



Legislation Text

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AN ORDINANCE AMENDING TITLE XXXII, SEWERS AND SEWAGE DISPOSAL, CHAPTER 8, USER CHARGES, SECTION 4, SEWER USER CHARGE RATE SCHEDULE, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, BY ADJUSTING THE SEWER USER RATE SCHEDULE.

WHEREAS, the water and sewer utilities infrastructure is over two hundred (200) years old and over the next decade requires an estimated one billion (\$1,000,000,000.00) in improvements; and

WHEREAS, over the next ten (10) years annual expenses are expected to increase by Forty-Seven Million Dollars and Zero Cents (\$47,000,000.00), resulting in increased deficits in 2025, which will increase to over forty million (\$40M) by 2032; and

WHEREAS, the COVID-19 pandemic caused a decrease of Six Million Nine Hundred Thousand Dollars and Zero Cents (\$6,900,000.00) in water and sewer collections combined adding further financial stress to systems; and

WHEREAS, the prior sewer rate increase was March 1, 2015, providing for over Three Hundred Million Dollars and Zero Cents (\$300,000,000.00) in improvements to both systems, including, but not limited to: [i] Upgrades at the Pequannock Treatment Plant; [ii] Watershed improvements; [iii] Distribution System Improvements; [iii] Collection System Improvements; [iv] Drainage System Improvements; and [v] Efficiency Improvements (further detailed in presentation provided to the Administration and Municipal Council); and

WHEREAS, the proposed sewer rate increases will allow for sewer utility improvements, including, but not limited to: [i] Meter replacement and advanced metering infrastructure; [ii] Meadowlands pump station upgrades; [iii] Storm water rehabilitation; [iv] Brick sewer rehabilitation; [v] PVSC meters; Drainage systems upgrades; [vi] Green Infrastructure Improvements; [vii] Paving City Street; and [viii] Long Term Control Plan - Regional Alternative; and

WHEREAS, the proposed sewer rate increases do not apply to Senior Citizens and/or Disabled Persons/Disabled Veterans and the annual Cost of Living Adjustment (COLA) for Senior Citizens and/or Disabled Persons/Disabled Veterans will cease commencing January 1, 2024; and

WHEREAS, the COLA increases from 2017 through 2023, are updated annually but are not in the codified Ordinance; the 2023 increase to Senior Citizens and/or Disabled Persons/Disabled Veterans water rate reflects the annual 2017 through 2023 COLA increases only; and

WHEREAS, the Mayor of the city of Newark, Business Administrator and Director of the

Department of Water and Sewer Utilities deems it is in the best interest of the City of Newark to propose a sewer rate increase effective August 1, 2023, through December 31, 2027, and the Municipal Council concurs with the recommendation.

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

[Editor’s Note: Bold and Underlined text represents additions and strikethroughs represent deletions]

Section 1. Title 32, Sewers and Sewage Disposal, Chapter 8 User Charges, Section 4 Rates of Sewer User Charges of the Revised Ordinances of the City of Newark, New Jersey, 200, as amended, be further amended to read as follows:

32:8-4 RATE: GENERAL SCHEDULE

Effective ~~March 1, 2015~~ **August 1, 2023**, the Director of Water and Sewer Utilities is implementing a ~~three~~ **five** year rate increase for the period ~~March 1, 2015~~ **August 1, 2023** through December 31, ~~2017~~ **2027 and continuing until such time as may be amended.**

- a. The Charges for all sewer services furnished by the City of Newark including private consumers in the Silver Lake District , Belleville and elsewhere outside of Newark (unless otherwise covered by special contract), shall not exceed the following:

Rates Effective March 1, 2015 through December 31, 2015:

	MONTHLY SEWER RATE		MONTHLY PVSC RATE	
	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Customer Type				
Regular (MO&IO)	\$3.34	\$5.00	\$19.12	\$28.70
Direct P.V.S.C. (MX & IX)	\$5.10	\$7.66	\$9.21	\$13.86
Senior Citizen (MSI)	\$3.20	\$4.77	\$18.15	\$27.27

Rates Effective January 1, 2016 through December 31, 2016:

	MONTHLY SEWER RATE		MONTHLY PVSC RATE	
	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Customer Type				
Regular (MO&IO)	\$3.54	\$5.30	\$20.26	\$30.42
Direct P.V.S.C. (MX & IX)	\$5.41	\$8.12	\$9.76	\$14.69
Senior Citizen (MSI)	\$3.39	\$5.06	\$19.24	\$28.90

Rated Effective January 1, 2017 through December 31, 2017

	MONTHLY SEWER RATE		MONTHLY PVSC RATE	
	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Customer Type	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Regular - (M0&I0)	\$3.77	\$5.65	\$21.58	\$32.40
Direct P.V.S.C. - (MX &IX)	\$5.76	\$8.65	\$10.40	\$15.64
Senior Citizen - (MSI)	\$3.61	\$5.39	\$20.49	\$30.78

Rates Effective January 1, 2023

	MONTHLY SEWER RATE		MONTHLY PVSC RATE	
	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Customer Type	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Regular - (M0&I0)	\$4.86	\$7.29	\$27.82	\$41.75
Direct P.V.S.C. - (MX &IX)	\$7.42	\$11.15	\$13.41	\$20.15
Senior Citizen - (MSI)	\$4.65	\$6.95	\$26.40	\$39.68

Rates Effective August 1, 2023:

	MONTHLY SEWER RATE		MONTHLY PVSC RATE	
	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Customer Type	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Regular - (M0&I0)	\$5.06	\$7.59	\$28.95	\$43.44
Direct P.V.S.C. - (MX &IX)	\$7.72	\$11.60	\$13.95	\$20.97
Senior Citizen - (MSI)	\$4.65	\$6.95	\$26.40	\$39.68

Rates Effective January 1, 2024:

	MONTHLY SEWER RATE		MONTHLY PVSC RATE	
	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Customer Type	First 600 CUFT	Over 600 CUFT	First 600 CUFT	Over 600 CUFT
Regular - (M0&I0)	\$5.25	\$7.87	\$30.05	\$45.09
Direct P.V.S.C. - (MX &IX)	\$8.01	\$12.04	\$14.48	\$21.76
Senior Citizen - (MSI)	\$4.65	\$6.95	\$26.40	\$39.68

Rates Effective January 1, 2025:

	MONTHLY SEWER RATE	MONTHLY PVSC RATE

<u>Customer Type</u>	<u>First 600 CUFT</u>	<u>Over 600 CUFT</u>	<u>First 600 CUFT</u>	<u>Over 600 CUFT</u>
<u>Regular - (M0&I0)</u>	<u>\$5.62</u>	<u>\$8.43</u>	<u>\$32.18</u>	<u>\$48.29</u>
<u>Direct P.V.S.C. - (MX &IX)</u>	<u>\$8.58</u>	<u>\$12.90</u>	<u>\$15.51</u>	<u>\$23.31</u>
<u>Senior Citizen - (MSI)</u>	<u>\$4.65</u>	<u>\$6.95</u>	<u>\$26.40</u>	<u>\$39.68</u>

Rates Effective January 1, 2026:

	<u>MONTHLY SEWER RATE</u>		<u>MONTHLY PVSC RATE</u>	
<u>Customer Type</u>	<u>First 600 CUFT</u>	<u>Over 600 CUFT</u>	<u>First 600 CUFT</u>	<u>Over 600 CUFT</u>
<u>Regular - (M0&I0)</u>	<u>\$5.99</u>	<u>\$8.99</u>	<u>\$34.30</u>	<u>\$51.48</u>
<u>Direct P.V.S.C. - (MX &IX)</u>	<u>\$9.15</u>	<u>\$13.75</u>	<u>\$16.54</u>	<u>\$24.85</u>
<u>Senior Citizen - (MSI)</u>	<u>\$4.65</u>	<u>\$6.95</u>	<u>\$26.40</u>	<u>\$39.68</u>

Rates Effective January 1, 2027:

	<u>MONTHLY SEWER RATE</u>		<u>MONTHLY PVSC RATE</u>	
<u>Customer Type</u>	<u>First 600 CUFT</u>	<u>Over 600 CUFT</u>	<u>First 600 CUFT</u>	<u>Over 600 CUFT</u>
<u>Regular - (M0&I0)</u>	<u>\$6.36</u>	<u>\$9.54</u>	<u>\$36.40</u>	<u>\$54.62</u>
<u>Direct P.V.S.C. - (MX &IX)</u>	<u>\$9.71</u>	<u>\$14.59</u>	<u>\$17.54</u>	<u>\$26.36</u>
<u>Senior Citizen - (MSI)</u>	<u>\$4.65</u>	<u>\$6.95</u>	<u>\$26.40</u>	<u>\$39.68</u>

b. Beginning on **Commencing** January 1, 2007, and annually thereafter, the Director of Water and Sewer Utilities shall adjust the water rate **consistent with** the Cost of Living Adjustment. This **adjustment** shall be based on the Implicit Price Deflator for State and Local Governments for New Jersey and published by the U.S. Department of Commerce Bureau of Economic Analysis. **Commencing January 1, 2024, and annually thereafter, the Cost of Living Adjustment shall not be imposed upon Senior Citizens and/or Disabled Persons/Disabled Veterans.**

Section 2. Any prior ordinances or part thereof which is inconsistent with this Ordinance is hereby repealed.

Section 3. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This Ordinance amends Title XXXII, Sewers and Sewerage Disposal, Chapter 8, User Charges, Section 4, Sewer User Charge Rate Schedule of the Revised General Ordinances of the City of Newark, New Jersey, 2000, by adjusting the sewer user charges. The adjustment results in a five (5) year increase effective August 1, 2023, through December 31, 2027.