



Notice of Public Hearing for Proposed Water Rate Increases

April 6th, 2023
3:00 pm

Pine Grove Community House
225 Laneda Ave.
Manzanita, OR 97130

The Neahkahnie Water District Board of Commissioners will hold a public hearing to discuss proposed water rate increases. Interested constituents are invited to attend.

‘Water Shed Protection Project’ update: This vital issue which was described in the January 2023 newsletter is close to being finalized. To protect our water shed and prevent contamination of our springs, the Board of Commissioners condemned certain property in December 2020. As stated in the January newsletter, after almost 2 years of litigation the district has settled with the owners of ‘The Summit at Manzanita’ to condemn the 71 acre property for \$1.75 million. The NWD is in the process of arranging financing for the purchase. Per Oregon law NWD will have to pay the owners’ reasonable costs and attorney fees associated with the condemnation lawsuit. The amount of the owners’ attorney fees is being investigated and negotiations will be pursued to see if further litigation over the fees can be avoided. In the end, \$1.75 million plus any costs and fees that the NWD is obligated to pay will be added to our bimonthly water bill as a system enhancement fee. When the condemnation is completed, the 71 acres will be the property of the NWD and will protect our water quality and resources in perpetuity.

Water Rate Study: The NWD hired a rate study analyst from the Oregon Association of Water Utilities (OAWU) to evaluate our current rate structure. The base rate structure has not been updated since 2006 but the costs of operating, maintenance and future capital improvements continue to increase. The NWD Board will be forced to raise rates to cover the costs that NWD is incurring continually. The base rate and costs will increase with a revised tier structure determined by the water usage per billing cycle. Also, short term rentals will be a separate base rate and tier structure and be classified as commercial. The idea of the rate structure changes is that those using the most water will pay the larger rates. The final proposed rate changes have been completed by the Board of the NWD and will be discussed in this public meeting.