



## **Policies, Plans and Goals Supported:**

### **Council Goals:**

4. *Evaluate real property and facility assets to strategically support city mission and goals.*

### Department Goals:

- Maintain existing infrastructure to meet regulatory requirements and minimize life-cycle costs
- Deliver timely life cycle capital improvement projects
- Maintain and improve infrastructure that enhances the economic vitality of the community
- Evaluate all city infrastructure regarding planning management and financial resources

## **Background and Additional Information:**

### **Stormwater and Drainage Fund Proposed Rate Increase**

The City's stormwater enterprise fund was removed from the Street Fund and established as a separate fund in the 2017-19 biennium. The Stormwater and Drainage Master Plan is currently being updated. As such, the current fee schedule is proposed to increase only by the Consumer Price Index (CPI-U) for all cities, which is 3.1% for the year ending March 2018. Staff did not use the Engineering News Record (ENR) construction index as many of the stormwater improvements are not typical construction projects and may not require the higher ENR index. As staff reviews the proposed projects and cost of services from the updated master planning process and potential regulatory changes, there will likely be necessary adjustments for the next biennium and any impact to fees will be adjusted in 2019.

### **Transportation Utility Proposed Rate Increase**

The City's Transportation (Street) Utility Fund accounts for all street operations and related capital projects. Charges for service are collected through the transportation utility fee. This fee was not adjusted last year (May 2017). With the increase in construction costs and costs associated specifically with compliance requirements for the American's with Disability Act, staff is proposing to increase the rates by 3.5% which is the ENR cost index for June 2017. This index is consistent with past engineering practice for rate increases, and is actually expected to be a little higher this coming year.

### **Water Utility Fund Proposed Rate Increases**

Significant evaluations, modeling and rate studies have been presented to the Council over the past 2 years regarding the water fund. During last year's rate adjustments it was noted that although the initial year of the Water Rates Cost of Service Study (Hansford, March 15, 2016) was on track, the out years were slightly higher than initially proposed (see the staff report from the May 2, 2017 council business meeting). The rate increase last year was 4.5% and projected a 4.5% increase for this year as well. The rate increases pointed to higher personnel costs and the anticipated \$30.5 million in anticipated capital costs. With the current Water Master Plan slated to be wrapped up this summer and the Council's concurrence to proceed with the planning for a new 7.5 million gallon per day water treatment plant, staff recommends keeping the water rate increases at the 4.5% acknowledged last year. Once the final project list is completed with the master planning effort, staff will re-evaluate the water rate and cost of service model and adjust the future rates as necessary.

### **Wastewater Utility Fund Proposed Rate Increases**

The proposed increase of 5% is consistent with the rate analysis previously completed. The adopted wastewater master plan outlines \$12 million in priority capital projects. Staff is well underway with the Outfall Relocation Design and initial steps have been taken for the Water Quality Trading Plan. In addition, staff plans to release the request for qualifications/proposals for the Oxidation Ditch and Wetlands projects later this fiscal year. Staff is working with the Department of Environmental Quality to schedule the permit renewal and at that point will be able to construct and operate the proposed capital projects. Staff has delayed the update to the wastewater master plan until a new permit is established.

### **Attachments:**

- A resolution adopting a storm drainage utility fee
- A resolution adopting a transportation utility fee
- A resolution adopting a water utility fee
- A resolution adopting a wastewater (sewer) utility fee

### **Additional Information and Links:**

Capital Improvements Plan Update for BN 2017-19, [March 19, 2018](#)

Stormwater and Drainage Master Plan Update; TetraTech [June 2000](#)

Transportation System Plan; Kittleson & Associates [October 2012](#)

Water Rates Cost of Service Study; [Hansford, March 15, 2016](#)

Wastewater Master Plan; [City website documents](#)

Water Treatment Plant Update to Council, [April 2, 2018](#)

2017-19 Biennium Budget; [PW begins on page 2-57](#)

**RESOLUTION NO. 2018-\_\_\_\_\_**

**A RESOLUTION ADOPTING A STORM DRAINAGE UTILITY FEE SCHEDULE PURSUANT TO ASHLAND MUNICIPAL CODE SECTION 4.27.050 AND REPEALING RESOLUTION 2017-07.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The “Storm Drainage Utility Fee Schedule,” marked as “Exhibit A” and attached to this Resolution, is adopted as the Storm Drainage Utility fee incorporating a 3.1% rate increase effective July 1, 2018.

Prorated calculations are permitted for any bills prepared for a partial month or billing period that overlaps the effective date of this Resolution.

Miscellaneous Charges and Connection Fees established by previous resolutions remain in effect until revised by separate Council Action.

SECTION 2. Copies of this Resolution and “Exhibit A” shall be maintained in the office of the City Recorder and shall be available for public inspection during regular business hours.

SECTION 3. The Fees adopted pursuant to this Resolution shall be effective July 1, 2018.

SECTION 4. Resolution 2017-07 is repealed on the effective date of this Resolution.

SECTION 5. The fees imposed by this Resolution are classified as not subject to the limits of Section 11b of Article XI of the Oregon Constitution (Ballot Measure No. 5).

This resolution was read by title only in accordance with Ashland Municipal Code §2.04.090 duly PASSED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Melissa Huhtala, City Recorder

SIGNED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
John Stromberg, Mayor

Reviewed as to form:

\_\_\_\_\_  
David Lohman, City Attorney

**City of Ashland, Oregon**  
**STORM DRAINAGE UTILITY FEE SCHEDULE**



A Storm Drainage Utility is created for the purpose of providing funds for the management, maintenance, extension and construction of public storm drainage facilities within the City. All storm drainage utility fees shall be in accordance with Chapter 4.27 of the

A storm drainage utility fee shall be paid by each person(s) responsible and shall be established by resolution of the Council for commercial or industrial units, duplexes, mobile home parks, multiple-family units, single-family units and equivalent residential units.

**Storm Drainage Fee**

		<b>3.1% increase</b>	
	<b>July 2017</b>	<b>July 2018</b>	<b>Unit</b>
<b>Single Family</b>	<b>\$4.75</b>	<b>\$4.90</b>	per month
<b>Condominium, 109 Units</b>	<b>\$2.04</b>	<b>\$2.10</b>	per month per unit
<b>Multi-Family, 1-9 Units</b>	<b>\$2.04</b>	<b>\$2.10</b>	per month per unit
<b>Mobile Home &amp; Trailer, 1-9 Units</b>	<b>\$2.04</b>	<b>\$2.10</b>	per month per unit
<b>All other uses not classified above</b>	<b>\$1.58</b>	<b>\$1.63</b>	per 1000 SF impervious area
<b>Minimum charge per account</b>	<b>\$4.75</b>	<b>\$4.90</b>	per month

Users within the downtown Overlay District shall be charged on the same basis as elsewhere within the City. The minimum fee per month for any commercial account is:

	<b>July 2017</b>	<b>July 2018</b>	<b>Unit</b>
<b>Commercial</b>	<b>\$4.75</b>	<b>\$4.90</b>	per month

Discounts applying to low income elderly persons for water, sewer and electric utility fees shall also apply to storm drainage utility fees. 4.27.120.



**RESOLUTION NO. 2018-\_\_\_\_\_**

**A RESOLUTION ADOPTING A TRANSPORTATION UTILITY FEE SCHEDULE PURSUANT TO ASHLAND MUNICIPAL CODE SECTION 4.26 AND REPEALING RESOLUTION 2016-06.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The “Transportation Utility Fee Schedule,” marked as “Exhibit A” and attached to this Resolution, is adopted as the Storm Drainage Utility fee incorporating a 3.5% rate increase effective July 1, 2018.

Prorated calculations are permitted for any bills prepared for a partial month or billing period that overlaps the effective date of this Resolution.

Miscellaneous Charges and Connection Fees established by previous resolutions remain in effect until revised by separate Council Action.

SECTION 2. Copies of this Resolution and “Exhibit A” shall be maintained in the office of the City Recorder and shall be available for public inspection during regular business hours.

SECTION 3. The Fees adopted pursuant to this Resolution shall be effective July 1, 2018.

SECTION 4. Resolution 2016-06 is repealed on the effective date of this Resolution.

SECTION 5. The fees imposed by this Resolution are classified as not subject to the limits of Section 11b of Article XI of the Oregon Constitution (Ballot Measure No. 5).

This resolution was read by title only in accordance with Ashland Municipal Code §2.04.090 duly PASSED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Melissa Huhtala, City Recorder

SIGNED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
John Stromberg, Mayor

Reviewed as to form:

\_\_\_\_\_  
David Lohman, City Attorney

**City of Ashland, Oregon**  
**TRANSPORTATION UTILITY FEE SCHEDULE**



A Transportation Utility is created for the purpose of providing funds for the maintenance of local streets under the jurisdiction of the City of Ashland. All transportation utility fees shall be collected and provided in accordance with Chapter 4.26 of the Ashland Municipal Code.

**Billing:**

The fee shall be billed and collected with the monthly utility bill.

**Transportation Utility Fee:**

	July 2017	3.5% increase July 2018	Unit
Single Family	\$8.83	\$9.14	per month
Multiple Family	\$7.73	\$8.00	per month per unit
Retail Store	\$1.19	\$1.23	per month per 100 SF
Wholesale Use	\$0.66	\$0.68	per month per 100 SF
Office Use	\$0.77	\$0.80	per month per 100 SF
Medical / Dental Use	\$1.05	\$1.09	per month per 100 SF
Service Use	\$1.05	\$1.09	per month per 100 SF
Restaurant / Bar Use	\$3.15	\$3.26	per month per 100 SF
Manufacturing Use	\$0.67	\$0.69	per month per 100 SF
Warehousing Use	\$0.39	\$0.40	per month per 100 SF
Hotel / Motel Use	\$3.15	\$3.26	per month per guest room
Institutional and all other accounts not classified above; including nursing homes and retirement homes.	\$3.15	\$3.26	per month per required parking spaces as specified in Chapter 18.92 of the Ashland Municipal Code.
Churches and places of worship	exempt	exempt	

Users within the downtown Overlay District shall be charged on the same basis as elsewhere within the City. The minimum fee per month for any commercial account is:

	July 2017	July 2018	Unit
Commercial	\$8.83	\$9.14	per month

Discounts applying to low income elderly persons for water, sewer and electric utility fees shall also apply to transportation utility fees. 4.26.110.



**RESOLUTION NO. 2018-\_\_\_\_\_**

**A RESOLUTION REVISING RATES FOR WATER SERVICE PURSUANT  
TO ASHLAND MUNICIPAL CODE SECTION 14.04.030 AND  
REPEALING RESOLUTION 2017-08.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The “Water Rate Schedule” marked as “Exhibit A” and attached to this Resolution, shall be effective for actual or estimated consumption on or after July 1, 2018.

Prorated calculations are permitted for any bills prepared for a partial month or billing period that overlaps the effective date of this Resolution.

Miscellaneous Charges and Connection Fees established by previous resolutions remain in effect until revised by separate Council Action.

SECTION 2. Copies of this resolution shall be maintained in the Office of the City Recorder.

SECTION 3. Classification of the fee. The fees specified in Section 1 and Section 2 of this resolution are classified as not subject to the limits of Section 11b of Article XI of the Oregon Constitution (Ballot Measure 5).

SECTION 4. Resolution 2017-08 is repealed.

This resolution was duly PASSED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2018, and the effective date is July 1, 2018, upon signing by the Mayor.

\_\_\_\_\_  
Melissa Huhtala, City Recorder

SIGNED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
John Stromberg, Mayor

Reviewed as to form:

\_\_\_\_\_  
David Lohman, City Attorney

**City of Ashland, Oregon**  
**WATER RATE SCHEDULE**



All water service provided by the City of Ashland shall be in accordance with Chapter 14.04 of the Ashland Municipal Code.

**Billing:**

The minimum monthly charge shall be the sum of the Customer Charge; Meter Charge; plus Quantity Charge, if applicable; and Miscellaneous Charges, if applicable. Billing shall occur monthly with charges due and payable upon receipt.

**Customer Charge:**

A single customer charge is applied to each water account regardless of the number of metered water services.

Customer Charge, per account	July 2017	July 2018
Per month	\$ 12.27	\$ 12.82

**Meter Charge:**

The meter charge applies to all metered water services and does not include any water consumption.

Meter Charge, per meter	July 2017	July 2018
0.75" and Fire Guard meters	\$ 14.37	\$ 15.02
1" meter	\$ 14.99	\$ 15.66
1.5" meter	\$ 68.56	\$ 71.65
2" meter	\$ 108.96	\$ 113.86
3" meter	\$ 218.49	\$ 228.32
4" meter	\$ 346.52	\$ 362.11
6" meter	\$ 681.83	\$ 712.51
8" meter	\$ 1,080.93	\$ 1,129.57

**Quantity Charge:**

All customers will be charged the following rates per cubic foot of water used.

Residential, per dwelling unit October - May	July 2017	July 2018
0-300 cf per cycle	\$ 0.0257	\$ 0.0269
301 to 1,000 cf per cycle	\$ 0.0321	\$ 0.0335
1,001 to 2,500 cf per cycle	\$ 0.0434	\$ 0.0454
Over 2,500 cf per cycle	\$ 0.0561	\$ 0.0586
Residential, per dwelling unit June - September		
0-300 cf per cycle	\$ 0.0257	\$ 0.0269
301 to 1,000 cf per cycle	\$ 0.0321	\$ 0.0335
1,001 to 2,500 cf per cycle	\$ 0.0434	\$ 0.0454
2,501 to 3,600 cf per cycle	\$ 0.0561	\$ 0.0586
Over 3,600 cf per cycle	\$ 0.0722	\$ 0.0754

Residential Irrigation October - May	July 2017	July 2018
0-1000 cf per cycle	\$ 0.0321	\$ 0.0335
1,001-2500 cf per cycle	\$ 0.0434	\$ 0.0454
over 2,500 cf per cycle	\$ 0.0722	\$ 0.0586
Residential Irrigation June - September		
0 to 1,000 cf per cycle	\$ 0.0321	\$ 0.0335
1,001 to 2,500 cf per cycle	\$ 0.0434	\$ 0.0454
2,501 to 3,600 cf per cycle	\$ 0.0561	\$ 0.0586
Over 3,600 cf per cycle	\$ 0.0722	\$ 0.0754

Commercial, less than 2" meter	July 2017	July 2018
0-2,500 cf per cycle	\$ 0.0321	\$ 0.0335
> 2,500 cf per cycle	\$ 0.0434	\$ 0.0454

Commercial, 2" or larger meter	July 2017	July 2018
0-15,000 cf per cycle	\$ 0.0321	\$ 0.0335
> 15,000 cf per cycle	\$ 0.0434	\$ 0.0454

Institutional (governmental and municipal)	July 2017	July 2018
Per cubic foot	\$ 0.0307	\$ 0.0321

Commercial and Institutional Irrigation	July 2017	July 2018
October to May	\$ 0.0346	\$ 0.0362
June to September	\$ 0.0469	\$ 0.0490

Miscellaneous Charges:

TID Irrigation:

TID, unmetered service	July 2017	July 2018
Per season, per acre or portion of acre	\$ 198.53	\$ 211.81

  

TID, metered service	July 2017	July 2018
Meter Replacement Charge*, by meter size		
0.75" meter	\$ 1.23	\$ 1.29
1" meter	\$ 1.85	\$ 1.93
1.5" meter	\$ 2.92	\$ 3.05
2" meter	\$ 3.93	\$ 4.11
3" meter	\$ 8.42	\$ 8.80
4" meter	\$ 18.30	\$ 19.12
6" meter	\$ 25.37	\$ 26.51
8" meter	\$ 30.59	\$ 31.97
Quantity Charge	\$ 0.0023	\$ 0.0024

\*Meter replacement charge is assessed each month, regardless of consumption.

Fire Protection Service:

Fire Protection Service	July 2017	July 2018
Customer Charge, if applicable	\$ 12.27	\$ 12.82
Meter Replacement Charge	\$ 1.23	\$ 1.29
Meter Charge	\$ 14.37	\$ 15.02
Quantity Charge	\$ 0.0353	\$ 0.0369
Unmetered Fire Protection Service	\$ 14.37	\$ 15.02

Bulk Water:

For water provided on a temporary basis through a bulk meter on a fire hydrant, the following charges apply:

Bulk Water	July 2017	July 2018
Deposit*	\$ 1,942.95	\$ 2,030.38
Basic Fee	\$ 245.33	\$ 256.37
Quantity Charge	\$ 0.0353	\$ 0.0369

\*Deposit is refundable less basic fee, quantity charge, and any damage to the city meter, valve, wrench, and/or hydrant.

Outside City Limits:

All rates and charges for water service provided outside the city limits will be 1.5 times the rates for water service provided within the city limits.



**RESOLUTION NO. 2018-**

**A RESOLUTION REVISING RATES FOR WASTEWATER / SEWER SERVICE PURSUANT TO ASHLAND MUNICIPAL CODE SECTION 14.08.035 AND REPEALING RESOLUTION 2017-09.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The “Wastewater / Sewer Rate Schedule” marked as “Exhibit A” and attached to this Resolution, shall be effective for actual or estimated consumption on or after July 1, 2018.

Prorated calculations are permitted for any bills prepared for a partial month or billing period that overlaps the effective date of this Resolution.

Miscellaneous Charges and Connection Fees established by previous resolutions remain in effect until revised by separate Council Action.

SECTION 2. Copies of this resolution shall be maintained in the Office of the City Recorder.

SECTION 3. Classification of the fee. The fees specified in Section 1 and Section 2 of this resolution are classified as not subject to the limits of Section 11b of Article XI of the Oregon Constitution (Ballot Measure 5).

SECTION 4. Resolution 2017-09 is repealed.

This resolution was duly PASSED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2018, and the effective date is July 1, 2018 upon signing by the Mayor.

\_\_\_\_\_  
Melissa Huhtala, City Recorder

SIGNED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
John Stromberg, Mayor

Reviewed as to form:

\_\_\_\_\_  
David Lohman, City Attorney

All sewer service provided by the City of Ashland shall be in accordance with Chapter 14.08 of the Ashland Municipal Code.

Sewer quantity charges shall be adjusted annually in April based on the winter water consumption for the months of January, February, and March for all customers whose quantity charge is not determined by actual consumption.

No exception from these rates will be allowed for unoccupied units.

**Billing:**

The minimum monthly charge shall be the sum of the Monthly Service Charge and Quantity Charge. Billing shall occur monthly with charges due and payable upon receipt.

**Service Charge:**

<b>Residential</b>	<b>July 2017</b>	<b>July 2018</b>
<b>Monthly Service Charge, per unit</b>	<b>\$ 31.08</b>	<b>\$ 32.63</b>
<b>Quantity Charge, per cf</b>	<b>\$ 0.04637</b>	<b>\$ 0.04869</b>
<b>Quantity charge is based on winter water average in excess of 400 cubic feet, per unit</b>		

Quantity Charge for single family residential water accounts with no consumption during the months of January, February and March will be based on 700 cubic feet.

Multi-family residential accounts are all accounts in which more than one residential dwelling is attached to the same water service and shall be assessed a Monthly Service Charge for each unit. Quantity Charge for multi-family residential water accounts with no consumption during the months of January, February and March will be based on 500 cubic feet per unit.

<b>Commercial, Industrial, and Governmental</b>	<b>July 2017</b>	<b>July 2018</b>
<b>Monthly Service Charge</b>	<b>\$ 32.43</b>	<b>\$ 34.05</b>
<b>Quantity Charge, per cf</b>	<b>\$ 0.05148</b>	<b>\$ 0.05405</b>
<b>Quantity charge is based on actual monthly consumption</b>		

Mixed residential and commercial accounts will be billed as commercial.

For commercial, industrial or governmental users where monthly water consumption is not measured through City water meters, the sewer rate will be established as follows: The annual water consumption will be estimated utilizing water consumption records of similar users or water consumption record of past use, if available. Quantity Charge is based on the twelve month average estimated water consumption. This rate shall be effective beginning in the month after the rate is determined until the rate schedule is amended by resolution of the City Council. Water consumption determined in this manner shall be lowered if the user can demonstrate through the use of a meter approved by the City that the actual consumption of the user is less than the estimate.

**Special Cases:**

<b>Greenhouses, Churches, and Schools (K-12) operating on a nine month school year</b>	<b>July 2017</b>	<b>July 2018</b>
<b>Monthly Service Charge</b>	<b>\$ 32.43</b>	<b>\$ 34.05</b>
<b>Quantity Charge, per cf</b>	<b>\$ 0.05148</b>	<b>\$ 0.05405</b>
<b>Quantity charge is based on winter water average in excess of 400 cubic feet</b>		

<b>Bed and Breakfasts and Ashland Parks Bathrooms</b>	<b>July 2017</b>	<b>July 2018</b>
<b>Monthly Service Charge</b>	<b>\$ 32.43</b>	<b>\$ 34.05</b>
<b>Quantity Charge, per cf</b>	<b>\$ 0.05148</b>	<b>\$ 0.05405</b>
<b>Quantity charge is based on the sum of the winter water consumption</b>		

**Exemptions to commercial and industrial sewer rates:**

- A: If a commercial, industrial, or governmental user can demonstrate that the volume of sewage discharged by the user is less than 50% of the water consumed, the City Administrator may adjust the quantity charge accordingly.
- B: Water sold through an irrigation meter is exempt from sewer charge.

**Sewer rates outside the city limits:**

- A: The Monthly Service Charge shall apply to those sewer users permitted under Section 14.08.030 of the Ashland Municipal Code.
- B: The sewer rates for users outside the city limits shall be two times the sewer charges for inside the city limits.
- C: Quantity charge for metered residential accounts is based on the average winter water consumption in excess of 400 cubic feet, per unit, per month and shall be adjusted annually in April.
- D: Quantity charge for unmetered residential accounts will be calculated on an average winter water usage of 700 cubic feet for single family residences, and 500 cubic feet, per unit, for multi-family residences.
- E: Quantity charge for commercial, industrial, and governmental accounts will be based on actual monthly water consumption.

