	<div>STAFF</div> <div>REPORT</div>
Date:	October 15, 2024
Prepared By:	Rick Welch
Subject:	Utility Rate Increases – Public Hearing

The Board of Aldermen has asserted that it would like to move forward with implementing recommended rate increases from the August 6, 2024, Work Session. These rates would be effective for the November 2024 utility bills, which would be mailed to utility customers in early December 2024. This includes a 15% increase to the monthly water base charge and volumetric charge and a 15% increase to the monthly wastewater base charge and volumetric charge. RSMo 250.233 requires that a Public Hearing be held prior to increasing sewer rates and requires that notification of the Public Hearing be published in a newspaper of general circulation in Smithville at least 30 days prior to the hearing.

Utility Rate History – Water & Wastewater Charges

The following charts compare the proposed water and sewer structure and rates with water and sewer structure and rate history dating back to November 1, 2021. The amounts listed are for both residential and commercial customers, except for those marked with an asterisk (*), where the first amount listed is for residential customers and the second amount listed is for commercial customers.

Water Meter Service Charge	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
3/4" Meter	\$11.77	\$12.78	\$14.70	\$16.91
1" Meter	\$11.77 / \$18.52	\$12.78 / \$20.09*	\$14.70 / \$23.10	\$16.91 / \$26.57
2" Meter	\$55.62	\$60.35	\$69.40	\$79.81
3" Meter	\$109.15	\$118.43	\$136.19	\$156.62
4" Meter	\$170.29	\$184.77	\$212.49	\$244.36
6" Meter	\$338.92	\$368.82	\$424.14	\$487.76

Water Usage Rate by Volume	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2023
Per 1,000 Gallons	\$8.33	\$9.04	\$10.40	\$11.96

Wastewater Service Charge	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
3/4" Meter	\$16.02	\$18.43	\$21.19	\$24.37
1" Meter	\$16.02 / \$25.47*	\$18.43 / \$29.29*	\$21.19 / \$33.68	\$24.37 / \$38.73
2" Meter	\$77.46	\$89.08	\$102.44	\$117.81
3" Meter	\$164.52	\$189.20	\$217.58	\$250.22
4" Meter	\$238.13	\$273.85	\$314.93	\$362.17
6" Meter	\$474.42	\$545.59	\$627.43	\$721.55

Wastewater Usage Rate by Volume	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
Per 1,000 Gallons	\$6.68	\$7.69	\$8.84	\$10.17

Rate Adjustments – Impact on 5,000 Gallon Residential User

All residential customers have a ¾" or 1" meter servicing the residence. With the monthly service fees identical for both size meters, below is a projected utility bill for a residential customer with a ¾" meter and **5,000 gallons of usage**. This comparison table shown below does not include the monthly trash charge.

Projected Utility Bill for 5,000 Gallon User (Excludes Monthly Trash Charge)	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
3/4" Meter - Water Service Charge	\$11.77	\$12.78	\$14.70	\$16.91
Water Usage Charge - 5,000 Gallons	\$41.65	\$45.20	\$52.00	\$59.80
Residential Water Sales Tax (1.000%)	\$0.53	\$0.58	\$0.67	\$0.77
DNR Fee for 3/4" Meter	\$0.31	\$0.50	\$0.50	\$0.50
3/4" Meter Wastewater Service Charge	\$16.02	\$18.43	\$21.19	\$24.37
Wastewater Usage Charge - 5,000 Gallons	\$33.40	\$38.45	\$44.20	\$50.85
Grand Total	\$103.68	\$115.94	\$133.26	\$153.20

Rate Adjustment Impact – Contracted User's Monthly Bill (PWSD #8)

The City has a contract with PWSD #8 to supply water at a special rate (this is the only special contract the City has for water services). That contract was effective November 2, 2016, and runs through November 2, 2031. The current rate is **\$6.21** per 1,000 gallons. Section C-3 of that contracts dictates that "any increase in such rates shall not be greater than the same percentage of increase as [the] City charges its own citizen retail customers" and that "any such change in rate shall become effective at the same time as such change becomes effective to [the] City's

own citizen retail customers." The proposed percentage increase in water usage charges for citizen retail customers is 15%. Therefore, the proposed rate for this contract would increase to **\$7.14** per 1,000 gallons (an increase of 15%). A projected bill for PWSD #8 is provided below.

Projected Utility Bill for PWSD #8 (188th Street)- Tax Exempt, Water Only	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
Water Usage Charge - 3,434,395 Gallons*	\$17,103.29	\$18,580.08	\$21,327.59	\$24,526.73
4" Meter (No Sewer) - DNR Fee	\$3.43	\$8.50	\$8.50	\$8.50
Grand Total	\$17,106.72	\$18,588.58	\$21,336.09	\$24,535.23

Rate Adjustments – Impact on Commercial User’s Monthly Bill

Projected utility bills for several of the City’s largest remaining customers are provided throughout the rest of the staff report. The following tables show the impact of the last three rate adjustments on businesses and includes the most recently proposed increase.

Clay County Parks – DD Highway Meter

Projected Utility Bill for Clay County Parks DD Hwy - Tax Exempt, Water Only	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
Water Usage Charge - 765,826 Gallons*	\$6,379.33	\$6,923.07	\$7,961.53	\$9,155.76
6" Meter (No Sewer) - DNR Fee	\$6.87	\$16.50	\$16.50	\$16.50
Grand Total	\$6,386.20	\$6,939.57	\$7,978.03	\$9,172.26

Clay County Parks – F Highway Meter

Projected Utility Bill for Clay County Parks F Hwy - Tax Exempt, Water Only	March 1, 2021	November 1, 2021	November 1, 2022	November 1, 2024
Water Usage Charge - 202,021 Gallons*	\$1,682.84	\$1,826.27	\$2,101.02	\$2,415.24
4" Meter (No Sewer) - DNR Fee	\$3.43	\$8.50	\$8.50	\$8.50
Grand Total	\$1,686.27	\$1,834.77	\$2,109.52	\$2,423.74

St. Luke's Northland Hospital

Projected Utility Bill for St. Lukes Northland Hospital - Tax Exempt	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
4" Meter - Water Service Charge	\$170.29	\$184.77	\$212.49	\$244.36
Water Usage Charge - 378,347 Gallons*	\$3,151.63	\$3,420.26	\$3,934.81	\$4,525.07
4" Meter - DNR Fee	\$4.26	\$9.41	\$9.41	\$9.41
4" Meter - Wastewater Service Charge	\$238.13	\$273.85	\$314.93	\$362.17
Wastewater Usage Charge - 378,347 Gallons*	\$2,527.36	\$2,909.49	\$3,344.59	\$3,847.82
Grand Total	\$6,091.67	\$6,797.78	\$7,816.23	\$8,988.83

Pro Car Wash – Park Drive Location

Projected Utility Bill for Pro Car Wash (Located on Park Drive)	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
3" Meter - Water Service Charge	\$109.15	\$118.43	\$136.19	\$156.62
Water Usage Charge - 215,474 Gallons*	\$1,794.90	\$1,947.88	\$2,240.93	\$2,577.02
Business Water Sales Tax (8.475%)	\$161.37	\$175.12	\$201.46	\$231.68
3" Meter - DNR Fee	\$4.26	\$9.41	\$9.41	\$9.41
3" Meter - Wastewater Service Charge	\$164.52	\$189.20	\$217.58	\$250.22
Wastewater Usage Charge - 215,474 Gallons*	\$1,439.36	\$1,656.99	\$1,904.79	\$2,191.33
Grand Total	\$3,673.56	\$4,097.03	\$4,710.36	\$5,416.28

Pro Car Wash – W Second Street Location

Projected Utility Bill for Pro Car Wash (Located on W Second Street)	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
2" Meter - Water Service Charge	\$55.62	\$60.35	\$69.40	\$79.81
Water Usage Charge - 146,911 Gallons*	\$1,223.76	\$1,328.07	\$1,527.87	\$1,757.04
Business Water Sales Tax (8.475%)	\$108.42	\$117.67	\$135.37	\$155.67
2" Meter - DNR Fee	\$0.87	\$2.00	\$2.00	\$2.00
2" Meter - Wastewater Service Charge	\$77.46	\$89.08	\$102.44	\$117.81
Wastewater Usage Charge - 146,911 Gallons*	\$981.36	\$1,129.74	\$1,298.69	\$1,494.07
Grand Total	\$2,447.49	\$2,726.91	\$3,135.77	\$3,606.40

Smithville Housing Authority

Projected Utility Bill for Smithville Housing Authority - Tax Exempt	November 1, 2021	November 1, 2022	November 1, 2023	November 1, 2024
2" Meter - Water Service Charge	\$55.62	\$60.35	\$69.40	\$79.81
Water Usage Charge - 152,831 Gallons*	\$1,273.08	\$1,381.59	\$1,589.44	\$1,827.85
2" Meter - DNR Fee	\$0.87	\$2.00	\$2.00	\$2.00
2" Meter - Wastewater Service Charge	\$77.46	\$89.08	\$102.44	\$117.81
Wastewater Usage Charge - 152,831 Gallons*	\$1,020.91	\$1,175.27	\$1,351.02	\$1,554.28
Grand Total	\$2,427.94	\$2,708.29	\$3,114.30	\$3,581.75

AFFIDAVIT OF PUBLICATION

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STATE OF MISSOURI }
COUNTY OF CLAY } SS

Account Number: 119173
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Description: Hearing - Sewer Rates
Ad Cost: \$26.48

Sandra Ridings, being first duly sworn, says:

That she is the Agent of the the Courier-Tribune, a weekly newspaper of general circulation, printed and published in Liberty, Clay County, Missouri; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

September 5, 2024

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Kellie Houx for Sandra Ridings
Agent

Subscribed to and sworn to me this 2nd day of October 2024.

Notary Public

Clay County Missouri

ID#: 21823222

My commission expires: 6-16-2025

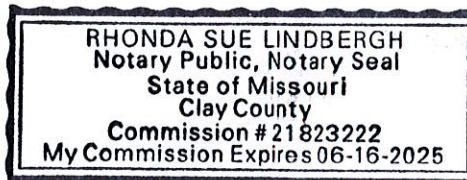
(Published in the Courier-Tribune
Thurs. 9/05/24)

**NOTICE OF
PUBLIC HEARING**

Pursuant to Section 250.233 RSMo., a public hearing will be held during the City of Smithville Board of Aldermen meeting beginning at 7:00 PM Tuesday, October 15, 2024, at Smithville City Hall, 107 W Main Street, Smithville, Missouri, at which time citizens may be heard on proposed revisions to sewer charges for the City of Smithville.

NOTICE: The City of Smithville is committed to transparent public meetings and will continue this commitment. Anyone who wishes to view the meeting may do so in real time as it will be streamed live on the City's YouTube page.

For Public Comment, you can attend in person or send a request to the City Clerk at ldrummond@smithvillemo.org prior to the meeting to attend via Zoom.



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