



## AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of August 30, 2022  
Second Reading Ordinance for the City Council Meeting of September 6, 2022

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**DATE:** August 1, 2022  
**TO:** Peter Zaroni, City Manager  
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### Interim Average Usage for New Residential Wastewater Customers

#### **CAPTION:**

Ordinance amending Section 55-100 of the Corpus Christi Code of Ordinances to revise the definition and calculation method for the Interim Residential Average Usage for residential wastewater charges.

#### **SUMMARY:**

This amendment will provide for an annual calculation of an 'interim residential average usage'. This calculation is used to determine wastewater charges for residential customers establishing new service that do not have billing history to calculate a current winter quarter average.

#### **BACKGROUND AND FINDINGS:**

Wastewater charges for the residential customers are based on a Winter Quarter Average which is calculated based on the average usage over three (3) consecutive billing cycles after December 1 each year. The winter quarter average is then used to calculate monthly wastewater charges, which remains the same for 12 consecutive months or until a new winter quarter average is calculated.

When new residential accounts are established for customers who have not established a winter quarter average, the 'interim average' of 3,000 gallons per month is used for wastewater charges as per ordinance. Based on 2021-2022 winter quarter average data, the residential average is 4,653 gallons. By using an interim average that is lower than the actual interim average, revenue is reduced for new account holders for up to 12 months or until a winter quarter average is calculated. There are approximately 1,000 new accounts set up on a monthly basis.

This amendment will define and provide for an annual calculation of an 'interim residential average usage' to apply to residential customers establishing new wastewater service that

do not have billing history to calculate a current winter quarter average.  
This City Council action does not impact the wastewater rate for residential or commercial customers.

**PROCUREMENT DETAIL:** N/A

**ALTERNATIVES:** Do not change the definition of the 'Interim average usage' of 3,000 gallons.

**FISCAL IMPACT:** Using a lower than actual 'interim average usage' potentially lowers residential wastewater revenue with each new account.

**FUNDING DETAIL:** N/A

**RECOMMENDATION:** Staff recommends approval of the ordinance.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance