

## LRB – FISCAL REVIEW SECTION ANALYSIS

UTILITIES AND LICENSES COMMITTEE  
010869

ITEM 1, FILE

APRIL 9, 2002

ANGELYN WARD

File #010869 is a substitute ordinance relating to the Milwaukee Metropolitan Sewerage District's user charges by the Milwaukee Water Works.

### Background and Discussion

1. The Milwaukee Water Works collects fees for MMSD and the City through the city service water bill.
  - MMSD recovers costs associated with the operation and maintenance of wastewater and treatment plants and interceptor tunnels through Sewer User Charges.
  - The City of Milwaukee recovers the costs of operations, maintenance and repair of the City sewer system through the Sewer Maintenance Fee.
2. This substitute ordinance is related to an ordinance enacted by the Common Council on December 15, 2000, Council File #001188. The ordinance changed the rules governing the collection of sewer user charges by ending the process of billing residential customers on a "winter quarter" water consumption basis for the MMSD user charge and the City Sewer Maintenance Fee.
3. Instead, billing is based on a percentage of the water consumed used each billing period. The change affected only residential customers.
4. The Water Works indicated the change to water consumed each billing period was more equitable because during the winter months, some customers have either higher, lower or zero water use. Approximately 14,000 properties change ownership during the year. The winter quarter billing method was used to recover sewerage treatment costs and was difficult to administer due to the volume of adjustments and staff time necessary to adjust a customer's bill.
5. This substitute ordinance requires that any change of the percentage of water consumption used to determine the billing of MMSD's sewer user charges and the City sewer maintenance fees be approved by the common council on an annual basis. This means Common Council approval is required for the establishment of *the percentage rate of the water consumption for each billing period*.

### FISCAL IMPACT

This substitute ordinance has no fiscal impact.

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LRB – Fiscal Review

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