



RESOLUTION NO. 2016-3286

A RESOLUTION AMENDING RESOLUTION 2016-3257 ADOPTING NEW MONTHLY WATER RATES FOR THE CITY OF NEWBERG EFFECTIVE JANUARY 1, 2017 AND JANUARY 1, 2018

RECITALS:

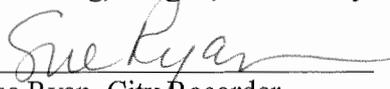
1. Newberg Municipal Code Chapter 13.15 governs the city of Newberg water system and the adoption of city water rates, fees and charges.
2. The Citizens' Rate Review Committee (CRRC) met January 7, 2016, and January 21, 2016, to review water system rates and system attributes, including the Capital Improvement Program and the system operating and maintenance costs.
3. The review also included the modification of the water rate structure by increasing the fixed cost charge portion for the service charges. That fixed portion allocation will change from the current 22% to an estimated 27% under the proposed rates.
4. The CRRC held a Town Hall meeting and Public Hearing on the proposed monthly charges on February 4, 2016, and approved their final rate change recommendations to City Council on February 18, 2016.
5. The CRRC recommends changes to the monthly water charges based on their analysis of current and future anticipated water fund needs.
6. The City Council approved Resolution 2016-3257 on March 7, 2016. It was subsequently determined that the resolution did not designate which portion of the rate/fee increase to be subject to the referral process as set out in the Newberg Municipal Code 2.15.200.M. This amended resolution provides this information as part of Exhibit A.
7. The rates previously approved in Resolution 2016-3257 are not changed by this amendment.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. Resolution No. 2016-3257 is amended as follows:
2. Effective on the respective dates as outlined in Exhibit A, the monthly water service rates shall consist of charges as shown on the attached Exhibit A, which is hereby attached and by this reference incorporated.
3. Rates for any other water use, not explicitly provided for in this resolution, shall be established by the finance director to conform as close as practical to the charges established herein. Such charges shall be reviewed by the City Council.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 3, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 2nd day of May, 2016.


Sue Ryan, City Recorder

ATTEST by the Mayor this 6th day of May, 2016.

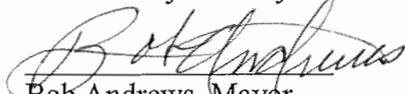

Bob Andrews, Mayor

EXHIBIT A

Council Adopted Rates							Rates at or below 4.2% increase per year (not subject to referral process)			Portion of increase greater than cap (referrable)		
Monthly Water Rates							Monthly Water Rates			Monthly Water Rates		
Customer Class	Current Through Dec 31, 2016	Effective Jan 1, 2017	Effective Jan 1, 2018	2017 % Incr	2018 % Incr	Avg Annual Increase	Current Through Dec 31, 2016	Effective Jan 1, 2017	Effective Jan 1, 2018*	Current Through Dec 31, 2016	Effective Jan 1, 2017	Effective Jan 1, 2018
Service Charge (\$/Month)	\$1.93	\$2.18	\$2.18	13.03%	0.00%	6.51%	\$1.93	\$2.01	\$2.27	\$1.93	\$0.17	\$0.00
Meter Charge (\$/Month)												
3/4"	\$11.78	\$12.48	\$12.95	5.94%	3.77%	4.97%	\$11.78	\$12.27	\$13.00	\$11.78	\$0.21	\$0.00
1"	\$20.03	\$21.22	\$22.02	5.94%	3.77%	4.97%	\$20.03	\$20.87	\$22.11	\$20.03	\$0.35	\$0.00
1-1/2"	\$38.87	\$41.18	\$42.74	5.94%	3.79%	4.98%	\$38.87	\$40.50	\$42.91	\$38.87	\$0.68	\$0.00
2"	\$62.43	\$66.14	\$68.64	5.94%	3.78%	4.97%	\$62.43	\$65.05	\$68.92	\$62.43	\$1.09	\$0.00
3"	\$117.80	\$124.80	\$129.50	5.94%	3.77%	4.97%	\$117.80	\$122.75	\$130.04	\$117.80	\$2.05	\$0.00
4"	\$196.73	\$208.42	\$216.27	5.94%	3.77%	4.97%	\$196.73	\$204.99	\$217.17	\$196.73	\$3.43	\$0.00
6"	\$392.27	\$415.58	\$431.24	5.94%	3.77%	4.97%	\$392.27	\$408.75	\$433.03	\$392.27	\$6.83	\$0.00
8"	\$627.87	\$665.18	\$690.24	5.94%	3.77%	4.97%	\$627.87	\$654.24	\$693.12	\$627.87	\$10.94	\$0.00
10"	\$981.27	\$1,039.58	\$1,078.74	5.94%	3.77%	4.97%	\$981.27	\$1,022.48	\$1,083.24	\$981.27	\$17.10	\$0.00
Nonpotable Meter Charge (\$/Month)												
4"	\$55.24	\$56.34	\$57.47	2.00%	2.00%	2.02%	\$55.24	\$56.34	\$58.71	\$55.24	\$0.00	\$0.00
8"	\$173.82	\$177.30	\$180.84	2.00%	2.00%	2.02%	\$173.82	\$177.30	\$184.74	\$173.82	\$0.00	\$0.00
Volume Charge (\$/ccf)												
Residential	\$3.85	\$3.86	\$4.00	0.28%	3.69%	1.99%	\$3.85	\$3.86	\$4.02	\$3.85	\$0.00	\$0.00
Multifamily	\$3.15	\$3.16	\$3.27	0.07%	3.47%	1.77%	\$3.15	\$3.16	\$3.29	\$3.15	\$0.00	\$0.00
Commercial	\$3.75	\$3.81	\$3.94	1.59%	3.47%	2.56%	\$3.75	\$3.81	\$3.97	\$3.75	\$0.00	\$0.00
Industrial	\$3.95	\$4.01	\$4.15	1.60%	3.47%	2.56%	\$3.95	\$4.01	\$4.18	\$3.95	\$0.00	\$0.00
Irrigation	\$6.69	\$6.96	\$7.20	4.02%	3.42%	3.79%	\$6.69	\$6.96	\$7.25	\$6.69	\$0.00	\$0.00
Outside City	\$5.78	\$5.79	\$6.01	0.17%	3.80%	1.99%	\$5.78	\$5.79	\$6.03	\$5.78	\$0.00	\$0.00
Public Agency	\$3.88	\$3.97	\$4.11	2.20%	3.45%	2.87%	\$3.88	\$3.97	\$4.14	\$3.88	\$0.00	\$0.00
Non-Potable	\$3.52	\$2.51	\$2.51	-28.62%	0.00%	-14.31%	\$3.52	\$2.51	\$2.62	\$3.52	\$0.00	\$0.00

* The calculation of the "rates not subject to the referral process effective **January 1, 2018**" as shown above are based on a 4.2% increase above the January 1, 2017 rates in the "Council Approved Rates" columns above. This assumes that rates are not lowered through the referral process. If rates were lowered through the referral process, this could lower the "rates not subject to the referral process" for January 1, 2018, as these "year 2" rates would be based on 4.2% of the lower, *actual* referred rates from year 1. For example, if the rate effective January 1, 2017 (year 1) was \$2.18, of which \$2.01 was not eligible for referral, the assumed rate "not subject to the referral process for January 1, 2018" (year 2) will be calculated as a 4.2% increase on \$2.18, resulting in \$2.27 (as shown above), **unless** the year 1 rates were lowered through the referral process, which would produce a "year 2" rate based on the "year 1" rate of \$2.01, resulting in a \$2.09 amount "not eligible for referral" in year 2.