

CITY OF JOPLIN COUNCIL AGENDA ITEM

ITEM

Council Bill 2019-161: New Rate Structure for Joplin Sewer Utilities.

MEETING DATE

December 2, 2019

ORIGINATING DEPARTMENT

Public Works - Operations

REVIEWED BY

Director of Public Works -David Hertzberg; Director of Finance - Leslie Haase; City Attorney -Peter Edwards; Interim City Manager - Daniel Pekarek

ATTACHMENTS

Council Bill No. 2019-161; Joplin MO Sewer Rate Study and Structure for Joplin Sewer Utilities.

SUMMARY

Approval of a New Rate Structure for all customers inside and outside the city limits for sewer utilities per guidance set by the 2019 wastewater rate study.

BACKGROUND

The current sewer rates were established in a rate study conducted in 2014 and became effective on January

1, 2015. Council Bill 2014-183 was authorized by the city to incorporate the City's current rate structure for the customers of Joplin. Those rates were set for a five-year period that will end March 31, 2020.

On January 22, 2019 the City of Joplin hired Burns and McDonnell (Council Bill 2019-104) to convene a rate study analysis to determine what rates are needed to fund the city's wastewater treatment and maintenance programs. That study was completed and is the basis for the recommended action.

On November 19, 2019 Staff held a meeting with the satellite jurisdictions that transport their wastewater to the City of Joplin where it is treated and discharged in accordance with our NPDES permit issued by the

State of Missouri.

DISCUSSION

The staff and a representative of Burns and McDonnell presented council with the proposed new rate structure on November 11, 2019 during a Council work session. At the conclusion of that meeting, Council

directed Staff to proceed with preparing the necessary council bill for consideration at the December 2, 2019

City Council meeting. The rate study recommends increasing the sewer rates by 5% in each of the five years from 2020 to 2024 and that these rates would be applicable to all customers. All customers served that

are not within the city limits of Joplin will pay those same rates, times a multiplier of 1.3. Approval of this rate structure will provide the City with the resources to adequately operate and maintain the wastewater collection and treatment system in a manner that will meet our permit requirements.

RECOMMENDATION

Staff recommends approval of Council Bill 2019-161 on first reading.