RESOLUTION 2023-07

A RESOLUTION ADJUSTING SERVICE RATES FOR THE GARIBALDI WATER SYSTEM TO RECOVER INCREASES IN WATER FUND OPERATING AND MAINTENANCE EXPENSES

WHEREAS, the City of Garibaldi provides and maintains water utility service for it's citizens and businesses and Ord. 184, enacted 12 August 1991 and last amended 20 December 2004, prescribes rules, regulations and rates for water service; and

WHEREAS, fees for residential and commercial users were last set by Resolution 2010-22 adopted 19 July 2010; and

WHEREAS, rate structure for setting new rates was last set by Resolution 2011-20; and

WHEREAS, Res. No. 2010-22 mandates that "during the budget process, Water Fund O&M Expenses shall be compared to the previous year and a new proposed base rate shall be calculated for use in that budget"; and

WHEREAS, Water Fund Operating and Maintenance (O&M) Expenses are determined by adding the Water Department Personal Services and Water Department Materials & Services line items. Furthermore, as O&M increases the amount available for Capital Outlay, Payroll Liability Transfers and Public Works Equipment Reserves decreases; and

WHEREAS, the Garibaldi City Council elected not to increase water service rates since FY 2010-2011 in response to regional and local economic conditions; and

WHEREAS, the Garibaldi City Council finds that increasing the water service rate by 47.49% will meet the budgetary requirements of the City's Water Department for the fiscal year of 2023-2024 as approved by the Garibaldi Budget Committee on 3 May 2023; NOW, THEREFORE

THE COMMON COUNCIL OF THE CITY OF GARIBALDI RESOLVES AS FOLLOWS:

Section 1. Effective 1 July 2023, Water System Charges shall increase by 47.49% to recover Water Fund Operating and Maintenance Expenses, Capital Outlay and Transfer increases. This increase is separate from the Water System Improvement Fee established December 2004 and received to the System Development Fund (SDF) for the replacement/improvement of the City's water system reservoirs. The 47.49% increase in the Water System Charge shall be budgeted in as revenue for in the Water Fund (WF).

	Old Base Rate Res. No. 2011-20	+47.49%	New Base Rate Res. No. 2023-07	Base Gallons No Change	Old Overage Rate Res. No. 2011-20	+47.49%	New Overage Rate Res. No. 2023-07
Residential 3/4"	$ 24.50	$ 11.64	$ 36.14	4,000	$ 2.75	$ 1.31	$ 4.06
Commercial 3/4"	$ 24.50	$ 11.64	$ 36.14	4,000	$ 3.00	$ 1.42	$ 4.42
Commercial 1"	$ 36.75	$ 17.45	$ 54.20	8,000	$ 3.00	$ 1.42	$ 4.42
Commercial 1 1/2"	$ 49.00	$ 23.27	$ 72.27	12,000	$ 3.00	$ 1.42	$ 4.42
Commercial 2"	$ 73.50	$ 34.91	$ 108.41	16,000	$ 3.00	$ 1.42	$ 4.42
Commercial 3"	$ 98.00	$ 46.54	$ 144.54	32,000	$ 3.00	$ 1.42	$ 4.42
Commercial 4"	$ 196.00	$ 93.08	$ 289.08	64,000	$ 2.50	$ 1.19	$ 3.69
Commercial 6"	$ 784.00	$372.32	$ 1,156.32	128,000	$ 2.50	$ 1.19	$ 3.69

Section 2. Effective 1 July 2023, the residential and commercial overage rate per 1000 gallons will increase by a percentage of 47.49%. The increase shall be considered a Water System Charge and budgeted for in the Water Fund (WF).

Section 3. The City Council, through assistance by City Staff, shall evaluate the Water Fund O&M Expenses and proposed base rate increases; and determine by resolution a new rate increase.

PASSED BY THE COMMON COUNCIL AND APPROVED BY THE MAYOR, this 20th day of June 2023.

Hon. Tim Hall, Mayor

ATTEST:

Jay Marugg, City Manager Pro Tem