City of Fayetteville Staff Review Form

2019-0169

Legistar File ID

4/2/2019

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

		N,	/A for Non-Agenda Item		
	Tim Nyander Submitted By Su		3/12/2019	WATER SEWE	R (720)
			Submitted Date	Division / Department	
		Actio	n Recommendation:		
	recommends the revision of ming water line size or the bacl	-	ndby fire protection service cha nter.	rges to be based o	n the smaller of the
			Budget Impact:		
	N/A			N/A	
	Account Number N/A Project Number		<u> </u>	Fund	
				N/A	
				Project Title	
	Budgeted Item?	NA	Current Budget	\$	-
	•		Funds Obligated	\$	-
		•	Current Balance	\$	-
	Does item have a cost?	NA	Item Cost	\$	-
	Budget Adjustment Attached?	NA	Budget Adjustment	\$	-
	·		Remaining Budget	\$	-
Purcha	se Order Number:		Previous Ordinance	or Resolution #	V20180321
Change	Change Order Number:		Approval Date:		
Origina	l Contract Number:				
Comme	ents:				



CITY COUNCIL MEMO

MEETING OF APRIL 2, 2019

TO: Mayor and City Council

THRU: Don Marr, Chief of Staff

Water & Sewer Committee

FROM: Tim Nyander, Utilities Director

DATE: March 8, 2019

SUBJECT: Request to modify monthly standby fire protection service charges

RECOMMENDATION:

Staff recommends the revision of monthly standby fire protection service charges to be based on the smaller of the incoming water line size or the backflow preventer.

BACKGROUND:

The Code of Ordinances of the City of Fayetteville, Ar., Title V-Public Works, Chapter 51: Water and Sewers, Article V sets rates and charges for water customers. Section 51.136(C) sets rates for Monthly Standby Fire Protection Service Charges. Charges for these unmetered service connections for standby fire protection and fire hydrants are based on the size water line entering a building.

DISCUSSION:

The actual water amount delivered by a fire protection system is limited by the smallest line size in the supply along with losses due to friction in bends and fittings. The current charge for these systems is based on the incoming water line size, which may not be the smallest, limiting size appurtenance, in the protection system. The charges for these systems should be based on the amount of water that can be delivered to the system which often may be the backflow assembly. It is recommended that the annual 3 percent increase per existing ordinance be discontinued and held at 2019 rates when it pertains to fire flow standby fees.

A survey of neighboring cities of similar size to Fayetteville reveal that monthly standby fire protection service charges are significantly higher in Fayetteville. A lower charge for this service would better align Fayetteville with neighboring cities to be competitive for new development. This charge is sometimes a budget problem for owners of buildings, such as churches, with existing fire protection systems.

The 2019 Monthly Standby Fire Protection Service Charges had an annual 3 percent increase on January 1, 2019. Staff recommends discontinuing the 3 percent annual increase, and approving the following service charges:

Monthly Standby Fire Protection Service Charges

Line Size or Backflow Preventer Size	Inside City	Outside City
1 Inch	9.75	11.68
2 Inch	10.17	12.10
2.5 Inch	20.33	23.37
3 Inch	30.48	35.06
4 Inch	60.97	70.11
6 Inch	169.34	194.74
8 Inch	355.65	409.00
10 Inch	609.68	701.11

Utilities staff recommends that the customers be charged monthly standby fire protection service charges based on the incoming line size or the backflow preventer size, whichever is smaller.

The Utilities Department shall review the monthly standby fire line protection service charges every two (2) years and shall make recommendations to the City Council following such review.

BUDGET/STAFF IMPACT:

This change would result in an annual reduction of revenues of approximately \$500,000 but would make Fayetteville more competitive with surrounding cities for new development.

Attachments:

51.136(C) Redlined Version

51.136(C) Final Version

51.136 - Monthly Water Rates

- (C) Monthly Standby Fire Protection Service Charge.
 - (1) Charges for unmetered service connections for standby fire protection and fire hydrants shall be based on the incoming line size or the backflow preventer size, whichever is smaller, as set forth in the following table:

Table C-1 Monthly Standby Fire Protection Service Charge After April 30, 2008			
Line Size	Inside City	Outside City	
2 inch	\$6.84	\$7.86	
3 inch	\$20.51	\$23.59	
4 inch	\$41.03	\$47.18	
6 inch	\$113.96	\$131.05	
8 inch	\$239.32	\$275.21	
10 inch	\$410.26	\$471.79	

Table C-2 Monthly Standby Fire Protection Service Charge After December 31, 2008			
Line Size	Inside City	Outside City	
2 inch	\$7.23	\$8.32	
3 inch	\$21.70	\$24.96	
4 inch	\$43.41	\$49.92	
6 inch	\$120.57	\$138.66	
8 inch	\$253.20	\$291.18	
10 inch	\$434.05	\$499.16	

Table C-3 Monthly Standby Fire Protection Service Charge After December 31, 2009				
Line Size Inside City Outside City				
2 inch	\$7.62	\$8.76		

3 inch	\$22.85	\$26.28
4-inch	\$45.71	\$52.56
6 inch	\$ 126.96	\$146.00
8 inch	\$266.62	\$306.61
10 inch	\$457.06	\$525.61

Table C-4 Monthly Standby Fire Protection Service Charge After December 31, 2010			
Line Size	Inside City	Outside City	
2 inch	\$8.02	\$9.22	
3 inch	\$24.06	\$27.67	
4 inch	\$48.13	\$55.35	
6 inch	\$133.69	\$153.74	
8 inch	\$280.75	\$322.86	
10 inch	\$481.28	\$553.47	

Line Size or Backflow Preventer Size	<u>Inside</u> <u>City</u>	Outside City
<u>1 Inch</u>	<u>9.75</u>	<u>11.68</u>
2 Inch	<u>10.17</u>	<u>12.10</u>
2.5 Inch	20.33	23.37
3 Inch	<u>30.48</u>	<u>35.06</u>
4 Inch	<u>60.97</u>	<u>70.11</u>
<u>6 Inch</u>	<u>169.34</u>	<u>194.74</u>
<u>8 Inch</u>	<u>355.65</u>	409.00
<u>10 Inch</u>	609.68	<u>701.11</u>

- (2) Monthly Standby Fire Protection Service Charge After December 31, 2011. Starting the day after December 31, 2011, Tthe Utilities Department shall review the monthly standby fire protection service charges shall be increased by 3% per year every two (2) years and shall make recommendations to the City Council following such review.
- (3) Fire protection lines shall not be connected to the water system downstream from a meter.

51.136 - Monthly Water Rates

- (C) Monthly Standby Fire Protection Service Charge.
 - (1) Charges for unmetered service connections for standby fire protection and fire hydrants shall be based on the incoming line size or the backflow preventer size, whichever is smaller, as set forth in the following table:

Line Size or Backflow Preventer Size	Inside City	Outside City
1 Inch	9.75	11.68
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- (2) The Utilities Department shall review the monthly standby fire protection service charges every two (2) years and shall make recommendations to the City Council following such review.
- (3) Fire protection lines shall not be connected to the water system downstream from a meter.