

**RESOLUTION NO. 2788**

**A RESOLUTION OF THE CITY OF WILSONVILLE ESTABLISHING AND IMPOSING JUST AND EQUITABLE USER FEES FOR THE CITY WATER SYSTEM; AMENDING RESOLUTION NOS. 1624 AND 2447; AND REPEALING RESOLUTION NOS. 1713, 1829, 1957, AND 2204.**

WHEREAS, Wilsonville Code Section 3.100 requires all users of the City of Wilsonville's ("City") water system to conform to applicable ordinances and resolutions related to the use and distribution of water; and

WHEREAS, Wilsonville Code Section 3.108 allows the City Council to set, by resolution, water service rate, connection charges, and other fees, charges, and deposits, as is reasonable and prudent; and

WHEREAS, on March 20, 2000, the City Council approved Resolution No. 1624 that established system development charges and user fees relating to connection to and use of the City's water system; and

WHEREAS, the City Council approved Resolution Nos. 1713, 1829, 1957, and 2204 to periodically update the water user fees originally approved in Resolution No. 1624; and

WHEREAS, the City Council amended provisions of Resolution No. 1624 on December 2, 2013 pursuant to Resolution No. 2447; and

WHEREAS, Resolution No. 2447 also updated the water user fees, with the last rate increase under that Resolution effective in January 2017; and

WHEREAS, in May 2018, the City contracted with Financial Consulting Solutions Group, Inc. ("FCS Group") to review and revise the City's water user rates through a cost of service analysis, among other services; and

WHEREAS, the City currently charges a residential tiered rate structure separated into summer rate and winter rates; and

WHEREAS, other cities in the Portland-metro area generally do not employ water rate structures currently used by the City and the City's new Enterprise Resource Program Munis software does not support the City's current water rate structures; and

WHEREAS, through several work sessions, the City Council prefers one rate structure; and

WHEREAS, in order for water user rates to be consistent with increased costs and expenditures incurred, it is necessary to approve water user rates for the next four (4) years, through fiscal year 2022-23, and

WHEREAS, to cover capital and operations and maintenance costs of the City's water system, a system wide rate increase based on the cost of service analysis equal to an overall three (3) percent each May 1, beginning May 1, 2020, is appropriate and necessary; and

WHEREAS, in reviewing the findings and implementation provisions in Resolution No. 1624, as amended by Resolution No. 2447, further amendments are necessary to reflect current practices for imposing, collecting, and otherwise managing water user rates.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The above findings and the accompanying staff report for this Resolution No. 2788 are incorporated as if fully set forth herein.

2. Resolution Nos. 1713, 1829, 1957, and 2204 are hereby repealed.

3. Resolution No. 1624, as amended by Resolution No. 2447, is hereby further amended as follows:

3.1. PART I. DETERMINATIONS & FINDINGS, third sentence of paragraph B, is deleted and replaced with the following:

“The City Council has reviewed the proposed annual water rate increase of three (3) percent per year for the next three (3) years, beginning May 1, 2021, with the last increase occurring on May 1, 2023, and finds the proposed rate increases to be rational based to cover capital and operations and maintenance costs of the City's water system.”

3.2. PART II, ARTICLE I, USER FEES FOR WATER SERVICE, Section 1 is deleted and replaced with the following:

“Section 1. USER FEES WITHIN CITY.

The rates for domestic water consumption for residential commercial, and industrial users, as adjusted on the effective dates each year, are set forth in Table II below:

**TABLE II  
CITY OF WILSONVILLE  
WATER USER FEES  
EFFECTIVE MAY 1, 2020**

Date Effective		1/1/2017	5/1/2020	5/1/2021	5/1/2022	5/1/2023
<b>MINIMUM CHARGES FOR ALL CUSTOMERS</b>						
Meter Size	Monthly Quantity Allowance (ccf)	MONTHLY MINIMUM CHARGE				
5/8" x 3/4"	2	\$ 20.45	\$ 16.59	\$ 17.09	\$ 17.61	\$ 18.13
1"	2	\$ 22.58	\$ 19.18	\$ 19.76	\$ 20.34	\$ 20.96
1-1/2"	2	\$ 25.40	\$ 23.50	\$ 24.21	\$ 24.93	\$ 25.68
2"	2	\$ 33.18	\$ 28.68	\$ 29.54	\$ 30.43	\$ 31.34
3"	2	\$ 67.14	\$ 42.49	\$ 43.77	\$ 45.08	\$ 46.43
4"	2	\$ 111.70	\$ 58.03	\$ 59.77	\$ 61.56	\$ 63.41
6"	2	\$ 161.21	\$ 101.19	\$ 104.22	\$ 107.35	\$ 110.57
8"	2	\$ 217.80	\$ 152.98	\$ 157.57	\$ 162.30	\$ 167.17
10"	2	\$ 269.09	\$ 213.40	\$ 219.81	\$ 226.40	\$ 233.19
Bulk water		\$ 33.18	\$ 28.68	\$ 29.54	\$ 30.43	\$ 31.34
<b>VOLUME CHARGES</b>						
Customer Class	Volume Rate (\$/HCF)					
S-F Residential Tier 1	\$ 3.44	\$ 4.23	\$ 4.23	\$ 4.23	\$ 4.23	\$ 4.23
S-F Residential Tier 2	\$ 5.76	\$ 6.13	\$ 6.13	\$ 6.13	\$ 6.13	\$ 6.13
Multifamily	\$ 3.70	\$ 3.89	\$ 3.99	\$ 4.08	\$ 4.18	\$ 4.18
Commercial	\$ 3.59	\$ 3.90	\$ 4.07	\$ 4.25	\$ 4.45	\$ 4.45
Industrial	\$ 3.65	\$ 3.89	\$ 4.10	\$ 4.32	\$ 4.55	\$ 4.55
Irrigation	\$ 5.76	\$ 6.13	\$ 6.46	\$ 6.80	\$ 7.17	\$ 7.17
Public	\$ 3.59	\$ 3.86	\$ 4.06	\$ 4.27	\$ 4.49	\$ 4.49
Bulk water (Rate as of 1/1/20)	\$ 4.52	\$ 4.91	\$ 5.12	\$ 5.35	\$ 5.60	\$ 5.60
<b>FIRE SERVICE CHARGES</b>						
All Customers per inch diameter of pipe	\$ 8.21	\$ 8.33	\$ 8.45	\$ 8.58	\$ 8.71	\$ 8.71
Notes:	<b>S-F Residential Tier 1 bills each ccf consumed between 3-8 ccf</b>					
	<b>S-F Residential Tier 2 bills each ccf consumed over 8 ccf</b>					
All rates include 4% Franchise Fees						

3.3. The first sentence of PART II, ARTICLE I, USER FEES FOR WATER SERVICE, Section 2 is deleted and replaced with the following:

“Monthly services outside the City limits shall be billed at double the normal rate indicated in Table II except as modified by other agreements (i.e., French Prairie Rest Area and City of Sherwood).”

3.4. PART II, ARTICLE I, USER FEES FOR WATER SERVICE, Section 6 is deleted and replaced with the following:

“Section 6. FIRE PROTECTION SERVICE CHARGES

Except for single-family dwelling units, fire service risers for fire protection will be charged monthly at the rate as indicated in Table II.

3.5. The second sentence of PART II, ARTICLE I, USER FEES FOR WATER SERVICE, Section 7 is deleted and replaced with the following:

“The City Council may, from time to time, including, but not limited to, its annual review, increase rates for domestic water consumption, giving due consideration to the increase in labor, material, and supply costs and the All Urban Consumers for West-Size Class A Consumer Price Index (CPI-U), or other index that replaces this index, not seasonally adjusted for the twelve (12) month period ending in June. The City Council may take action not to increase fees in any year the City Council deems it appropriate to do so.”

3.6. The third sentence of PART II, ARTICLE I, USER FEES FOR WATER SERVICE, Section 8 is deleted. The fifth sentence of Section 8 is deleted and replaced with the following:

“If a deposit is deemed necessary and cost effective by the Finance Director or designee, the application must be accompanied by a deposit in the amount determined by the Finance Director or designee, which amount will not be less than one (1) month’s water rate and not more than two (2) month’s water rate.”

3.7. PART II, ARTICLE II, BULK WATER RATE, Section 1, is deleted and replaced with the following:

“Section 1. RATES

All applicants for bulk water meters must comply with Wilsonville Code 3.102. All bulk water sold after the effective date of this Resolution will be billed at the rate indicated in Table II. Deposits will not be returned until

the final bill is paid in full and the bulk water meter has been returned and inspected by the City. Bulk water meters may only be used for City-approved purposes such as construction and street sweeping. Bulk water meters cannot be used for pools, ponds, or any other unapproved uses. For billing purposes, the applicant must either provide the portable meter to the City or submit a picture of the read on the bulk water meter and its serial number on a monthly basis. Bulk meters must be returned to the City pursuant to Wilsonville Code 3.102, and City staff will inspect the equipment issued. The applicant will be responsible for any damage or issue with the equipment.”

3.8. The first sentence of PART II, ARTICLE II, BULK WATER RATE, Section 2, is deleted and replaced with the following:

“The deposit(s) required for the use of portable water meters, fire hydrant wrenches, and fire hydrant valves by the applicant are provided in Wilsonville Code 3.102, if applicable, and as established by the Finance Director or designee, as stated in the application.”

3.9. The first sentence of PART II, ARTICLE II, BULK WATER RATE, Section 3, is deleted and replaced with the following:

“If the items described in Section 2 above are returned in good condition, a portion or all of the deposit, as determined by the Finance Director or designee, will be returned to the applicant.”

3.10. The fourth sentence of PART II, ARTICLE II, BULK WATER RATE, Section 4, is deleted and replaced with the following:

“Permit fees are listed in the permit application.”

3.11. The first sentence of PART II, ARTICLE V, APPEALS, PAYMENT COLLECTION, ENFORCEMENT AND DISCONNECTION PROCEDURE, Section 1, is deleted and replaced with the following:

“Except for appeals subject to Wilsonville Code 11.150, any person aggrieved by a ruling under, or interpretation of, the provisions of this resolution may submit, within thirty (30) days of the occurrence, a written appeal to the City Manager.”

3.12. PART II, ARTICLE V, APPEALS, PAYMENT COLLECTION, ENFORCEMENT AND DISCONNECTION PROCEDURE, Section 3, paragraph C is deleted and replaced with the following:

“C. Delinquent water service and service connection accounts shall bear interest from the day of delinquency at a rate of nine percent (9%) per annum, with a minimum of \$5.00 per month.”

3.13. PART II, ARTICLE V, APPEALS, PAYMENT COLLECTION, ENFORCEMENT AND DISCONNECTION PROCEDURE, Section 3, paragraph D is deleted and replaced with the following:

“D. All returned payments by a bank will be subject to a handling fee as set forth in the Finance Administrative Charges Fee Schedule.”

3.14. Reference to the “City’s Master Fee & Charges Schedule” in PART II, ARTICLE V, APPEALS, PAYMENT COLLECTION, ENFORCEMENT AND DISCONNECTION PROCEDURE, Sections 5, 6, 9, and 12 is deleted and replaced with “Finance Administrative Charges Fee Schedule.”

4. This Resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 20<sup>th</sup> day of February 2020, and filed with the Wilsonville City Recorder this date.

  
TIM KNAPP, MAYOR

ATTEST:

  
Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Council President Akervall	Yes
Councilor Lehan	Yes
Councilor West	Yes
Councilor Linville	Yes