



CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL 349-4300
FAX 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

November 18, 1993

To the Honorable, the City Council,

RECOMMENDATION

That the City Council approve the following block rates for sewer use for the period beginning January 1, 1994 and ending March 31, 1994, to be billed beginning April 1, 1994 and ending June 30, 1994.

	Annual Consumption	Sewer Rate (Per CcF) *
Block 1	0 - 40 CcF	2.18
Block 2	41 - 400 CcF	2.32
Block 3	401 - 2,000 CcF	2.49
Block 4	2,001 - 10,000 CcF	2.68
Block 5	Over 10,000 CcF	2.84

* CcF is an abbreviation for "100 cubic feet," the unit used by the City to measure water consumption.

BACKGROUND

In August of 1993, well after the City Council had set Fiscal Year 1994 water and sewer rates, the Legislature of the Commonwealth finalized a budget including a \$20 million assistance package benefitting the Massachusetts Water Resources Authority to help defray the cost of the Boston Harbor clean-up. The MWRA is passing this assistance on to its customers in the form of credits. The portion of the assistance that the City of Cambridge is receiving in Fiscal Year 1994 is \$1,012,286. Part of the legislation requires each city and town to pass on its savings to its retail customers. The City was officially notified of these facts this fall. In order to qualify for this assistance, it is necessary for the City Council to reduce Fiscal Year 1994 sewer rates by such amounts as to reduce collections by \$1,012,286.



OFFICE OF THE CITY CLERK

CITY OF CAMBRIDGE

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4260

FAX (617) 349-4307

D. MARGARET DRURY
CITY CLERK

JOHN E. FLYNN
DEPUTY CITY CLERK

December 29, 1993

Division of Local Services
Mass. Department of Revenue
P. O. Box 9655
Boston, Massachusetts 02114

ATTN: Mr. James R. Johnson
Assistant Director of Accounts

**RE: SEWER RATE RELIEF
FUND**

I understand that the City of Cambridge has been determined to be entitled to receive \$1,012,286 from the Commonwealth Sewer Rate Relief Fund established pursuant to Section 20 of Chapter 110 of the Acts of 1993. I understand that the legislation specified that the funds were appropriated to mitigate sewer rate increases.

I further understand that Section 109 of Chapter 151 of the Acts of 1993 added the following sentence: The board, officer or commission responsible for setting sewer rate charges in every city, town district or water and sewer commission that receives aid itself or is a member of a regional entity that receives aid pursuant to this section shall certify to the division of local services in the department of revenue that it has reduced sewer charges to reflect its share of any aid distributed hereunder.

I do hereby certify that the above sum will be reflected as rate relief by City Council Order attached hereto.

Very truly yours,

A handwritten signature in dark ink, appearing to read "John E. Flynn", is written over the typed name.

John E. Flynn
Deputy City Clerk

JEF/dl
Enc. (1)



City of Cambridge

Calendar Item # 7
Agenda Item #9

IN CITY COUNCIL

November 22, 1993
December 13, 1993

ORDERED: That the following Block rates for sewer use in the City of Cambridge be in effect for the period beginning January 1, 1994 and ending March 31, 1994 to be billed beginning April 1, 1994 and ending June 30, 1994.

	<u>Annual Consumption</u>	<u>Sewer Rate (Per Ccf)*</u>
Block 1	0-40 Ccf	\$2.18
Block 2	41-400 Ccf	\$2.32
Block 3	401-2,000 Ccf	\$2.49
Block 4	2,001-10,000 Ccf	\$2.68
Block 5	Over 10,000 Ccf	\$2.84

*Ccf or 100 Cubic Feet, is the unit the city uses to measure water consumption.

In City Council December 13, 1993.

Adopted by a yea and nay vote:-

Yeas 8; Nays 0; Absent 1.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury

D. Margaret Drury
City Clerk

DEC. 29 1993

A TRUE COPY ATTEST:

D. Margaret Drury

CITY CLERK

[CITY OR TOWN LETTERHEAD]

Dec. 29, 1993

Division of Local Services
Mass. Department of Revenue
P. O. Box 9655
Boston, Massachusetts 02114

ATTN: Mr. James R. Johnson
Assistant Director of Accounts

RE: Sewer Rate Relief Fund

I/~~we~~ understand that the City/Town of Cambridge has been determined to be entitled to receive \$1,012,286 from the Commonwealth Sewer Rate Relief Fund established pursuant to section 20 of Chapter 110 of the Acts of 1993. I/~~we~~ understand that the legislation specified that the funds were appropriated to mitigate sewer rate increases.

I/~~we~~ further understand that section 109 of Chapter 151 of the Acts of 1993 added the following sentence: The board, officer or commission responsible for setting sewer rate charges in every city, town district or water and sewer commission that receives aid itself or is a member of a regional entity that receives aid pursuant to this section shall certify to the division of local services in the department of revenue that it has reduced sewer charges to reflect its share of any aid distributed hereunder.

I/~~we~~ do hereby certify that the above sum ~~has been~~/will be reflected as rate relief by

[use of a lower MWRA assessment in setting FY94 rates]

OR

[issuance of a billing credit in the billing period]

OR

[other; explain in detail]

Very truly yours,

by Council order (s. A. Y. P. ✓)

[Official or Board Responsible
For Setting Sewer Rates]

Jef
Dcc



MASSACHUSETTS DEPARTMENT OF REVENUE
DIVISION OF LOCAL SERVICES

P.O. Box 9655
Boston 02114-9655

MITCHELL ADAMS
Commissioner

(617) 727-2300
FAX (617) 727-6432

LESLIE A. KIRWAN
Deputy Commissioner

December 23, 1993

Richard Healy, City Manager
City of Cambridge
City Hall
Cambridge, MA 02139

Tom - see me Jan

Dear Mr. Healy:

I am pleased to advise you that the MWRA has been awarded \$19,009,850 from the Commonwealth Sewer Rate Relief Fund for FY94, pursuant to Chapter 110, Section 20 of the Acts of 1993. The Fund was established by the Governor and Legislature to mitigate sewer rate increases due to debt service obligations for sewer construction projects. Responsibility for Administration of the program was assigned to the Division of Local Services in the Department of Revenue, in consultation with the Department of Environmental Protection. Cambridge's share of this amount is \$1,012,286. The MWRA reflected this anticipated award in a reduction of your MWRA assessment on August 3.

As provided in the law, the amount is computed at 20% of the eligible debt service for the current fiscal year. The law requires a certification from the municipal official or board responsible for setting sewer charges that the funds are used to reduce sewer charges. A certification form is enclosed, which is to be completed and returned to the Department of Revenue. The actual funds will be paid upon receipt of this certification.

After computation of awards according to the criteria set forth in the statute, there is a balance remaining in the Fund. The Administration is currently developing proposals, for filing with the Legislature, which would have the effect of providing relief for additional communities or projects. It is possible that through these efforts you may be eligible for additional funding later in the year. We will keep you advised of any amendments to the statute.

We thank you for your interest and cooperation in this program which will help mitigate sewer rate increases for many citizens of the Commonwealth.

Sincerely,

Mitchell Adams
Commissioner of Revenue

cc: James P. Maloney, Treasurer

Chris Harrington



OFFICE OF THE CITY CLERK

CITY OF CAMBRIDGE

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4260

FAX (617) 349-4307

D. MARGARET DRURY
CITY CLERK

JOHN E. FLYNN
DEPUTY CITY CLERK

December 29, 1993

Division of Local Services
Mass. Department of Revenue
P. O. Box 9655
Boston, Massachusetts 02114

ATTN: Mr. James R. Johnson
Assistant Director of Accounts

**RE: SEWER RATE RELIEF
FUND**

I understand that the City of Cambridge has been determined to be entitled to receive \$1,012,286 from the Commonwealth Sewer Rate Relief Fund established pursuant to Section 20 of Chapter 110 of the Acts of 1993. I understand that the legislation specified that the funds were appropriated to mitigate sewer rate increases.

I further understand that Section 109 of Chapter 151 of the Acts of 1993 added the following sentence: The board, officer or commission responsible for setting sewer rate charges in every city, town district or water and sewer commission that receives aid itself or is a member of a regional entity that receives aid pursuant to this section shall certify to the division of local services in the department of revenue that it has reduced sewer charges to reflect its share of any aid distributed hereunder.

I do hereby certify that the above sum will be reflected as rate relief by City Council Order attached hereto.

Very truly yours,

A handwritten signature in dark ink, appearing to read "John E. Flynn".

John E. Flynn
Deputy City Clerk

JEF/dl
Enc. (1)



City of Cambridge

Calendar Item # 7
Agenda Item #9

IN CITY COUNCIL

November 22, 1993
December 13, 1993

ORDERED: That the following Block rates for sewer use in the City of Cambridge be in effect for the period beginning January 1, 1994 and ending March 31, 1994 to be billed beginning April 1, 1994 and ending June 30, 1994.

	<u>Annual Consumption</u>	<u>Sewer Rate (Per Ccf)*</u>
Block 1	0-40 Ccf	\$2.18
Block 2	41-400 Ccf	\$2.32
Block 3	401-2,000 Ccf	\$2.49
Block 4	2,001-10,000 Ccf	\$2.68
Block 5	Over 10,000 Ccf	\$2.84

*Ccf or 100 Cubic Feet, is the unit the city uses to measure water consumption.

In City Council December 13, 1993.
Adopted by a yea and nay vote:-
Yeas 8; Nays 0; Absent 1.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury
D. Margaret Drury
City Clerk

DEC. 29 1993

A TRUE COPY ATTEST:

D. Margaret Drury

CITY CLERK



City of Cambridge

Calendar Item # 7

Agenda Item #9

IN CITY COUNCIL

November 22, 1993

December 13, 1993

ORDERED: That the following Block rates for sewer use in the City of Cambridge be in effect for the period beginning January 1, 1994 and ending March 31, 1994 to be billed beginning April 1, 1994 and ending June 30, 1994.

	<u>Annual Consumption</u>	<u>Sewer Rate (Per Ccf)*</u>
Block 1	0-40 Ccf	\$2.18
Block 2	41-400 Ccf	\$2.32
Block 3	401-2,000 Ccf	\$2.49
Block 4	2,001-10,000 Ccf	\$2.68
Block 5	Over 10,000 Ccf	\$2.84

*Ccf or 100 Cubic Feet, is the unit the city uses to measure water consumption.

In City Council December 13, 1993.

Adopted by a yeas and nays vote:-

Yeas 8; Nays 0; Absent 1.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury

D. Margaret Drury
City Clerk

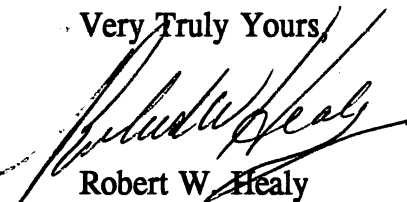
It should be noted that this assistance may be only temporary. The Massachusetts Legislature has not indicated whether this assistance program will continue in Fiscal Year 1995. Because of this, sewer rates for Fiscal Year 1995 may very well increase to the levels prior to this adjustment, or higher. Absent any future assistance, we anticipate sewer rates to continue to grow.

FISCAL IMPACT

This recommendation is revenue neutral. The City is merely passing on the savings it is receiving to its sewer service customers. The approval of these rates would be for sewer service between 1/1/94 and 3/31/94. The effect this will have on the average annual residential water and sewer bills is as follows:

Residence	Before Approval	After Approval	Change
Single Family	\$ 427	\$ 402	(\$ 25)
Two Family	\$ 600	\$ 564	(\$ 36)
Three Family	\$ 873	\$ 821	(\$ 52)
Four-Eight Family	\$ 1,200	\$ 1,156	(\$ 73)

Very Truly Yours,



Robert W. Healy
City Manager

Consent Agenda #9

F-232

Comm. from R.W Healy relative to
to approval of block rates for sewer
use for the period beginning 1/1/94
ending 3/31/94 to be billed beginnig
4/1/94 ending 6/30/94.

for original water
Consumption & sewer use
Order see 1993 Finance
50.

12/29/93 sent to Dept of
Revenue *de*

Charter right exercised
by Counsellor Walsh.
12/13/93 Order adopted
8-0-1.

In City Council November 22, 1993