



RESOLUTION NO. 991

A RESOLUTION IMPLEMENTING WATER CONSERVATION PRICING, ADJUSTING RATES, AND REPEALING RESOLUTION 990

WHEREAS, the City of Gearhart Water Department is an enterprise fund and revenues must pay expenses; and

WHEREAS, the City of Gearhart needs to update its water rates to keep up with increasing costs and capital improvements; and

WHEREAS, the City of Gearhart had not adjusted water rates since January 1, 2014; and

WHEREAS, the Gearhart City Council supported a 15% water rate increase for FY 23-2024 effective August 2, 2023 reflected below with a rate review period annually prior to the next budgetary cycle process; and

WHEREAS, the need for water conservation measures are addressed in the City’s Water Management and Conservation Plan; and

WHEREAS, many water suppliers in Oregon and the nation have established rate structures to incentivize water conservation; and

WHEREAS, the Gearhart City Council sees a need to implement block pricing to help reduce demand by providing an economic incentive for customers to conserve water.

NOW THEREFORE, THE CITY OF GEARHART RESOLVES TO RETAIN CURRENT WATER RATES WITH THE ADDITION OF A BLOCK PRICING SCHEDULE TO SECTION 1. AS FOLLOWS:

Section 1. Gearhart’s Water Rate Schedule shall be as follows:

Meter Size	Bi-Monthly Minimum Charge	Monthly Allowance in Gallons
5/8" x 3/4"	\$ 44.86	7,480
1"	\$ 85.10	14,960
1-1/2"	\$ 184.00	14,960
2"	\$ 299.00	14,960
3"	\$ 558.90	14,960
4"	\$ 639.40	14,960
6"	\$ 1,016.60	14,960

For water usage above the monthly allowance in gallons (the minimum):
 Base Rate of \$7.41 per 748 gallons of metered water consumption.

Allowances outside city limits for gallons remain the same as in City times 1 ½ (1.5).

The base rate will apply with or without one of the (4) block pricing multipliers below:

<i>Consumption Block (CONS)</i>	<i>Block Description</i>	<i>Base Rate</i>	<i>Block Pricing Multiplier</i>	<i>Block Rate</i>
1 to 10	Included (bi-monthly minimum)	\$0.00	n/a	\$0.00
11 to 30	Base Block - no surcharge	\$7.41	1.00	\$7.41
31 to 50	Conservation Block #1 - 10% surcharge	\$7.41	1.10	\$8.15
over 50	Conservation Block #2 - 20% surcharge	\$7.41	1.20	\$8.89

Section 2. Tapping Fees shall be as follows:

The tapping fee shall be for a 3/4 inch tap and 5/8 by 3/4 inch meter with a service line up to 50 feet in length. Any service line over 50 feet in length shall be charged labor and materials plus 25 percent for the difference between 50 feet and the property line or meter location.

5/8" x 3/4" meter	\$1,322.50
1" or larger meter	\$1,322.50 plus larger meter and materials costs

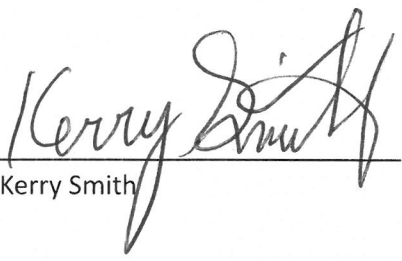
Section 3. City Resolution 990 is hereby repealed in its entirety.

Section 4. The Gearhart City Council concludes it is appropriate to update the water rates and further finds the schedule of proposed water rates herein specified and established are just, reasonable, and necessary.

Section 5. The water rates established by this resolution are separate from, and in addition to, any other applicable taxes, fees, assessments, or charges, including but not limited to water rates, which are required by the City or represent a condition of a land use or development approval.

Section 6. Effective Date. This resolution shall become effective immediately upon its passage by the Gearhart City Council with an implementation date of January 1, 2024 to be assessed for the first time on the January 21, 2024 billing cycle and thereafter.

APPROVED and PASSED by the City Council of Gearhart at their regular meeting on the 1st day of November, 2023 by the vote of 5 ayes and 0 nays.



Mayor Kerry Smith

ATTEST:



Chad Sweet, City Administrator