

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE May 19, 2015	AGENDA ITEM NUMBER
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TO: Mayor Shoji and City Councilors
FROM: Susanne Baker, Finance Director
Through: Rodger Craddock, City Manager *lee*
ISSUE: Amend Resolution 15-06 Setting Sewer User Fees

BACKGROUND:

On May 5, 2015, the City Council adopted Resolution 15-06 adopting new sewer fees pursuant to direction from the FYE 16 budget hearings to finance wastewater improvement projects. After the adoption of the resolution, a clerical error was found in the multifamily section of the resolution. The base fee is to be calculated according to how many units are in a facility and the words "per unit" in Section 3 was missing. Resolution 15-06 Amended retroactively corrects the error in the resolutions from 2011 through 2015.

Additionally, at the May 5th Council meeting, staff was requested to provide information regarding the sewer fee methodology used to calculate rates. Rate study consultant Steve Donovan, Donovan Enterprises, has been contacted and is preparing a white paper to answer the questions posed. This information is anticipated to be provided at the June 2nd Council meeting.

ADVANTAGES:

The amended resolution corrects a clerical error.

DISADVANTAGES:

None.

BUDGET:

Adoption of Amended Resolution 15-06 will provide the revenue as presented in the budget during the budget process.

RELATED CITY GOAL:

Finance: Ongoing Activities Aimed at Achieving Goal Priorities - Exercise fiscal responsibility and keep the City Council actively involved in monitoring the financial health of the City.

RECOMMENDATION:

Staff proposes the Council adopt Amended Resolution 15-06 Setting Sewer User Fees.

CITY OF COOS BAY

Resolution 15-06 Amended

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 Seventy-Two Dollars and Ninety-Six Cents (\$72.96) 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 Eighteen Dollars and Eighty-Six Cents (\$18.86) and Six Dollars and Seventy-Six Cents (\$6.76) 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 Seventy-Two Dollars and Ninety-Six Cents (\$72.96) 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 Eighteen Dollars and Eighty-Six Cents (\$18.86) *per unit* and Six Dollars and Seventy-Six Cents (\$6.76) 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 Eighteen Dollars and Eighty-Six Cents (\$18.86) and Six Dollars and Seventy-Six Cents (\$6.76) 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 Eighteen Dollars and Eighty-Six Cents (\$18.86) and Eight Dollars and Thirty-Eight Cents (\$8.38) 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 Eighteen Dollars and Eighty-Six Cents (\$18.86) and Six Dollars and Seventy-Six Cents (\$6.76) 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 Seven Hundred Twenty-Seven Dollars and no cents (\$1,727.00). 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 Five Hundred Fifty-Five Dollars and no cents (\$1,555.00). Annual renewal of the permit is required, and the permit renewal fee shall be One Thousand Five Hundred Fifty-Five Dollars and no cents (\$1,555.00).

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.

BE IT FURTHER RESOLVED, that the multi-family residential sewer fee user classification is retroactively adjusted for the resolutions from 2011 through 2015 to include the text "per unit" in the base fee calculation.

The foregoing resolution was duly adopted by the City Council of the City of Coos Bay, Coos County, Oregon this 19th day of May 2015 and will be effective with the Coos Bay-North Bend Water Board June 2015 billing cycle for each customer and July 1, 2015 for sewer users who are not customers of the Coos Bay-North Bend Water Board.

Crystal Shoji, Mayor

ATTEST:

Susanne Baker, City Recorder