

ORDINANCE NO. 24-41

BY: Nancy Moore

Amending Section 159.07 of the Administrative Code of the Shaker Heights Codified Ordinances to gradually increase sewer usage fees over a period of four years.

WHEREAS, Section 159.07 of the Administrative Code was most recently amended by Ordinance No. 19-105, adopted on December 16, 2019; and

WHEREAS, the City owns and operates a storm and sanitary sewer system connecting each residential, institutional and commercial property in the City to the sewer system owned and operated by the Northeast Ohio Regional Sewer District (NEORS) and to the stormwater system of the City; and

WHEREAS, much of the City's storm and sanitary sewer system is 100 years old, and the City has spent \$21,092,645 to maintain and improve the system over the past 4 years, yet the current 10-year sewer capital plan will require more than \$36 million in additional investment by the City in the storm and sanitary sewer system; and

WHEREAS, the operational and capital costs of the City's sewer system are paid for through local sewer charges authorized by Section 159.07 of the Codified Ordinances, and billed based on the water usage as measured by the City of Cleveland Division of Water through its water customer bills, and through subsidies of the system currently paid from the City's General Fund to cover the annual shortfall in sewer fee revenues, as well as from grants and loans; and

WHEREAS, this Council finds that an increase in charges to the customers of the sewer system are required to address the revenue shortfall and future maintenance and capital requirements, which should be charged through a new fixed fee and an increase in the per MCF fee, to be phased in over four years.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Shaker Heights, State of Ohio:

Section 1. Section 159.07 of the Administrative Code of the Shaker Heights Codified Ordinances, as heretofore in effect, is hereby repealed.

Section 2. Section 159.07 of the Administrative Code of the Shaker Heights Codified Ordinances, shall be amended and enacted to read as follows:

159.07 SEWER USE RATE; BILLING, COLLECTION AND DISTRIBUTION.

(a) Council hereby finds that this City has heretofore installed a system of sewerage for the public use and that such system is interconnected to the sewerage treatment and disposal system of the Northeast Ohio Regional Sewer District (NEORS), and that the NEORS is responsible for the treatment and disposal of all wastewater emanating from this City and transported through the interconnected system of sewerage to such District's treatment and disposal facilities. Council further finds that the NEORS has set rates for the treatment and disposal of wastewater based upon one thousand (1,000) cubic feet (MCF) of water used and that

such rate is a just and equitable rate for the treatment and disposal of wastewater emanating from this City.

(b) The following rates shall be established and are found to be just and equitable sewer use rates, to be charged to the each customer in the City subject to the Water Service Agreement between the City of Shaker Heights and the City of the Cleveland, for the use, operation, maintenance, replacement and repair of the sewerage system of this City, including the sanitary, storm and surface water systems, and that said rates shall be charged in addition to the treatment and disposal rate set by the NEORS:

(i) The variable charge stated below based on MCF water usage, with no minimum usage charge, which shall be charged to each customer monthly, and shall commence with the water usage on and after the following dates:

<u>5/1/24</u>	<u>5/1/25</u>	<u>5/1/26</u>	<u>5/1/27</u>
<u>\$14.50</u>	<u>\$16.50</u>	<u>\$18.50</u>	<u>\$20.50</u>

and

(ii) The fixed charge per water account per month as stated below, and that shall commence on the following dates:

<u>5/1/24</u>	<u>5/1/25</u>	<u>5/1/26</u>	<u>5/1/27</u>
<u>\$10.50</u>	<u>\$11.00</u>	<u>\$11.50</u>	<u>\$12.00</u>

(c) Council finds that the NEORS has entered into an agreement with the City of Cleveland whereby its sewerage treatment and disposal rates are billed and collected by the City of Cleveland as part of its water billing system, and hereby authorizes the NEORS to cause its treatment and disposal rate, and the City's sewer rates established in subsection (b) of this Section, to be billed and collected directly from each customer in the City subject to the Water Service Agreement between the City of Shaker Heights and the City of the Cleveland, pursuant to such agreement and to cause the revenue derived from such sewer use rate to be distributed to the Finance Director of this City for use in accordance with this Section.

(d) The revenues derived from the sewer use rate herein established shall be placed in a separate fund and expended for the purposes authorized by law, and for no other purposes, including but not limited to, the management, operation, maintenance, replacement, repair and other improvements of the sanitary sewer, storm and surface water systems in the City, including the Shaker Lakes, in order to properly handle sanitary sewerage and storm water to protect the health, safety and well-being of the citizens and property of the City. The Director of Finance is hereby charged with the enforcement of the provisions of this Section.

Section 3. This ordinance shall take effect from and after the earliest time allowed by law.

Enacted April 29, 2024

Approved this ____ day of _____, 2024.

DAVID E. WEISS, Mayor

Attest:

JERI E. CHAIKIN
Clerk of Council

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