

# CITY OF AURORA

## RESOLUTION NO. 412

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, OREGON, ESTABLISHING THE METHODOLOGY FOR DETERMINING THE SANITARY SEWER SYSTEM RATES AND THEN ESTABLISHING THE SANITARY SEWER SYSTEM RATES; AND REPEALING ALL PRIOR RESOLUTIONS ADDRESSING SANITARY SEWER SYSTEM METHODOLOGY AND RATES.**

WHEREAS, the City Council of the City of Aurora, recently received final approval from the Oregon State Department of Environmental Quality and the City Engineer certifying that the construction of the City-Wide Wastewater System ("System") has been successfully completed and that the System is fully operational.

WHEREAS, pursuant to its authority granted by the Oregon Constitution, Oregon Revised Statutes, City Charter, and the City Sewer Bond Election wherein the city electors approved the construction of the System, as well as adopted City Ordinance No. 398, the City Council has the right and responsibility to impose an equitable share of all of the City costs of the operation and maintenance of the System on all users of the System in the form of monthly sewer rates.

WHEREAS, the City Council believes that the most equitable basis upon which to establish monthly sewer rates is to measure the actual water usage for an appropriate period during the non-irrigation season of each year and establish an "Equivalent Dwelling Unit" (EDU) based on the average single family residential water usage for that same time of year.

WHEREAS, the City Council desires to adopt a methodology for calculating the monthly sewer rates and adopt the initial sewer rates based on that methodology.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA THAT:**

**Section 1, Methodology:**

The City Council hereby adopts the following methodology as the basis for the establishment of the initial and future Sewer Rates for paying for all of the City costs of the operation and maintenance of the City-Wide Wastewater System ("System"), which methodology itself shall be based upon existing water usage and the concept of "Equivalent Dwelling Unit" ("EDU"), which shall be calculated annually by using the following formula:

- A. Calculate the "Monthly Sewer Rate for Each EDU" by first calculating the "Total Operation and Maintenance Costs for the System", and then dividing the "Total

Operation and Maintenance Costs for the System” by the “Total Number of EDUs” using the methodology shown below.

1. Calculate the “Total Operation and Maintenance Costs for the System”, by adding the adopted budget expenditure for “Total Personnel Services” in the Sewer Operating Fund, to the adopted budget expenditure for “Total Materials and Services” of the Sewer Operating Fund.
2. The “Total Number of EDUs” shall be calculated by the City, using the following methodology:
  - a. Calculate the “Average Monthly Water Usage for Single Family Residential Customers”, by calculating the total single family residential water usage in gallons or cubic feet for the normally non-irrigation months of March (if the City water bills are sent monthly) or March and April (if the City water bills are sent bimonthly), divided by the “Total Number of Individual Single Family Residential Water Customers” (the number of single family residential water meters or water services).

The “Average Monthly Water Usage for Single Family Residential Customers” as calculated above shall be the “equivalent dwelling unit” (“EDU”) usage, and shall be used for establishing the Sewer Rates for all Commercial, Industrial and Non-residential Customers as shown below.

- b. Calculate the “Total Number of EDUs for all Commercial, Industrial and all other Non-residential Customers”, by comparing each Commercial, Industrial and Non-residential Customer’s water usage in gallons or cubic feet for the normally non-irrigation months of March (if the City water bills are sent monthly) or March and April (if the City water bills are sent bimonthly), to the EDU usage calculated above to determine the number of those customers and their respective monthly water usage who use more than one EDU and determine the number and respective water usage for those customers who use one EDU or less per month. Each Commercial, Industrial, and Non-residential Customer using one EDU or less shall be counted as one EDU.

Then, calculate the number of EDUs for all Commercial, Industrial and Non-residential Customers whose water usage is more than one EDU per month, by adding up all of their respective monthly water usages, and then dividing that number by the “average monthly water

usage for Single Family Residential Customers” which is the equivalent of one EDU in gallons or cubic feet.

Calculate the “Total Number of EDUs for all Commercial, Industrial and all other Non-residential Customers”, by adding the number of EDUs for Commercial, Industrial and Non-residential Customers using one EDU or less per month to the number of EDUs for Commercial, Industrial and Non-residential Customers using more than one EDU per month as calculated above.

- c. Calculate the “Total Number of EDUs”, by adding the “Total Number of Individual Single Family Residential Water Customers” to the “Total Number of EDUs for all Commercial, Industrial and all other Non-residential Customers” as calculated above.
- B. Then, calculate the “Monthly Sewer Rate for Each EDU”, by dividing the “Total Operation and Maintenance Costs for the System” by the “Total Number of EDUs” divided by 12 months.

**Section 2, Initial Sewer Rates:**

The City Council, based on the methodology adopted under Section 1 above, and based on the supporting information and documentation in Exhibit A attached hereto and incorporated herein by this reference, hereby establishes the City Sewer Rates, shown in Table 1 below:

**TABLE 1  
Monthly Sewer Rates for Each EDU**

<u>Customer Class/Use</u>	<u>Sewer Rate</u>
Residential (One EDU)	\$ 23.00 per month
Commercial/Industrial* (Up to One EDU)	\$ 23.00 per month
Commercial/Industrial* (Over One EDU)	\$ 23.00 per month for each EDU, or portion thereof.

\*Commercial and Industrial Customers who create wastes of a strength that require additional treatment costs may be charged an additional Sewer Rate, as provided below.

### **Section 3, Residential Customers:**

A Residential Customer is a single family house, an apartment unit that is intended for year-round occupancy, a manufactured home, or mobile home either on a separate lot or in a manufactured home park that is leased on a month to month or longer period. A Residential Customer does not include recreational vehicle parks, motels, hotels, hostels, or other living quarters occupied on seasonable, daily or weekly basis, or residential care facilities. For multiple housing units served by a single water meter (including duplexes, apartment buildings and manufactured home parks), each housing unit shall be considered one "Equivalent Dwelling Unit" and the property owner shall be charged the monthly sewer rate of one EDU for each housing unit on the single water meter. *No exceptions from the monthly sewer rates shall be allowed for unoccupied units unless the water meter is physically disconnected. In the event that a water meter is disconnected for more than a month, a monthly sewer rate of one-half the adopted sewer rate shall be charged to the property owner.*

### **Section 4, Non-Residential Customers:**

Non-residential Customers include recreational vehicle parks, hotels, motels, hostel, and other living quarter occupied on a seasonal, daily, or weekly basis, all retail business, offices, medical facilities, food services, wholesale businesses, manufacturers, institutions (including hospitals, day care, clinic and residential care facilities), clubs, churches, and government owned, leased, or used buildings, schools, parks, warehouses, and any other use not specifically described as a Residential Customer or as an Industrial Customer. *If a water meter serves more than one unit and some of the units would be classified as Residential and some would be classified as Non-residential, then the non-residential rates will apply to all the units on that water meter.*

### **Section 5, Industrial Customers:**

The wastes from industrial customers that send processed water to the System will be evaluated for "strength" as milligrams of suspended solids (SS) per milligrams per liter (mg/l) of sewage and by biological oxygen demand (BOD) milligrams per liter (mg/l), by a testing agency of the City's choice and the customer's expense. The City will determine from these tests the cost to treat that strength of sewage and determine the rate per month.

### **Section 6, Future Development:**

Any future development will be required to install water meters for each class/use of units served (R-Residential, C-Commercial, I-Industrial or N-Non-residential), in order to facilitate determination of sewer rates. Rates for any development not easily designated in one of these classes/uses described above, shall be determined by the City's Superintendent of Public Works. In these cases, the property owner or developer can appeal the Superintendent's decision to the City Council by submitting a written appeal for review ten (10) days after the notice of the original decision by the Superintendent.

**Section 7, Exceptions to Established Rates:**

1. Unoccupied Units and Structures: No exceptions to the rates established in this resolution shall be allowed for unoccupied units or structures, unless the water meter is physically disconnected from the unit or structure. In the event that the water meter is disconnected, a monthly sewer rate of one-half the current monthly sewer rate for the customer class/use shall be charged to the property owner.
2. Demolished Buildings: Property which contains no building or structure, or lots which contain buildings or structures which have been demolished and are no longer connected to water and sewer service shall not be charged for sewer service.

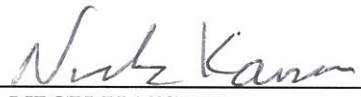
**Section 8, Non-Residential Customers:**

This resolution is effective immediately upon its passage and shall remain in effect until repealed by the City Council.

The monthly Sewer Rates established under Section 2 above shall be billed to all customers beginning May 1, 2001 and shall continue to be billed on a monthly or bi-monthly basis until repealed or amended. The City Council may amend the monthly sewer rates each year after its adoption of the next fiscal year's budget.

**INTRODUCED AND ADOPTED** this 8<sup>th</sup> day of May, 2001.

**CITY OF AURORA, OREGON**

BY:   
**NICK KAISER**  
**MAYOR**

ATTEST:

BY:   
**SHERI HALL**  
**CITY RECORDER**

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**EXHIBIT A**

**METHODOLOGY FOR THE CALCULATION OF  
THE INITIAL MONTHLY SEWER RATE FOR EACH EDU**

Using the methodology adopted by the City Council in Section 1 and described in Section 2 of Resolution No. 412, the following calculations were used to establish the initial "Monthly Sewer Rate for Each EDU" for monthly or bi-monthly billing beginning May 1, 2001:

1. Calculate the "Total Operation and Maintenance Costs for the System", by adding the adopted budget expenditure for "Total Personnel Services" in the Sewer Operating Fund, to the adopted budget expenditure for "Total Materials and Services" of the Sewer Operating Fund:

a.	"Total Personnel Services" from the adopted Sewer Operating Fund (Fiscal year 2001 - 2002)	\$37,856.00
	"Materials and Services" from the adopted Sewer Operating Fund (Fiscal year 2001 - 2002)	<u>\$53,544.00</u>
	"Total Operation and Maintenance Costs for the System" (Fiscal year 2001 - 2002)	\$91,400.00

2. Calculate the "Total Number of EDUs":

- a. Calculate the "Average Monthly Water Usage for Single Family Residential (SFR) Customers":

i.	Total SFR Water Usage in gallons and cubic feet for March/April 2001 (one cubic foot = 7.5 gallons) (Does not include extremely high or low water usages)	291,120.48 cu. ft. 2,183,403.6 gal.
	Number of SFR Customers Represented by this usage (Please note that one SFR user was not counted in the above Total Usage because a special problem exists that made it not representative of a typical SFR User)	252
	Current number of SFR water services (Number of water meters: 206 - 5/8" and 3/4"; 47 - 1")	253
	Current number of C/I/NR water services (Number of water meters: 36 - 3/4"; 9 - 1"; 4 - 2") * Does not include the Aurora Rural Fire District and public restroom water meters.	<u>49*</u>
	Total number of water customers by water meter	304

- ii. "Average Monthly Water Usage for Single Family Residential Customers":
- |  |             |
|--|-------------|
| (291,120.48 cu. ft. divided by 252) divided by 2 months: | 578 cu. ft. |
| (2,183,403.6 gal. divided by 252) divided by 2 months:   | 4,332 gal.  |
- Therefore, the Monthly "Equivalent Dwelling Unit" for fiscal year 2001 - 2002 is 578 cubic feet per month or 4,332 gallons per month.
- iii. Calculate the "Total Number of EDUs for all Commercial, Industrial and all other Non-residential Customers (C/I/NR)":
- |  |                               |
|--|-------------------------------|
| Total C/I/NR water usage per month for March/April 2001<br>(Does not include extremely high or low water usages) | 29,969 cu. ft.<br>224,770 gal |
|--|-------------------------------|
- Of the 49 C/I/NR Customers, 37 Customers had water usage equal to 1 EDU per month or less, and 12 Customers had water usage greater than 1 EDU per month. These 12 had a total monthly usage for March/April of 2001 of 16,370 cubic feet or 122,771 gallons per month.
- |  |         |
|--|---------|
| Number of EDUs for C/I/NR Customers using one EDU or less: | 37 EDUs |
|--|---------|
- iv. Calculate the number of C/I/NR Customers greater than 1 EDU usage:
- |  |                 |
|--|-----------------|
| Total monthly usage for the 12 customers using more than one EDU divided by one EDU (average monthly water usage for SFR Customers): |                 |
| 16,370 cubic feet divided by 578 cubic feet  | 28 EDUs         |
| 122,771 gallons divided by 4,332 gallons   | 28 EDUs         |
| Number of C/I/NR Customers using one EDU or less   | <u>37</u>       |
| "Total Number of EDUs for all C/I/NR Customers"<br>(37 + 28 = 65)  | 65 EDUs         |
| "Total Number of Individual SFR Water Customers"   | <u>253 EDUs</u> |
| "Total Number of EDUs for all C/I/NR Customers"<br>(65 + 253 = 318)  | 318 EDUs        |

3. Calculate the "Monthly Sewer Rate for Each EDU for 2001 - 2001 Fiscal year

a. "Total Operation and Maintenance Costs for the System"	\$91,400.00
Divided by "Total Number of EDUs"	318 EDUs
Total annual system costs per EDU	\$287.42
Divided by 12 months	<u>12</u>
"Monthly Sewer Rate for each EDU beginning May 1, 2001"	\$23.95

4. Using the monthly sewer rate methodology described in Resolution 412, the above calculations show that the "Monthly sewer rate for each EDU", beginning May 1, 2001, should be \$23.95 per EDU. Because this monthly sewer rate is based on the total operation and maintenance costs for the system, projected for the 2001 - 2001 fiscal year, which year is the first year of the operation of the system, and because the City has no sewer operating history to analyze the accuracy of these projections, the City Council has decided to establish a "Monthly sewer rate for each EDU", beginning May 1, 2001, of \$23.00 per month per EDU.



# Summary of Water Usage Detail March/April 2001

## Water Pipe Service Size Summary

<b>Residential:</b>	<b>Count</b>
5/8 - 1/2"	206
1"	47
2"	0
<b>Total Residential:</b>	<b>253</b>
<b>Commercial:</b>	
5/8 - 1/2"	36
1"	9
2"	4
<b>Total Commercial:</b>	<b>49</b>
<b>No Charge Meters</b>	<b>2</b>
<b>Total Meters</b>	<b>304</b>

## Average Water Usage Summary

<b>Residential:</b>		
Number used for average:		252**
Cubic Feet per Residence		1155.24
Gallon Conversion x 7.5		<b>8664.3 *</b>
<b>Average Use Commercial:</b>		
Number used for average:		33**
Cubic Feet per Business		632.55
Gallon Conversion x 7.5		<b>4744.125 *</b>
<b>Heavy Use Commercial:</b>		
Number used for average:		12**
Cubic Feet per Business		2728.25
Gallon Conversion x 7.5		<b>20461.875 *</b>

\*These totals represent a two month billing cycle.  
 \*\* These numbers do not include one or more extremely high or low water usages.

This information was compiled from the data received from the City of Aurora's Utility Billing Program Usage Detail Report and an actual count of meters used within the city as of April 26, 2001.

This report was created by Sheri Hall, City Recorder