

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

CC: 33R
Amend No. _____

Date Prepared: March 10, 2009

Council Meeting Date: April 7, 2009

TO: Carl Swenson, City Manager
FROM: Brent Mattingly, Finance Director *VR for BM*
THROUGH: Vicki Rios, Revenue Manager *(VR)*
PREPARED BY: Andy Wagemaker, Revenue Administrator *(AW)*
SUBJECT: Adoption of a Notice of Intention to adjust the reclaimed water rate and establish the date for a public hearing.

RECOMMENDATION:

That the Mayor and Council adopt a Notice of Intention to adjust the City's reclaimed water rate and establish May 19, 2009 as the date for a public hearing on the proposed adjustment.

BACKGROUND:

With the completion of the Jomax Water Reclamation Facility (WRF), the City of Peoria began producing reclaimed water for use. Subsequently, in 2005, Council adopted a reclaimed water rate. In 2006, Council adopted an updated reclaimed water rate that more accurately reflected the costs to produce reclaimed water at the Jomax facility.

The production of reclaimed water from the Jomax WRF has steadily increased. In addition, the reclaimed water customer base has expanded to include additional customers. Staff analyzed updated information for reclaimed water and will present its report with rate recommendations at the May 19, 2009 regular Council meeting.

Rate Setting Process

There are several steps a municipality must complete as required by state law to consider and adopt changes to its utility rates. The following calendar provides a brief

CITY CLERK USE ONLY:

- Consent Agenda
- Carry Over to Date: _____
- Approved
- Unfinished Business (Date heard previous: _____)
- New Business

ORD. # _____ RES. # _____
LCON# _____ LIC. # _____
Action Date: _____

outline of the required steps and the dates identified by staff for the City to fully comply with Arizona Revised Statutes (ARS9-511.01):

Utility Rate Adjustment Calendar

April 6, 2009	Written rate report on file at the City Clerk's office.
April 7, 2009	Council adopts "Notice of Intention" – notice to the public that the City is considering a new rate.
April 17 & 24, 2009	Publication in a newspaper of general circulation in the area of the municipality specifying the public hearing date, time, and location.
May 19, 2009	Public Hearing – Staff presents the results of the rate study and a recommendation on the rate to the Mayor and City Council. Council holds a public hearing and considers adoption of the recommended rate.
July 1, 2009	If approved, new rate becomes effective.

SUMMARY:

Staff is requesting that Mayor and Council approve the attached Notice of Intention and establish May 19, 2009, as the date for a public hearing to receive comments on the proposed adjustment to the reclaimed water rate and consider the adoption of the updated reclaimed water rates.

ATTACHMENT:

Notice of Intention

CITY OF PEORIA, ARIZONA

NOTICE OF INTENTION TO ADJUST RECLAIMED WATER RATES

PLEASE TAKE NOTICE that the City of Peoria proposes to adjust reclaimed water rates currently charged by the City and to modify certain components of these rates imposed by the City.

A written report supporting the increased rates and modifications to the rates is on file in the Office of the City Clerk. Copies of the written report can be reviewed or obtained from:

Office of the City Clerk
City of Peoria, Arizona
8401 West Monroe Street, Room 150
Peoria, AZ 85345
(623) 773-7340

A public hearing will be held on May 19, 2009 at 7:00 p.m. before the Peoria City Council. The public hearing will be held at the City Council Chambers, Peoria Municipal Office Complex, 8401 West Monroe Street, Peoria, Arizona. All interested persons are invited to attend and give comment.

Dated: _____

CITY OF PEORIA, ARIZONA

Mary Jo Kief, City Clerk