

## **RESOLUTION NO. 1008**

## A RESOLUTION ADJUSTING WATER RATES IN THE CITY OF GEARHART

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

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

**WHEREAS,** the Gearhart City Council supported a 10% water rate increase for FY 24-2025 and water conservation block pricing to help reduce demand by providing an economic incentive for customers to conserve water; and

**WHEREAS**, the Gearhart City Council vowed to continue annual rate increases to cover rising costs, keep up with capital improvements, and achieve a 90-day operating expense reserve in 3-5 years.

NOW THEREFORE, THE CITY OF GEARHART RESOLVES TO INCREASE MINIMUM CHARGE BASE WATER RATES BY 7.5% AS IDENTIFIED BELOW, AND TAPPING FEES BY 71.85%:

<u>Section 1.</u> Gearhart's Water Rate Schedule shall be as follows:

| Meter<br>Size  | Bi-Monthly<br>Minimum<br>Charge | Monthly Allowance<br>in<br>Gallons |
|----------------|---------------------------------|------------------------------------|
| 5/8" x<br>3/4" | \$ 53.05                        | 7,480                              |
| 1"             | \$ 100.63                       | 14,960                             |
| 1-1/2"         | \$ 217.58                       | 14,960                             |
| 2"             | \$ 353.57                       | 14,960                             |
| 3"             | \$ 660.90                       | 14,960                             |
| 4"             | \$ 756.09                       | 14,960                             |
| 6"             | \$ 1,202.13                     | 14,960                             |

For water usage above the monthly allowance in gallons (the minimum):

Base Rate of \$8.76 per 748 gallons of metered water consumption.

Allowances outside city limits for gallons remain the same as in City times 1  $\frac{1}{2}$  (1.5).

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

| Consumption Block<br>(CONS) | Block Description                        | Base Rate | Block Pricing<br>Multiplier | Block Rate |
|-----------------------------|--|-----------|-----------------------------|------------|
| 1 to 10                     | Included<br>(bi-monthly<br>minimum)      | \$0.00    | n/a                         | \$0.00     |
| 11 to 30                    | Base Block - no surcharge                | \$8.76    | 1.00                        | \$8.76     |
| 31 to 50                    | Conservation Block<br>#1 - 10% surcharge | \$8.76    | 1.10                        | \$9.64     |
| over 50                     | Conservation Block<br>#2 - 20% surcharge | \$8.76    | 1.20                        | \$10.51    |

Section 2. Tapping Fees shall be as follows:

The tapping fee shall be for a  $\frac{3}{4}$  inch tap and  $\frac{5}{4}$  by  $\frac{3}{4}$  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.

\*all meter sizes

\$2,500.00 \*plus any additional materials needed

Section 3. City Resolution 995 is hereby repealed in its entirety.

<u>Section 4.</u> 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.

<u>Section 5.</u> 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.

<u>Section 6.</u> Effective Date. This resolution shall become effective immediately upon its passage by the Gearhart City Council and will be assessed for the first time on the July 21, 2025 billing cycle and thereafter.

APPROVED and PASSED by the City Council of Gearhart at their regular meeting on the 2nd day of July, 2025 by the vote of \_\_\_\_\_\_ ayes and \_\_\_\_\_\_ nays.

Mayor Kerry Smith

ATTEST:

Chad Sweet, City Administrator

|                       |  | GEARHAI                                  | RT WATER                | RATES 2025                                     |                 |       |
|-----------------------|--|--|-------------------------|--|-----------------|-------|
| Approved ro           | nte increase ej                        | fective Jul. 2025                        |                         |  |                 |       |
| YOUR<br>METER<br>SIZE | CON<br>RANGE<br>1 CON =<br>748 Gallons | MAXIMUM GALLONS BEFORE BILLED **OVERAGES | Jul. 2025 IN CITY RATES | Jul. 2025 OUTSIDE CITY RATES (City rate x 1.5) | FEE SCHED       | JLE   |
| *5/8" - 3/4"          | 0-10                                   | 7,480                                    | \$53.05                 | \$79.58  | Turn On / Off   | \$25  |
| 1"                    | 0-20                                   | 14,960                                   | \$100.63                | \$150.95                                       | Emergency T/O   | \$125 |
| 1 1/2"                | 0-20                                   | 14,960                                   | \$217.58                | \$326.37                                       | RR - Blocking   | \$20  |
| 2"                    | 0-20                                   | 14,960                                   | \$353.57                | \$530.36                                       | RR - Block/Remv | \$200 |
| 3"                    | 0-20                                   | 14,960                                   | \$660.90                | \$991.35                                       | PD - S/O Warn   | \$20  |
| 4"                    | 0-20                                   | 14,960                                   | \$756.09                | \$1,134.14                                     | PD - Shut Off   | \$20  |
| 6"                    | 0-20                                   | 14,960                                   | \$1,202.13              | \$1,803.20                                     | Returned Check  | \$50  |

<sup>\*</sup>per <u>DAY</u> City rate - \$.8842 [x 60 = \$53.05] / Outside City rate - \$1.3263 [x 60 = \$79.58]

## \*\*OVERAGE SURCHARGES (All Meter Sizes)

base: CONS between  $\underline{11-30}$  are \$8.76 each In City / \$13.14 Outside (City rate x 1.5) 10%: CONS between  $\underline{31-50}$  are \$9.64 each In City / \$14.46 Outside (City rate x 1.5) 20%: CONS  $\underline{51}$  and  $\underline{up}$  are \$10.51 each In City / \$15.765 Outside (City rate x 1.5)

## **TAPPING FEES (In City & Outside)**

\$2,500.00 \*plus any additional materials

| FEE REMINDERS                                |   |                             |  |  |
|--|---|-----------------------------|--|--|
| *City initiates shut off                     | Water TURNED OFF by City due to leak/waste:<br>Water TURNED ON by City after remedy | waive T/Off Fee Turn On Fee |  |  |
| <b>SECTION 8.</b> *encourages home s/o valve | Water TURNED OFF @meter for repair Water TURNED ON @meter after repair              | Turn Off Fee<br>Turn On Fee |  |  |

<sup>\*</sup>all meter sizes