

**MSD Fact Sheet**



Gérald R. Checco  
Director  
11/1/2017

BL-3

**RESOLUTION FIXING RATES FOR SEWERAGE SERVICE CHARGES, SURCHARGES, AND INDUSTRIAL PRETREATMENT CHARGES FOR THE USE OF SANITARY AND COMBINED SEWERS AND FOR SEWAGE TREATMENT**

**PROJECT IDENTIFIERS:**

METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI

**LEGISLATIVE ACTION REQUESTED:**

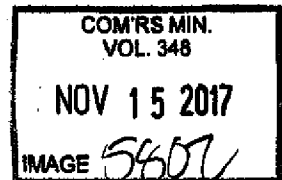
DESIGN<sup>1</sup>   
  ADD'L DESIGN<sup>2</sup>   
  EASEMENT OR REAL PROPERTY APPROPRIATION<sup>3</sup>   
  CONSTRUCTION<sup>4</sup>  
 ADD'L CONST<sup>5</sup>   
  AMEND CIP<sup>6</sup>   
  OTHER<sup>7</sup>: Resolution approving 2018 Rate Structure

**PROJECT TYPE:**

PROJECT GROUNDWORK / WWIP  
 PG / WWIP Activity ID: N/A                      PG / WWIP Milestone Dates: N/A  
 PROJECT GROUNDWORK / ASSET MANAGEMENT   
  SUSTAINABLE INFRASTRUCTURE  
 OTHER: MSD Rate Structure

**PROJECT LOCATION:**

N/A



**PROJECT PURPOSE:**

The current request revises the sewerage rate structure adopted December 2014 as follows.

- i. The sewerage service charge shall consist of a minimum charge and a commodity charge.

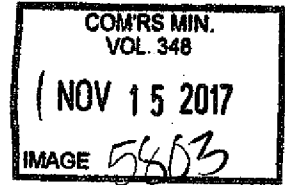
**MINIMUM CHARGE**

The minimum charge shall be based on the size of the water meter used to serve the premises. Such minimum charge shall include the charge for the first 300 cubic feet of water used per month. The minimum charge rates shall be as follows:

Meter Size (inches)	Monthly Bills \$
3/4	\$ 39.12
1	\$ 50.44
1 1/4	\$ 69.15
1 1/2	\$ 117.50

1. **Design** = 1 resolution - authorizing preparation of detailed plans, specifications, and estimate of cost and appropriating funds for the same.
2. **Add'l Design** = 1 resolution - appropriating additional funds for design.
3. **Easement /Real Property Appropriation** = 3 resolutions - approving detailed plans, specifications and estimate of cost; declaring project necessity and intent to proceed with construction; appropriating easements or full fee takes.
4. **Construction** = 4 resolutions - approving detailed plans, specifications and estimate of cost; declaring project necessity and intent to proceed with construction; appropriating funds for construction; authorizing project advertisement & bid.
5. **Add'l Construction** = 3 resolutions - amending approved detailed plans, specifications and estimate of cost; amending project necessity and proceed resolutions; appropriating add'l funds for construction.
6. **Amend CIP** = 1 resolution - adding proposed project to program year Capital Improvement Plan.
7. **Other** = Resolutions not covered above. Purpose is listed.

**PROJECT PURPOSE (cont.):**



Meter Size (Inches)	Monthly Bills \$
2	\$ 166.44
3	\$ 427.16
4	\$ 707.43
6	\$ 1,397.72
8	\$ 2,085.59
10	\$ 2,786.92
12	\$ 3,217.75

For trailer parks, the number of family units shall be 75 percent (75%) of the available occupancy.

For hotels and motels, the number of family units shall be 50 percent (50%) of the available occupancy.

*ARC 11-14-17*

For commercial establishments each two sets, or part thereof, of sanitary facilities shall be counted as one family unit. A set of sanitary facilities shall be any grouping of water using plumbing fixtures whose total instant demand is not greater than the total instant demand of five, one-half inch, water faucets. Where commercial or manufacturing facilities require more water than required for sanitary purposes, the minimum charge shall be not less than the minimum charge for a meter one size smaller than the branch serving the premises.

**COMMODITY CHARGE**

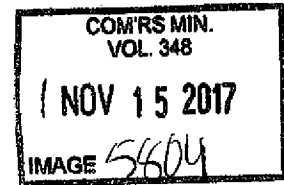
The Commodity Charge shall be based on the quantity of water used on the premises served as same is measured by a water meter or meters therein used, which meters must be acceptable to the City of Cincinnati.

The Commodity Charge shall be as follows:

Monthly Bills
For each 100 cubic feet consumed per month in excess of 300 cubic feet but not in excess of 5,000 cubic feet:
<b>\$5.879 per 100 cubic feet</b>
For each 100 cubic feet consumed per month in excess of 5,000 cubic feet:
<b>\$4.701 per 100 cubic feet</b>

*ARC 11-14-17*

For residential water service accounts (one and two family residences), a monthly minimum and commodity charge shall be based upon water used during a **three month** winter billing period; said winter billing period being the 3-month billing period of November 1 - March 31. Said charges shall be payable with each bill rendered throughout the year.



**PROJECT PURPOSE (cont.):**

- II. For customers having high strength waste discharge, the surcharge, which is in addition to the metered use charge, shall be computed on the following basis:

<b>Surcharge<sup>1</sup></b>	
Suspended Solids (SS)	\$0.002756 per 100 cubic feet for each mg/l of SS strength above 300 mg/l
Biochemical Oxygen Demand (BOD)	\$0.004707 per 100 cubic feet for each mg/l of BOD strength above 240 mg/l
Nitrogenous Oxygen (NOD)	\$0.004122 per 100 cubic feet for each mg/l of Total Kjeldahl (TKN) strength above 25 mg/l

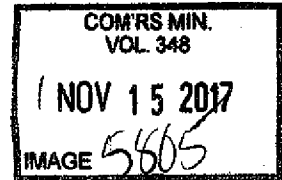
1. These surcharges have not been modified from the 2013 surcharge levels as per the instructions of Hamilton County Administration.

Provided, however, that to the extent the strength of a pollutant is less than eighty percent (80%) of the corresponding value for normal strength sewage, a credit shall be allowed as an offset against surcharge otherwise due. The credit shall be calculated by multiplying the herein above specified surcharge rate for the pollutant in question times the difference between actual pollutant concentration in mg/l and eighty percent (80%) of the corresponding value for normal sewage. No credit shall be allowed in excess of surcharge otherwise due.

- III. All users required to apply for and obtain a wastewater discharge permit or which are subject to federal pretreatment standards, as specified in the RULES AND REGULATIONS GOVERNING THE MAINTENANCE, OPERATION, AND USE OF SANITARY AND COMBINED SEWERS IN THE METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI ("MSD Rules and Regulations") (2001 and as amended), shall be subject to the payment of a pretreatment charge(s), as determined by the Director. Said pretreatment charge(s) shall be sufficient to recover, in whole or in part, the costs for the MSD Pretreatment Program including investigations, record keeping, administration, and monitoring of industrial waste discharges to the system. Each industrial user shall pay a pretreatment charge(s) as follows:

<b>Industrial Pre-Treatment Charge</b>	
<b>ANNUAL FEE</b>	\$2,889 Per Annum
<b>MONITORING CHARGE</b>	\$17,912 maximum per monitoring event

- IV. Any user which discharges any toxic pollutants which cause an increase in the cost of managing effluent or sludge from the District's treatment system shall pay such increased costs.
- V. That the sewerage service charges, surcharges, and industrial pretreatment charges shall be applied in accordance with the provisions of the MSD Rules and Regulations and as may be modified from time to time.
- VI. All users of the sewage system shall be notified at least annually as to:
  - a) The rate schedule in effect.
  - b) That part of the total charges attributable to user charges for sewage treatment service.



**PROJECT PURPOSE (cont.):**

VII. That the sewerage service charges and surcharges stipulated herein shall be billed on the water bill and shall be payable to the Cincinnati Water Works at the same time as the water bills, or they may be billed and collected by such governmental agencies as are designated by and as are under agreement with the Board of County Commissioners. Charges not paid within the time prescribed shall be certified, together with a penalty of ten percent (10%) to the County Auditor and collected in accordance with Section 6117.02 of the Revised Code of Ohio.

VIII. That industrial pretreatment charges and charges to users for special equipment, materials, and services shall be payable in the same manner as sewerage service charges, or by means of a separate billing.

**BACKGROUND DATA, SCHEDULES, AND BUDGET:**

PRIOR LEGISLATION N/A

FUTURE LEGISLATION

Approving detailed plans, specifications, and estimate of cost

Necessity / Proceed Resolution

Appropriating funds

Advertise and bid

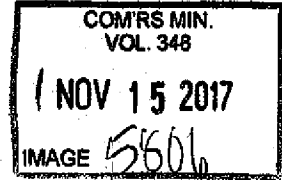
OTHER: NONE ANTICIPATED

FUNDING REQUEST N/A

BUDGET SPECIFICS N/A

November 1, 2017

Honorable Board of County Commissioners  
Hamilton County, Ohio  
% Mr. Jeff Aluotto  
Hamilton County Administrator  
County Administration Building  
138 E. Court Street, Room 603  
Cincinnati, Ohio 45202



Honorable Commissioners:

Enclosed for your consideration, per the request of the County monitor, is a Resolution fixing rates for sewerage service charges, surcharges, and industrial pretreatment charges for the use of sanitary and combined sewers and for sewage treatment in the Metropolitan Sewer District of Greater Cincinnati (MSD).

This new rate structure is in response to the Hamilton County Rate Affordability Task Force ("RATF") recommendations and adopted County Commissioner resolutions. This new rate structure establishes a schedule of *monthly rates* for all customers, to become effective January 1, 2018. Through this legislation, the Commissioners are approving a 0% increase in rates, however, the MSD Director hereby notifies the Commissioners that the new structure will result in an annual revenue loss of about \$3.3 million.

The Board will hold public hearings on the MSD 2018 Operating Budget on November 8 and 15, 2017, thereby affording all interested parties the opportunity to comment.

**RECOMMENDED:**

Gérald R. Checco  
Director, MSD

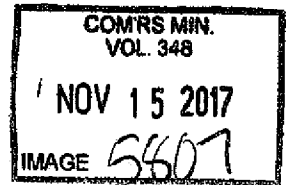
Approved:

Harry Black  
City Manager

Provided to the Hamilton County Clerk of the Board on 11-8-17.

Reviewed by \_\_\_\_\_ and recommended by County Administration.

On motion of Mr. Portune, seconded by Ms. Driehau, the following resolution was adopted...



MSD RESOLUTION

FIXING RATES FOR SEWERAGE SERVICE CHARGES,  
SURCHARGES, AND INDUSTRIAL PRETREATMENT CHARGES FOR  
THE USE OF SANITARY AND COMBINED SEWERS  
AND FOR SEWAGE TREATMENT  
IN THE METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI

WHEREAS, the Board of County Commissioners of Hamilton County, Ohio (the "Board") has established, since 1924, sewer districts in accordance with Chapter 6117 of the Ohio Revised Code and constructed and otherwise acquired sanitary trunk sewers, and as a result today owns, operates and maintains a system of sanitary trunk sewers; and

WHEREAS, the Board did, on February 1, 1955, consolidate all of the previously established sewer districts into a single district known as Hamilton County Sewer District No. 1; and

WHEREAS, the Board did, on December 4, 1963, complete the consolidation of previously established sewer districts and expand the boundaries of Hamilton County Sewer District No. 1 to be coincident with the boundaries of the County; and

WHEREAS, the Board did, on May 1, 1968, change the name of the County Sewer District to the Metropolitan Sewer District of Greater Cincinnati ("MSD"); and

WHEREAS, Section 6117.02 of the Revised Code of Ohio provides that a Board of County Commissioners may establish a sewer service charge which shall be adequate to provide the cost of the management, maintenance, and operation of the sewers and the cost of sewage treatment and disposal, said sewer service charge to be paid by every person, firm, or corporation whose premises are served by a connection to a sanitary sewer; and

WHEREAS, the Board did, on December 4, 1968, adopt a Resolution establishing a rate structure for sewerage service charges and surcharges, for sewer service in the MSD, effective January 1, 1969, which has been subsequently amended from time to time, the last being December 17, 2014, as entered into the Commissioners Minutes, Vol. 336, Images 6378 - 6389; and

WHEREAS, the Board did, on March 18, 2015, adopt a resolution empaneling the Hamilton County Rate Affordability Task Force ("RATF"), charged with studying the impact of rising sewer rates on ratepayers in Hamilton County, and make recommendations to the Board of Commissioners on potential rate structure and/or policy changes that can mitigate or otherwise affect the impact of these rates, as well as encourage the conservation of water, as entered into the Commissioners Minutes, Vol. 337, Images 7395 - 7396; and

WHEREAS, on May 23, 2016, the Board did formally receive the recommendations of the RATF, as entered into the Commissioners Minutes, Vol. 342, Images 4532 - 4552; and



SECTION 6. All users of the sewage system shall be notified at least annually as to:

- (a) The rate schedule in effect.
- (b) That part of the total charges attributable to user charges for sewage treatment service.

SECTION 7. That the sewerage service charges and surcharges stipulated herein shall be billed on the water bill and shall be payable to the Cincinnati Water Works at the same time as the water bills, or they may be billed and collected by such governmental agencies as are designated by and as are under agreement with the Board of County Commissioners. Charges not paid within the time prescribed shall be certified, together with a penalty of ten percent (10%) to the County Auditor and collected in accordance with Section 6117.02 of the Revised Code of Ohio.

SECTION 8. That industrial pretreatment charges and charges to users for special equipment, materials, and services shall be payable in the same manner as sewerage service charges, or by means of a separate billing.

SECTION 9. The Resolution adopted by the Board of County Commissioners on December 17, 2014, as recorded in the Commissioners Minutes, Vol. 336, Images 6378 – 6389, and fixing rates and charges for sewer service in the Metropolitan Sewer District of Greater Cincinnati, is hereby repealed.

SECTION 10. That this Board of County Commissioners hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board of County Commissioners and that all deliberations of this Board of County Commissioners and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

ADOPTED at a regularly adjourned meeting of the Board of County Commissioners of Hamilton County, Ohio, this 15th day of November 2017.

Ms. Driehaus YES

Mr. Monzel YES

Mr. Portune YES

WHEREAS, on September 7, 2016 and October 12, 2016 this Board did adopt resolutions to implement RATF recommendations, regarding (1) monthly billing (recommendation #1); (2) reduction of volumetric charge to 3 ccf in a manner that is revenue neutral (recommendation #2); (3) change to billing charge for multi-family units to be solely based on the meter size and make this billing equitable with individual unit charges (recommendation #4); and (4) correcting meter size billings so that they are based on the size of the pipe as it connects to the home as opposed to the current practice of basing the charge on the meter size as it connects to the main sewer line, as entered into the Commissioners Minutes, Vol. 343, Images 3064 – 3065, 3073 – 3074, and Vol. 344, Images 795 – 798; and

WHEREAS, the Director of MSD and of the Department of Sewers, in response to the RATF recommendations, and adopted County Commissioner resolutions, has submitted a rate analysis and recommendation; and

WHEREAS, the Director of MSD now informs the Board that the new rate structure, per the County monitor direction, necessary to implement RATF recommendations and adopted resolutions is not revenue neutral and will result in annual revenue loss of approximately \$3.3 million;

WHEREAS, this Board did, on November 8, 13, and 15, 2017, conduct public hearings on said rate structure; and

WHEREAS, this Board did, on 11/15/17 conclude said public hearing on said rate structure.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Hamilton County, Ohio:

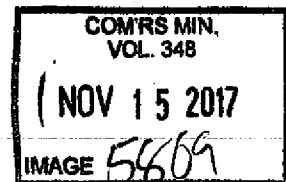
**SECTION 1.** From and after **January 1, 2018**, every person, firm or corporation in the Metropolitan Sewer District of Greater Cincinnati, whose premises are served by a connection to a sanitary or combined sewer which discharges sewage, industrial wastes, water, or other liquids, either directly or indirectly into a County sanitary or combined sewer, shall be charged for the use of the sewers and for the treatment of sewage discharged therein at the following rates:

The sewerage service charge shall consist of a minimum charge and a commodity charge.

**MINIMUM CHARGE**

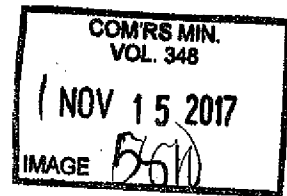
The minimum charge shall be based on the size of the water meter used to serve the premises. Such minimum charge shall include the charge for the **first 300 cubic feet** of water used per month.

The minimum charge rates shall be as follows:





Meter Size (inches)	Monthly Bills \$
3/8	\$ 39.12
1/2	\$ 50.44
1	\$ 69.15
1 1/2	\$ 117.50
2	\$ 166.44
3	\$ 427.16
4	\$ 707.43
6	\$ 1,397.72
8	\$ 2,085.59
10	\$ 2,786.92
12	\$ 3,217.75



For trailer parks, the number of family units shall be 75 percent (75%) of the available occupancy.

For hotels and motels, the number of family units shall be 50 percent (50%) of the available occupancy.

For commercial establishments each two sets, or part thereof, of sanitary facilities shall be counted as <sup>one</sup> one family unit. A set of sanitary facilities shall be any grouping of water using plumbing fixtures whose total instant demand is not greater than the total instant demand of five, one-half inch, water faucets. Where commercial or manufacturing facilities require more water than required for sanitary purposes, the minimum charge shall be not less than the minimum charge for a meter one size smaller than the branch serving the premises.

#### COMMODITY CHARGE

The Commodity Charge shall be based on the quantity of water used on the premises served as same is measured by a water meter or meters therein used, which meters must be acceptable to the City of Cincinnati.

The Commodity Charge shall be as follows:

Monthly Bills
For each 100 cubic feet consumed per month in excess of 300 cubic feet but not in excess of 5,000 cubic feet:
<b>\$5.879 per 100 cubic feet</b>
For each 100 cubic feet consumed per month in excess of 5,000 cubic feet:
<b>\$4.701 per 100 cubic feet</b>

For residential water service accounts (one and two family residences), a monthly minimum and commodity charge shall be based upon water used during a <sup>three</sup> three month winter billing period; ~~said~~ winter billing period being the ~~5 3~~ <sup>three</sup> month billing period of November 1 - March 31. Said charges shall be payable with each bill rendered throughout the year.

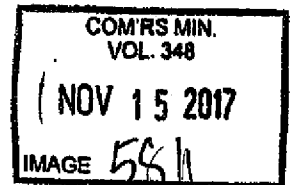
SECTION 2. For customers having high strength waste discharge, the surcharge, which is in addition to the metered use charge, shall be computed on the following basis:

<b>Surcharge<sup>1</sup></b>	
Suspended Solids (SS)	\$0.002756 per 100 cubic feet for each mg/l of SS strength above 300 mg/l
Biochemical Oxygen Demand (BOD)	\$0.004707 per 100 cubic feet for each mg/l of BOD strength above 240 mg/l
Nitrogenous Oxygen (NOD)	\$0.004122 per 100 cubic feet for each mg/l of Total Kjeldahl (TKN) strength above 25 mg/l

Provided, however, that to the extent the strength of a pollutant is less than eighty percent (80%) of the corresponding value for normal strength sewage, a credit shall be allowed as an offset against surcharge otherwise due. The credit shall be calculated by multiplying the herein above specified surcharge rate for the pollutant in question times the difference between actual pollutant concentration in mg/l and eighty percent (80%) of the corresponding value for normal sewage. No credit shall be allowed in excess of surcharge otherwise due.

SECTION 3. All users required to apply for and obtain a wastewater discharge permit or which are subject to federal pretreatment standards, as specified in the RULES AND REGULATIONS GOVERNING THE MAINTENANCE, OPERATION, AND USE OF SANITARY AND COMBINED SEWERS IN THE METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI ("MSD Rules and Regulations") (2001 and as amended), shall be subject to the payment of a pretreatment charge(s), as determined by the Director. Said pretreatment charge(s) shall be sufficient to recover, in whole or in part, the costs for the MSD Pretreatment Program including investigations, record keeping, administration, and monitoring of industrial waste discharges to the system. Each industrial user shall pay a pretreatment charge(s) as follows:

<b>Industrial Pre-Treatment Charge</b>	
<b>ANNUAL FEE</b>	<b>\$2,889 Per Annum</b>
<b>MONITORING CHARGE</b>	<b>\$17,912 maximum per monitoring event</b>

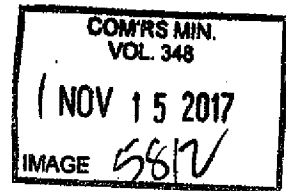


SECTION 4. Any user which discharges any toxic pollutants which cause an increase in the cost of managing effluent or sludge from the District's treatment system shall pay such increased costs.

SECTION 5. That the sewerage service charges, surcharges, and industrial pretreatment charges shall be applied in accordance with the provisions of the MSD Rules and Regulations and as may be modified from time to time.

<sup>1</sup> These surcharges have not been modified from the 2013 surcharge levels as per the instructions of Hamilton County Administration.

CERTIFICATE OF CLERK



IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of County Commissioners in session this 15th day of November, 2017.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the Office of the Board of County Commissioners of Hamilton County, Ohio this 15th day of November, 2017.

  
Jacqueline Panioto, Clerk  
Board of County Commissioners  
Hamilton County, Ohio