

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
May 07, 2013	

TO: Mayor Shoji and City Council

FROM: Jim Hossley, Public Works and Development Director

Through: Rodger Craddock, City Manager *RC*



ISSUE: Resolution 13-04 Sewer Fee Adjustment

BACKGROUND:

The City of Coos Bay Budget Committee concluded the FY 2013-2014 budget hearings in April which included a 6.5% increase in sewer user rates. In order to implement the sewer user rate adjustment commencing with the June 2013 billing cycle, Resolution 13-04 will need to be approved.

The sewer fee portion on the Coos Bay – North Bend Water Board billing will increase, based upon the rate study average use of 560 cubic feet per household, approximately \$3.17 per month. The revenue will provide funding for sewer line replacements, pump station rehabilitations, storm drain repairs, and the capital improvements at both wastewater treatment plants.

ADVANTAGES:

Approving the resolution at this time will provide the Coos Bay – North Bend Water Board time to change their computer programming and provide a full 12 months of billings at the adjusted rate.

DISADVANTAGES:

None

BUDGET:

The adjustment will provide approximately \$250,805 in additional revenue based upon the projected FYE 13 sewer fee revenue.

RECOMMENDATION:

It is the pleasure of the Council, adopt Resolution 13-04.

ATTACHMENTS:

Resolution 13-04
Rate Comparisons

CITY OF COOS BAY

Resolution 13-04

A RESOLUTION OF THE CITY OF COOS BAY, COOS COUNTY, OREGON SETTING SEWER USER RATES, CHARGES AND FEES AND OTHER MATTERS RELATING PROPERLY THERETO

WHEREAS, the City of Coos Bay, pursuant to Ordinance No. 132, has the right and authority to set sewer user rates and charges with respect to administering the Wastewater fund; and

NOW, THEREFORE, BE IT RESOLVED, that the monthly sewage fee to be charged to every sewer user in the City of Coos Bay shall be as follows:

1. For all sewer users who are not customers of the Coos Bay-North Bend Water Board, the amount of Sixty Four Dollars and Thirty One Cents (\$64.31) per month.
2. For individually metered one-family residential sewer users who are customers of the Coos Bay - North Bend Water Board, the base rate of Sixteen Dollars and Sixty Three Cents (\$16.63) and Five Dollars and Ninety Six Cents (\$5.96) per month for each 100 cubic feet of water consumption or fraction thereof, except that during the May through the October billing cycle a flat rate shall be charged or the rate based on actual water consumption, whichever is less.

The flat rate shall be calculated from the average water consumption for the prior six month billing cycle of November through April, except for accounts opened during the April billing cycle.

Accounts that open during the April billing cycle or do not have any prior history, a flat rate of Sixty Four Dollars and Thirty One Cents (\$64.31) per month or the rate based on actual water consumption shall be charged, whichever is less.

3. For multi-family residential sewer users who are customers of the Coos Bay-North Bend Water Board, the base rate of Sixteen Dollars and Sixty Three Cents (\$16.63) and Five Dollars and Ninety Six Cents (\$5.96) per month for each 100 cubic feet of water consumption or fraction thereof.
4. For governmental (schools, city, county, state, and federal) sewer users who are customers of the Coos Bay-North Bend Water Board, the base rate of Sixteen Dollars and Sixty Three Cents (\$16.63) and Five Dollars and Ninety Six Cents (\$5.96) per month for each 100 cubic feet of water consumption or fraction thereof.
5. High strength users, including restaurants; markets with garbage disposal units; bakeries with on-site cleaning facilities; commercial laundries; and other users, as approved by the City of Coos Bay with similar 5-day BOD or suspended solids concentrations; and/or who are customers of the Coos Bay-North Bend Water Board, as applicable, and discharge waters or waste, the base rate of Sixteen

Dollars and Sixty Three Cents (\$16.63) and Seven Dollars and Thirty Nine Cents (\$7.39) per month for each 100 cubic feet of water consumption or fraction thereof.

6. Commercial sewer users who are customers of the Coos Bay-North Bend Water Board, the base rate of Sixteen Dollars and Sixty Three Cents (\$16.63) and Five Dollars and Ninety Six Cents (\$5.96) per month for each 100 cubic feet of water consumption or fraction thereof.
7. Customers of the Coos Bay-North Bend Water Board whose consumption is combined high-strength and commercial sewer use shall be required to meter such uses separately for the purpose of determining rates to be charged to those customers.

BE IT FURTHER RESOLVED, that each user who is required to provide metering of their wastewater discharged to Coos Bay's sewer system for treatment if their wastewater flows are different from water metered to them by the Coos Bay-North Bend Water Board or they do not have metered water upon which wastewater flows can be determined. Metered flows of either water or wastewater shall be read by the Coos Bay-North Bend Water Board or the City of Coos Bay. Metering equipment, if installed by the user, shall be available at all times to the City of Coos Bay for inspection, and/or recording of flows.

BE IT FURTHER RESOLVED, that there is established a non-refundable waste discharge permit application fee in the amount of One Thousand Five Hundred Twenty-three Dollars and no cents (\$1,523.00). The application fee shall be credited against the annual discharge permit fee. The waste discharge permit shall be issued for one year periods, and the fee for the first year shall be One Thousand Three Hundred Seventy-one Dollars and no cents (\$1,371.00). Annual renewal of the permit is required, and the permit renewal fee shall be One Thousand Two Hundred Eight Dollars and no cents (\$1,371.00).

BE IT FURTHER RESOLVED, that for those properties being developed that cannot be served by a City sewer at the time of development but have been granted permission to install a septic tank, owner shall be obligated to enter an agreement with the City assuring that said property shall not attempt to remonstrate a sewer improvement when the construction of a sewer within said district becomes necessary.

The foregoing resolution was duly adopted by the City Council of the City of Coos Bay, Coos County, Oregon this 7th day of May 2013 and became effective with the Coos Bay-North Bend Water Board June 2013 billing cycle for each user.

Crystal Shoji, Mayor

ATTEST:

Susanne Baker, City Recorder

Sewer Rate Resolutions with Rate Increases Monthly

Rate Study Change in Average Sewer Rate Base	Resolution Year and Number	Average Family Sewer Fee Based on Rate Study	Percentage of Rate Increase	Increase in Dollars
560 cf	2013-04	\$52.39	6.50%	\$3.17 ^{Proposed}
560 cf	2012-11	\$49.22	6.5%	\$2.99
560 cf	2011-08	\$46.23	6.5%	\$2.82
560 cf	2010-05	\$43.41	6.5%	\$2.64
560 cf	2009-32	\$40.77	6.5%	\$2.47
560 cf	2008-19	\$38.30	5%	\$1.84
560 cf	2007-11	\$36.46	25%	\$7.29
560 cf*	2006-12	\$29.17	17%	(\$1.45)
770 cf	2005-05	\$30.62	10%	\$2.80
770 cf	2003-27	\$27.82	12%	\$2.98
770 cf	2003-01	\$24.84	25%	\$4.97
770 cf	2001-15	\$19.87	8%	\$1.54
770 cf	2000-37	\$18.33	5%	\$0.87
770 cf	1994-17	\$17.46	6%	\$0.98
770 cf	1992-04	\$16.48	0	0

-4.7%

*Change in the average sewer rate per family was based upon the 2006 West Yost Rate Study stating that the average single family dwelling had decreased consumption from 770 cf to 560 cf.

Comparison of Sewer Rates - Single Family Residential
Based upon 560 cubic feet (4190 gallons) water consumption
Updated April 2013

	Rate
North Bend	\$ 25.25
Bandon	\$ 34.00
LaGrande	\$ 36.24
Myrtle Point	\$ 35.80
Charleston Sanitary	\$ 43.00
Newport	\$ 44.95
Lakeside	\$ 45.00
Klamath Falls	\$ 46.38
Florence	\$ 48.27
COOS BAY	\$ 49.22
Gold Beach	\$ 49.60
Lincoln City	\$ 53.11
Coquille	\$ 57.00
Port Orford	\$ 71.02
Winchester Bay Sanitary District	\$ 77.00
Reedsport	\$ 80.25

	Coquille 396-2115, 205			
560 cf	1st 1000 gallons	\$ 38.40	Next Increase: 7/15/11	
	1000 + gallons	\$ 4.65	7.4805 gallons = 1 cf	
	(4 x 4.65) + 38.40 =	\$ 57.00	7.4805 x 560 = 4190	
	Myrtle Point 572-2626 Randy			Table of rates
560 cf	Base Rate	\$ 19.00	p/100	0-299 cf \$ 2.65
	(6 x 2.80) + 16.00	\$ 35.80	Next Increase: 7/1/2012 or sooner	300-599 \$ 2.80 600-999 \$ 2.95 1000-2999 \$ 3.10 3000-5999 \$ 3.15 6000-9999 \$ 3.25 10,000 + \$ 3.40
			Methodolody changed to tiers was a base up to 3,999 cf	
	Bandon 347-2437			
560 cf	1st 2,000 gallons	\$ 22.72	Next Increase: ?	Summer sewer rates June 1 to Nov 1 is
	p/1000 gallons	\$ 3.76	7.4805 gallons = 1 cf	
	(3 x 3.76) + 22.72	\$ 34.00	7.4805 x 560 = 4190	
	North Bend 756-8586 Bob			
560 cf	Flat Rate	\$ 25.25	Next Increase: Proposing a \$5 increase	
	Storm water	\$ 4.50	Storm Fees balance \$200,000 - \$250,000	
		\$ 25.25		
	CSD John 888-3911			
560 cf	Flat rate	\$ 43.00	Next Increase: ?	
	LaGrande 962-1315 Kim			
560 cf	Flat rate	\$ 36.24	Next Increase: ?	
	Klamath Falls 883-5301			
560 cf	SFD p/100 cf			
	6 x 7.73	\$ 46.38	Next Increase: 1-1-12	
	Reedsport DeAnna 271-3603			
current	Flat rate	\$ 80.25	Next Increase: 1/1/13 \$92.25	
	metered with minimum of 625 cf	\$ 65.60		
	Coos Bay		New 6.5% Rate	
560 cf	Base Rate	\$ 15.62	\$ 16.64	
	per 100 cf	\$ 5.60	\$ 5.96	
	(6 x 5.60) + 15.62	\$ 49.22	\$ 50.24	
	Winchester Bay SD 271-4214			
current	Flat Rate	\$ 77.00	Next Increase: ? 266 ratepayers 7 lift station rehab done \$1.3 m New plant starting \$6.3 m 30 year pay back	
	Port Orford 332-3681			
560 cf	Base Rate	\$ 38.82	Next Increase: ?	
	6.44 per 1000 gallons	\$ 6.44	7.4805 gallons = 1 cf	
	(5 x 6.44) + 38.82	\$ 71.02	7.4805 x 560 = 4190	
	Lakeside 759-3011			
current	Flat Rate	\$ 45.00	Next Increase: ?	
	Ashland 488-6002			
560 cf	Base Rate	\$ 17.64		
	Consumption over 400 cf \$2.64	\$ 22.92	Next Increase: ?	
	Ashland 488-6002			
	Flat Rate	\$ 45.00	Next Increase: ?	
	BHSD Eileen 751-1814			
560 cf	Flat rate	\$ 23.50	Next Increase: ?	
	Powers 439-3331 Susan			
560 cf	Base Rate	\$ 38.47	Next Increase: ?	
	Consumption 1.64 p/1000 g over 4,000 g	\$ 40.11	7.4805 x 560 = 4190	
	Brookings 469-2163			
	Flat Rate	\$ 48.27	Next Increase: ?	
	Gold Beach 247-7029			
	Flat Rate	\$ 49.60	Next Increase: ?	
	Florence 997-3436			
	Flat Rate	\$ 48.27	Next Increase: 7/1	

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Lincoln City 557-1139		
560 cf	Base Rate	\$ 40.35
	Consumption 6.38 p/100 cf over 400 cf	\$ 53.11
		Next Increase: ? 7.4805 x 560 = 4190
Newport 574-0611		
560 cf	Base Rate	\$ 18.45
	Consumption 5.30 p/1000 g	\$ 44.95
		Next Increase: ? 7.4805 x 560 = 4190
Waldport 563-3561		
560 cf	Base Rate	\$ 24.43
	Consumption 2.48 p/100 cf	\$ 39.31
		Next Increase: ? 7.4805 x 560 = 4190
Tillamook 503-842-4861		
	Flat Rate	\$ 66.00
		Next Increase: ?
West Linn 503-657-0331		
	Flat Rate	\$ 25.73
		Next Increase: ?
Woodburn 503-982-5222		
560 cf	Base Rate 500 CF	\$ 31.03
	6.01 per 100	\$ 37.04
		Next Increase: Annual increase of 9.5%
Newburg (503)538-9421		
	Base Rate \$14.37 Consumption \$6.26 per 100/cf	\$ 51.93
		Jul-11
Forest Grove 503-992-3200		
	Base Rate	\$ 24.45
	0.1898 per gallon (560 cf = 4190 gallons)/100	\$ 7.95
		\$ 32.40
		Next Increase: ?
Roseburg 541.492.6700 Roseburg Urban Sanitary Authority 541-672-1551		
	Flat Rate	\$ 25.00
		Next Increase: ?
Milwaukie (503)786-7555		
	Base Rate	\$ 20.07
	Per Unit \$2.84 (750 gallons = 100cf)	\$ 17.04
		\$ 37.11
		Next Increase: ?
Pendleton (541) 966-0201		
	Flat Rate	\$ 27.85
		CIP in April
Central Point 541-664-3321 Rogue Valley Sewer Services 541-664-6300		
	Flat Rate	\$ 15.90
		Next Increase: ?
Sherwood (503)925-2315		
	Base Rate	\$ 22.46
	1.53 per 100 gallons (560 cf = 4,190 gallons)	\$ 64.11
		\$ 86.57
		Next Increase: ?
Hermiston (541) 567-5521		
	Flat Rate	\$ 20.14
		Next Increase: ?
Lebanon 541.258.4913		
	Flat Rate \$17.36	\$ 47.18
	Per 100 cf = \$4.97	
		Next Increase: ?
Troutdale 503-665-5175		
	Flat Rate	\$ 29.38
		Next Increase: ?
The Dalles (541) 296-5481		
	Flat Rate	\$ 41.85
		Next Increase: ?
St. Helens (503) 397-6272		
	Base Rate - Bi-monthly this is monthly fee	\$ 12.04
	Consumption 4.61 per 100 cf	13.83
		\$ 25.87
		Next Increase: ?
Gladstone 503-656-5225		
	Tri-City	\$ 20.22
	Oak Lodge	\$ 38.60
		Next Increase: ?