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Resolution No. 09-04-0722

Resolved By the Board of County Commissioners of Butler County, Ohio, That

WHEREAS, Malcolm-Pirnie/Red Oak Consulting was authorized by Butler County to conduct a water and sewer system cost-of-service (COS) and water and sewer rate study in 2008, and

WHEREAS, the Malcolm-Pirnie/Red Oak COS study indicated that water and sewer usage, consumption, and demand patterns have changed over the past five years and that the customer characteristics by customer class have evolved indicating a change is necessary in the way the County allocates operation and maintenance (O&M) costs to each of the County's customer classes; residential, multi-family residential, commercial, industrial, landscape irrigation, and wholesale, and

WHEREAS, the Malcolm-Pirnie/Red Oak COS study also reviewed the allocation of O&M costs to the customer account, usage and consumption, and demand components of the County's water and sewer rate structures, and

WHEREAS, during the formal review of the allocation of costs to the functions of the water and sewer systems and ultimately to the customer classes, the COS study recalculated the required amount of revenues to be collected from each customer class, and

WHEREAS, the revenue requirements by customer class, when allocated to each customer class' consumption and account composition, result in the monthly basic facilities charges and water/sewer volume rates that will recover the needed revenue to sustain the water and sewer operations, and

WHEREAS, the rates do not represent a uniform change across the customer classes but rather the revised rates reflect the most recent usage, demand, and account characteristics of each class of water and sewer customer and updates the cost allocations for each customer class, and

WHEREAS, it is recommended by Malcolm-Pirnie/Red Oak that Butler County adopt the revised water and sewer rates and monitor its revenues and customer usage in the upcoming years, and

WHEREAS, it is recommended that the revised water rates and rate structure that are attached hereto as Exhibit A be adopted for 2009 and 2010 effective June 1, 2009, and

WHEREAS, it is recommended that the revised sewer rates and rate structure that are attached hereto as Exhibit B be adopted for 2009 and 2010 effective June 1, 2009;

NOW, THEREFORE, BE IT RESOLVED that the Board of Butler County Commissioners does hereby adopt the water rates shown on Exhibit A and the sewer rates shown on Exhibit B, both exhibits attached hereto, and that the revised water and sewer rates shall be effective June 1, 2009.

Water Rates

Exhibit A

Water Cost-of-Service Rate Study
Butler County Water and Sewer

Customer Classification	Current Water Rates	Proposed Water Rates Effective June 2009	Change in Rates from Current
<u>Residential Volume Charge/Kgal</u>			
Block 1 (>0-3 Kgal)	\$ 4.16	\$ 3.95	-5.05%
Block 2 (>3-9 Kgal)	\$ 5.42	\$ 5.00	-7.75%
Block 3 (>9 Kgal)	\$ 8.33	\$ 8.31	-0.24%
Block 4 - Eliminated	\$ 10.41	\$ -	-100.00%
<u>Multifamily Volume Charge/Kgal</u>			
Block 1 - Base Rate	\$ 5.24	\$ 4.58	-13.74%
Block 2 - 150% of Block 1 Base Rate	\$ 7.87	\$ 6.86	-12.83%
Block 3 - Eliminated	\$ 10.53	\$ -	-100.00%
<u>Commercial Volume Charge/Kgal</u>			
Block 1 - Base Rate	\$ 4.89	\$ 3.73	-23.72%
Block 2 - 150% of Block 1 Base Rate	\$ 7.32	\$ 5.59	-23.63%
Block 3 - 200% of Block 1 Base Rate	\$ 9.75	\$ 7.45	-23.59%
<u>Industrial Volume Charge/Kgal</u>			
Block 1 - Base Rate	\$ 4.89	\$ 3.71	-24.13%
Block 2 - 150% of Block 1 Base Rate	\$ 7.35	\$ 5.56	-24.35%
Block 3 - 200% of Block 1 Base Rate	\$ 9.78	\$ 7.42	-24.13%
<u>Wholesale Charge/Kgal</u>			
All Volumes	\$ 2.94	\$ 3.06	4.00%
<u>Landscape Irrigation (1)</u>			
Block 1 - Base Rate with ERU's	\$ 4.89	\$ 3.53	-27.81%
Block 2 - 200% of Block 1 Base Rate	\$ 7.32	\$ 7.06	-3.55%
<u>Basic Facilities Charge/Month</u>			
Residential	\$ 5.11	\$ 5.06	-0.98%
Multifamily	\$ 21.84	\$ 7.97	-63.51%
Commercial	\$ 10.67	\$ 8.22	-22.96%
Industrial	\$ 40.44	\$ 11.60	-71.31%
Wholesale	\$ 5.11	\$ 33.79	561.34%
Landscape Irrigation	\$ 10.67	\$ 3.60	-66.26%
<u>Fire Service</u>			
<=4 inches	\$ 21.84	\$ 9.64	-55.86%
6 inches	\$ 43.69	\$ 19.28	-55.88%
8 inches	\$ 72.82	\$ 28.92	-60.29%
10 inches	\$ 109.21	\$ 53.18	-51.30%
12 inches	\$ 145.59	\$ 68.97	-52.62%

(1) Landscape irrigation customers that have not purchased ERU's will pay the Block 2 - 200% rate for all volumes.

Sewer Rates

Exhibit B

Sewer Cost-of-Service Rate Study
Butler County Water and Sewer

Customer Classification	Current Sewer Rates	Proposed Sewer Rates Effective June 2009	Change in Rates from Current
Residential			
Block 1 - Base Rate - All Volumes	\$ 3.84	\$ 3.17	-17.45%
Multifamily			
Block 1 - Base Rate	\$ 3.84	\$ 3.04	-20.83%
Block 2 - 150% of Block 1 Base Rate	\$ 5.76	\$ 4.56	-20.83%
Block 3 - 200% of Block 1 - Eliminated	\$ 7.68	\$ -	-100.00%
Commercial			
Block 1 - Base Rate	\$ 3.84	\$ 2.78	-27.60%
Block 2 - 150% of Block 1 Base Rate	\$ 5.76	\$ 4.17	-27.60%
Block 3 - 200% of Block 1 Base Rate - Eliminated	\$ 7.68	\$ -	-100.00%
Industrial			
Block 1 - Base Rate	\$ 3.84	\$ 3.05	-20.57%
Block 2 - 150% of Block 1 Base Rate	\$ 5.76	\$ 4.58	-20.49%
Block 3 - 200% of Block 1 Base Rate - Eliminated	\$ 7.68	\$ -	-100.00%
Butler County Wholesale Contract Areas			
Block 1 - Base Rate - All Volumes	\$ 3.71	\$ 2.85	-23.18%
High Strength Commercial			
Block 1 - Base Rate	\$ 5.45	\$ 5.05	-7.34%
Block 2 - 150% of Block 1 Base Rate	\$ 7.37	\$ 7.58	2.85%
Block 3 - 200% of Block 1 Base Rate - Eliminated	\$ 9.29	\$ -	-100.00%
Basic Facilities Charge/Month			
Residential	\$ 3.73	\$ 4.27	14.48%
Multifamily	\$ 5.21	\$ 4.27	-18.04%
Commercial	\$ 5.21	\$ 4.27	-18.04%
Industrial	\$ 5.21	\$ 4.27	-18.04%
Wholesale	\$ 5.21	\$ 4.27	-18.04%
High-Strength Commercial	\$ 5.21	\$ 4.27	-18.04%
High Strength Surcharge Per Pound			
Biochemical Oxygen Demand	\$ 0.17	\$ 0.26	52.94%
Chemical Oxygen Demand	\$ 0.17	\$ 0.12	-29.41%
Total Suspended Solids	\$ 0.09	\$ 0.30	200.33%
Oil and Grease	\$ 0.62	\$ 0.76	22.58%
Ammonia	\$ 0.95	\$ 1.55	63.15%
Total Phosphorus	\$ -	\$ 1.94	N/A
Very High Strength Surcharge Per Pound - Eliminated			
Biochemical Oxygen Demand - Eliminated	\$ 0.28	\$ -	-100.00%
Chemical Oxygen Demand - Eliminated	\$ 0.28	\$ -	-100.00%
Total Suspended Solids - Eliminated	\$ 0.28	\$ -	-100.00%
Oil and Grease - Eliminated	\$ 1.38	\$ -	-100.00%
Ammonia - Eliminated	\$ 4.56	\$ -	-100.00%

10% shall be added to all Block 1 - Base Rates for customers served by lift stations or treated by the City of Hamilton.

Block 2 - 150% of Base Rate and Block 3 - 200% of Base Rate charges may apply to wholesale class customers if specified by contract or agreement.

Sewer rates for the Village of New Miami will remain unchanged and be billed at the current Village rate structure.

Wholesale rates for non-Butler County contract areas shall remain unchanged and remain at the current sewer rate.