre de Grace has purchased, constructed
34 and maintained a water production and distribution system and a sewage collection and treatment
35 system in the City of Havre de Grace and surrounding areas, and has established the applicability,
36 rates, and procedures relating thereto pursuant to the authority granted by law and the Charter of
37 the City of Havre de Grace; and

38
39 **WHEREAS**, Section 37A of the Charter of the Mayor and City Council of Havre de Grace
40 requires that, on or before the first City Council Meeting in June of each year, the City Council
41 shall set the City water and sewer rates by ordinance; and

42
43 **WHEREAS**, the Water/Sewer Commission, on March 20, 2023 delivered to the Mayor
44 and City Council its recommendations on changes to be made to the rate and charge structure;

45
46 **NOW, THEREFORE, BE IT ENACTED**, in accordance with the authority vested in the
47 Mayor and City Council of Havre de Grace, by law and the Charter of the City of Havre de Grace,
48 that the terms and conditions of this Ordinance be and the same is hereby adopted for the purpose
49 of establishing the City water and sewer rates for the fiscal years July 1, 2024 to June 30, 2025,
50 July 1, 2025 to June 30, 2026, and July 1, 2026 to June 30, 2027 as follows:

51
52 1. The terms and provisions of City Code Chapter 196 and its Exhibit A, which contains
53 a schedule listing all of the rates, charges or fees that the Mayor and City Council
54 authorizes and imposes in connection with the City Water and Sewer System, are
55 hereby reenacted and incorporated herein by reference without change, except for the
56 following:

57 2. In Section 196-1 entitled “Cost Schedule” delete the language in its entirety and replace
58 it with the following:

59 A. The attached Exhibit A to Chapter 196 of the Code, entitled “Havre de Grace
60 Water and Sewer Cost Schedule,” is a schedule listing all of the rates, charges
61 and fees that the Mayor and City Council of Havre de Grace authorize and
62 impose in connection with the City water and sewer system for the period
63 beginning July 1, 2024, and ending June 30, 2025, the basic metered water and
64 sewer charges for the period beginning July 1, 2025, and July 1, 2026, and the
65 basic metered water and sewer charges for the period beginning July 1, 2026,
66 and ending July 1, 2027, together with certain procedures as to the applicability
67 and collection of the water and sewer rates, capital cost recovery charges, fees
68 and service participation fees, which Exhibit A is hereby amended and shall be
69 enacted to read as set forth below.

70 B. In Exhibit A Section One entitled “Water Service Within the City,” delete the
71 language in its entirety and replace it with the following:

72 Beginning July 1, 2024, the basic rate for City water service shall be \$ 7.50
73 per 1,000 gallons delivered. Beginning July 1, 2025, the basic rate for City
74 water service shall be \$7.50 per 1,000 gallons delivered. Beginning July 1,
75 2026, the basic rate for City water service shall be \$ 7.50 per 1,000 gallons
76 delivered. Such users shall pay the basic rates in effect when billed. User
77 charges shall be payable quarterly upon receipt of bill.

78 C. In Exhibit A Section Three entitled “City Sewer Charges Within the City,”
79 delete the language and replace it with the following:

80 Beginning July 1, 2024, the basic rate for City sewer service shall be \$10.20
81 per 1,000 gallons of water delivered. Beginning July 1, 2025, the basic rate
82 for City sewer service shall be \$10.20 per 1,000 gallons delivered.
83 Beginning July 1, 2026, the basic rate for City sewer service shall be \$10.20
84 per 1,000 gallons delivered. Such users shall pay the basic rate in effect
85 when billed.

86
87 D. In Exhibit A Section Five entitled “Capital Cost Recovery Charges,” delete the
88 language in its entirety and replace it with the following:

89 Capital Cost Recovery Charges are applicable to any new connections to
90 the system that increase the demand on the water and sewer system. This
91 includes changes in the use of an existing structure which increase the
92 demand on the system as determined by fixture unit calculations.

93
94 Capital Cost Recovery Charges are not applicable to the replacement of a
95 residence or the redevelopment of a property, provided such replacement or
96 redevelopment occurs within three years from the disconnection from the
97 water and/or sewer system prior to the issuance of a use and occupancy
98 permit, and the replacement or redevelopment of the property does not
99 increase the demand on the system as determined by fixture unit
100 calculations.

101 The charges are as follows:

102 Residential Units:

- 103 1. Water - \$11,800, July 1, 2024 to June 30, 2025 per unit
- 104 2. Sewer - \$13,200, July 1, 2024 to June 30, 2025 per unit

105 Commercial/Industrial Units:

- 106 1. Charge determined by calculation of water use and type of sewer
107 production above and beyond one residential capital cost recovery
108 charge which is the minimum fee.
- 109 2. Charge for fire suppression use: Any commercial sprinkler system,
110 stand pipe system, or combination thereof, will be assessed a capital
111 cost recovery charge for water only. Charges will be based upon
112 units of flow and charged at the residential rate per unit. One unit
113 will be equal to a flow rate of 220 gallons per minute (220 gpm)
114 (i.e., 1 to 220 gpm will equal 1 unit; 221 to 440 gpm will equal 2
115 units; 441 to 660 gpm will equal 3 units; 661 to 880 gpm will equal
116 4 units; and so on). A unit will be calculated using a factor of 10%
117 of the total peak flow of the entire sprinkler system, stand pipe
118 system or a total combination of both systems. All commercial
119 sprinkler systems and stand pipe systems will be supplied by a
120 dedicated line from the street main and shall be equipped with the
121 proper back flow preventers and a meter. Upon installation, the

122 customer will be responsible for all charges associated with the
123 connection to the City water system. Each installed system will have
124 the meter read quarterly and will be billed for the base service
125 charge, as hereinafter defined in Paragraph 10, and any gallons used.

126 E. In Exhibit A Section Ten entitled “Base Service Charge and Infrastructure
127 Reinvestment Program Charge.” Delete the language in its entirety and replace
128 it with the following:

129 A. A base service charge will be included on each quarterly water and/or sewer
130 bill. The amount of the charge will be based upon the size of the water meter
131 connected to the City water system and the rates in effect beginning July 1,
132 2024, are as follows:

Meter Size (inches)	Quarterly Base Service Charge
5/8	\$20.00
3/4	\$20.00
1	\$20.00
1 1/2	\$85.00
2	\$130.00
3	\$210.00
4	\$350.00
6	\$550.00
8	\$885.00

144 B. Any water meter connected to the City water system that is used solely for
145 the purpose of supplying a fire suppression system, regardless of the meter
146 size, shall be charged the base service charge as a one-inch meter.
147

148 C. An Infrastructure Reinvestment Program service charge will be included on
149 each quarterly water and/or sewer bill. The amount of the charge will be
150 based upon the size of the water meter connected to the City water system
151 and the rates in effect beginning July 1, 2024, are as follows:

Meter Size (inches)	Quarterly IRP Service Charge
5/8	\$30.00
3/4	\$30.00
1	\$30.00
1 1/2	\$100.00
2	\$200.00
3	\$300.00
4	\$400.00
6	\$1,000.00
8	\$1,000.00

163

D. Any water meter connected to the City water system that is used solely for the purpose of supplying a fire suppression system, regardless of the meter size, shall not be charged the Infrastructure Reinvestment Program service charge.

BE IT FURTHER ENACTED AND ORDAINED that this Ordinance shall take effect on July 1, 2024.

NOW THEREFORE, it is determined, decided, and ordained by the City Council that the foregoing amendments to the City Code are hereby approved.

ADOPTED by the City Council of Havre de Grace, Maryland this ____ day of ____, 2024.

SIGNED by the Mayor and attested by the Director of Administration this ____ day of ____, 2024.

ATTEST: MAYOR AND CITY COUNCIL
OF HAVRE DE GRACE

Christopher Ricci
Director of Administration

William T. Martin
Mayor

Introduced/First Reading: 5/6/2024
Public Hearing:
Second Reading/Adopted:

Effective Date:

- Legislative History:
- Ordinance No. 805, Adopted February 1, 1999
 - Ordinance No. 809, As Amended, Adopted June 21, 1999
 - Ordinance No. 809, As Amended, Adopted March 20, 2000
 - Ordinance No. 809, As Amended, Adopted October 1, 2001
 - Ordinance No. 841, Adopted June 2, 2003
 - Ordinance No. 859, Adopted June 7, 2004
 - Ordinance No. 865, Adopted June 6, 2005
 - Ordinance No. 879, Adopted June 5, 2006
 - Ordinance No. 883, Adopted December 4, 2006
 - Ordinance No. 887, Adopted April 16, 2007
 - Ordinance No. 890, Adopted June 4, 2007
 - Ordinance No. 894, Adopted May 5, 2008
 - Ordinance No. 905, Adopted May 18, 2009
 - Ordinance No. 916, As Amended, Adopted May 17, 2010
 - Ordinance No. 931, As Amended, Adopted June 6, 2011
 - Ordinance No. 939, As Amended, Adopted May 21, 2012
 - Ordinance No. 947, As Amended, Adopted May 20, 2013
 - Ordinance No. 955, As Amended, Adopted June 2, 2014

- 212 Ordinance No. 969, As Amended, Adopted June 1, 2015
- 213 Ordinance No. 981, As Amended, Adopted May 16, 2016
- 214 Ordinance No. 989, As Amended, Adopted May 15, 2017
- 215 Ordinance No. 1003, Adopted, May 21, 2018
- 216 Ordinance No. 1017, Adopted, May 20, 2019
- 217 Ordinance No. 1034, Adopted, May 18, 2020
- 218 Ordinance No. 1053, Adopted, May 17, 2021
- 219 Ordinance No. 1077, Adopted, May 16, 2022
- 220 Ordinance No. 1108, Adopted, May 15, 2023

Public Hearing