

RESOLUTION NO. 2019-35

A Resolution establishing revised sanitary sewer user fees; establishing a franchise fee for wastewater services; and repealing Resolutions 2018-12 and 2019-08.

RECITALS:

The current sanitary sewer user fees were set by Council Resolution 2018-12 (sewer user fee rates were increased 2.8 percent on July 1, 2018).

At their January 22, 2019 meeting, the City Council approved Resolution 2019-08 increasing sewer user fee rates by 2.8 percent, effective July 1, 2019. That rate increase was consistent with the updated wastewater financial plan approved by the City Council in 2017.

At their May 14, 2019 meeting, the City Council directed staff to develop and implement wastewater franchise fee, effective July 1, 2019, equal to 5.0 percent of the annual revenue generated by sanitary sewer user fees. Therefore, this resolution increases the sewer user fees approved by Resolution 2019-08 by an additional 5.0 percent, and the resulting total rate increase effective July 1, 2019 will be 7.8 percent.

Resolution 2018-12 and Resolution 2019-08 are repealed by this resolution. Future rates will be adjusted by City Council action, and the City will continue to complete biennial reviews of the actual revenues and expenses to verify that needs are being met.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, Oregon as follows:

SANITARY SEWER FEE SCHEDULE

Sewer User Fees.

A. Customer Service Charge. Water meters serving individual single-family living units, multiple single-family living units, and individual commercial or industrial customers shall be charged the Customer Service Charge for each unit that has access to water. Multi-family, duplex, and manufactured home parks comprised of individual single-family units or mixed use structures (such as residential and commercial) shall be charged on the basis of the total number of single-family living units and/or individual commercial units that receive water service from one meter as permitted by the City. The Customer Service Charge shall be:

1. Residential - \$22.38 per living unit
2. Commercial/Industrial - \$22.38 per account

B. Volume Charge. Residential customers are charged a volume charge based on actual water consumption in the winter months of December, January, February and March billing periods. The remaining eight months, the volume charge is based on the lesser of actual consumption or the average of the winter months' water use.

Commercial and Industrial customers are generally billed a volume charge on actual water use throughout the year. Some commercial customers that do not use water in their commercial enterprise, and that do not have an isolated water service for irrigation uses, can be billed the volume charge based on the lesser of actual consumption or the average of the winter month's water use.

New residential customers without a winter average billing history will be assigned a 500 cubic feet winter average volume. New commercial and industrial customers who are eligible and do not have a winter average billing history will be assigned a winter average volume consistent with the service location's historical winter average volume.

Residential service locations that are vacant during the winter months or have zero water consumption shall be assigned a 500 cubic feet winter average volume.

When a service location experiences a water leak that does not flow into the sanitary sewer system, customers may be eligible for an adjustment based upon the customer's water consumption patterns prior to, and/or after, the leak is repaired.

1. Residential - \$6.07 per hundred cubic feet of water
2. Non-monitored Commercial/Industrial - \$7.51 per hundred cubic feet of water
3. Monitored Commercial/Industrial classifications:
 - Low strength – \$6.24 per hundred cubic feet of water
 - Medium strength – \$7.52 per hundred cubic feet of water
 - High strength – \$9.70 per hundred cubic feet of water
 - Very high strength – \$11.42 per hundred cubic feet of water
 - Super high strength - \$14.43 per hundred cubic feet of water

C. Flat-rate Customers. Residential Customers that are connected to the sanitary sewer system, but are not on a metered water system, shall pay for sanitary sewer service on a fixed monthly rate per living unit or account at the following rate:

1. Residential - \$64.86 per living unit

E. Residential Septic Waste. Residential waste from septic tanks is hauled by commercial service providers and is discharged at the Water Reclamation Facility.

Residential Septic Waste - \$0.14 per gallon.

F. Franchise Fee. A franchise fee in the amount of five-percent (5%) is assessed on all wastewater revenues generated from the user fees set forth in this resolution, which shall be transferred to the General Fund for appropriation by the City Council.

EFFECTIVE DATE

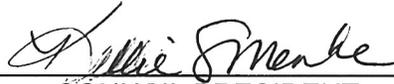
The effective date of this Resolution shall be July 1, 2019, at which time Resolution 2018-12 and 2019-08 shall be repealed.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 28th day of May, 2019 by the following votes:

Ayes: Drabkin, Menke, Stassens, Peralta

Nays: Geary, Garvin

Approved this 28th day of May, 2019.



COUNCIL PRESIDENT

Approved as to form:



CITY ATTORNEY