

## **RESOLUTION 2023-3**

**NEAHKAHNIE WATER DISTRICT  
9155 Nehalem Road • Nehalem Oregon 97131  
(503) 368-7309**

### **RESOLUTION 2023-3 A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE NEAH KAH NIE WATER DISTRICT ESTABLISHING WATER RATE INCREASES WITH AN EFFECTIVE DATE OF JULY 1, 2023**

WHEREAS, Section 5A of Ordinance 2018-1 provides that the fees and charges for the District water system shall be established by resolution in accordance with ORS 264.310 and ORS 264.312 (as amended). Section 5B states that charges for water use shall include a fixed base rate, a system enhancement fee and metered water usage to be periodically reviewed and updated by the District. The charges shall be based on the cost of operation, maintenance, and amortization of the system. Any proposed increase in the existing rates shall take effect only after a public hearing has been held, and after notice has been given to each user by the District in each water bill or by special mailing 30 days prior to the date of hearing, as provided in ORS 264.312.

WHEREAS, Section 4D of Ordinance 2018-1 provides that connection fees for the District shall be established by resolution of the Board.

WHEREAS, the current water usage rates were last established by the Neahkahnrie Water District (the "District") on July 1, 2006 and include:

1. A water usage fee per bimonthly billing period of \$2.75 per thousand gallons up to 20,000 gallons and \$3.50 per thousand for usage exceeding 20,000 gallons,
2. A Base Fee of \$25 per month to cover operations, and

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3. Connection fee base rate of \$500.

WHEREAS, based on a new rate study conducted by the Oregon Association of Water Utilities for the District in December 2022 (the “Water Rate Study”), the District called upon the Oregon Association of Water Utilities to conduct a Water Rate Study to find the adequacy of the water rates. The purpose of the study was to develop financial support and rates that:

1. Supply examples of rates which meet the projected capital and operation and maintenance (O&M) costs of the system ,
2. Decide fair costs among the different types of system users, and
3. Encourage efficient use of the water.

WHEREAS, The District has not increased user fees since 2006, and based on the Water Rate Study recommendations conducted by the Oregon Association of Water Utilities, the District finds that:

1. It is necessary to adopt a new water usage rate structure to cover the costs of operations based on the findings in the Water Rate Study of the cost of operation, maintenance, and amortization of the system; and
2. Connection fees to connect to the meter need to be adjusted to a minimum fee per connection to cover the costs of connections from \$500 to \$1,500 for ¾” meter and \$2,000 for a 1” meter per connection, and any actual costs in excess of the connection after completion shall be charged to the Property owner.

WHEREAS, the Neahkahnie Water District (“District”) held a public hearing on April 6, 2023 to consider imposing a new water usage rate structure as attached hereto as Exhibit A;

WHEREAS, pursuant to the provisions of ORS 264.312, notice of said public hearing and the purpose thereof was given by mailing a notice of hearing to customers of the District in accordance with the

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requirements of said statute; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS THAT:

1. Pursuant to Section 5 of Ordinance 2018-1 and ORS 264.310 and ORS 264.312, charges for metered water usage shall be updated to the new water usage rate structure as attached hereto as Exhibit A;
2. Connection fee shall be increased to \$1500 for ¾” meter and \$2000 for a 1” meter per connection and any actual cost in excess of the connection fee shall be charged to the property owner;
3. This Resolution takes effect on July 1, 2023; and
4. The District hereby shall make a copy of this resolution available to the public at the District office and through other media.

Approved and adopted at a regular District board meeting held on the 11<sup>th</sup> day of April 2023.

DATED: \_\_\_\_\_, 2023

VOTE:      YES    NO

BOARD OF COMMISSIONERS

\_\_\_\_\_  
Bob Joseph, Chair

\_\_\_\_\_  
Barb Rippey, Secretary

\_\_\_\_\_  
David Boone

\_\_\_\_\_  
Tom Ayres

\_\_\_\_\_  
Larry Kiser

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## EXHIBIT A

### WATER USAGE RATES AND CONNECTION FEES

Effective July 1, 2023

#### **4-Tiered Structure Based On Water Use Per 2 month Billing Period**

- Tier 1: 0-8000 Gallons @ \$ 4/1000 Gallons
- Tier 2: 8001-16000 Gallons @ \$ 6/1000 Gallons
- Tier 3: 16001-24000 Gallons @ \$10/1000 Gallons
- Tier 4: 24001+ Gallons @ \$15/1000 Gallons

The rates shall be adjusted annually based on the CPI Index for the Western Region beginning in budget year 2025-26.

**Connection fee** shall be increased to \$1,500 for  $\frac{3}{4}$ " meter and \$2,000 for a 1" meter per connection and any actual costs in excess shall be charged to the property owner.