

**BEFORE THE CITY COUNCIL FOR THE CITY OF
LAFAYETTE, OREGON**

**A RESOLUTION AMENDING THE)
WATER UTILITY RATES FOR THE) RESOLUTION NO. 2023-09
CITY OF LAFAYETTE, OREGON)**

THE CITY COUNCIL (the "Council") OF THE CITY OF LAFAYETTE, OREGON (the "City") sat for the transaction of City business on Thursday, October 12, 2023, at 6:30 p.m. in the Council Chambers of Lafayette City Hall.

WHEREAS, the Lafayette City Council has, pursuant to Lafayette Municipal Code (LMC) Section 4.155 and 4.007, the authority to set rates for users of its water and sewer utilities; and

WHEREAS, the Council has previously adopted Resolution 2023-07, establishing new water rates effective July 20, 2023, and

WHEREAS, the Council has previously adopted Resolution 2022-08, establishing new water rates effective July 20, 2022, and

WHEREAS, the Council has previously adopted Resolution 2019-07, establishing new water rates effective June 13, 2019, and

WHEREAS, members of the City Council held a town hall on September 7, 2023, and received public input on the new rate structure; and

WHEREAS, a roll-back of the most recent rate increase and updated structure is required to address the increased costs to customers; and

WHEREAS, instituting a separate surcharge is a necessary and equitable way to fund the debt payment to McMinnville Water and Light; and

WHEREAS, a Water Maintenance Surcharge is necessary to adequately fund operating costs and maintain existing infrastructure

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Lafayette, Oregon as follows:

- Section 1:** the water rates for FY2024 shall be set as shown in Exhibit "A"
- Section 2:** the updated rate structure shall be retroactive to July 20, 2023.
- Section 3:** Resolution 2023-07 is hereby repealed.

This resolution shall be and is effective from and after its passage by the Council and until June 30, 2024.

ADOPTED by the City Council this 12th day of October 2023.

VOTE: Ayes: 4 Nays: 0 Abstentions: 0 Absent: 0 Vacancies: 2

CERTIFIED:


Hilary Malcomson, Mayor

ATTEST:

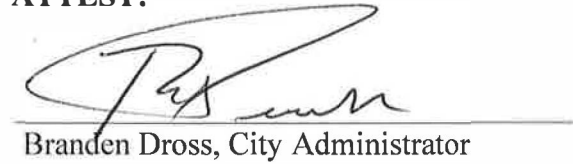

Branden Dross, City Administrator

EXHIBIT 'A' RESOLUTION 2022-09

WATER RATES ARE AS FOLLOWS:

Urban Rates: The “Urban Rate” shall apply to all users of water where the place of use is within the corporate limits of the City of Lafayette, Oregon (the “City”) and where none of the other rates below applies. The Urban Rate shall be as follows:

- Step 1: For the first 300 cubic feet, or any part thereof, in any month, the sum of \$54.03 minimum charge.
- Step 2: For the next 199 cubic feet, or any part thereof, (ie. 301-500 cubic feet) a charge of \$1.67 per 100 cubic feet.
- Step 3: For the next 199 cubic feet, or any part thereof, (ie. 501-700 cubic feet) a charge of \$2.29 per 100 cubic feet.
- Step 4: For the next 199 cubic feet, or any part thereof, (ie. 701-900 cubic feet) a charge of \$2.89 per 100 cubic feet.
- Step 5: For all consumption over 900 cubic feet (ie. 901 cubic feet and above) a charge of \$3.50 per 100 cubic feet.

Rural Rates: The “Rural Rate” shall apply to all users of water where the place of use is outside of the corporate limits of the City and shall be as follows:

- Step 1: For the first 300 cubic feet, or any part thereof, in any month, the sum of \$62.11 minimum charge.
- Step 2: For the next 199 cubic feet, or any part thereof, (ie. 301-500 cubic feet) a charge of \$2.06 per 100 cubic feet.
- Step 3: For the next 199 cubic feet, or any part thereof, (ie. 501-700 cubic feet) a charge of \$2.84 per 100 cubic feet.
- Step 4: For the next 199 cubic feet, or any part thereof, (ie. 701-900 cubic feet) a charge of \$3.55 per 100 cubic feet.
- Step 5: For all consumption over 900 cubic feet (ie. 901 cubic feet and above), \$4.46 per 100 cubic feet.

RV Park Rate: The RV Park Rate shall apply to recreational vehicle parks within the corporate limits of the City. An RV Park shall have one water meter (master meter) for the City to read. All lines, meters, and other water fixtures and facilities beyond that meter are to be maintained by the owner.

The rate for Sleepy Hollow RV Park is based upon a calculated equivalency of RV units to regular dwelling units. That equivalency of 45 RV spaces is equal to 9.67 Equivalent Dwelling Units (EDU). The minimum charge shall apply for the first 2900 cubic feet of consumption. Additional consumption charges are based upon the same EDU equivalency at the urban rate.

All residential units shall be subject to "Urban" or "Rural" rates as appropriate, notwithstanding the number of units on a single water meter.

Low-Income Rate: Residential customers who meet the qualification criteria (per program guidelines) will have their water rate reduced by \$7.50 each month. This rate reduction is subject to continuation and funding of the program, in coordination with the Yamhill County Housing Authority.

Special Contract Rate: The City Administrator, with the advice and consent of the Council, may establish special contract rates, for in-city or out-of-city water users where such rate is established for the negotiation of an easement or when it is deemed to be in the interest of the City to do so.

Commercial, Industrial, and Manufacturing Rates: Such rates shall be hereafter provided by separate resolution of the Council. Until such time as such rates may be established by the Council, commercial, industrial, and manufacturing users shall pay the appropriate urban or rural water rate above, depending on whether such use is inside or outside the corporate city limits.

Water Debt (MW&L) Loan Repayment Fee: The fee shall be charged to all users in the amount of \$15.00 per month and shall be subject to increases deemed necessary by the City Council to meet the debt service obligation for the intertie loan. The fee will sunset upon retirement of the debt.

Water Maintenance Surcharge: The fee shall be used to maintain the water system in the City of Lafayette as an offset to greater base rate increases. The fee shall be \$5.00 and may be subject to increase as deemed necessary by the City Council.