

RESOLUTION 2011-20

A RESOLUTION ADJUSTING THE RATE STRUCTURE FOR THE GARIBALDI WATER SYSTEM, SETTING NEW RATES, AND ESTABLISHING CRITERIA FOR ANNUAL RATE INCREASES

WHEREAS, the City of Garibaldi provides and maintains water utility service for its citizens and businesses through Garibaldi Municipal Code 13.05, and enacted through Ord. 184, on 12 August 1991 and last amended 20 December 2004, prescribing rules, regulations and methods for establishing 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, the Garibaldi City Council held a workshop on 6 June 2011 to review the existing rate structure for water service as compared to similar coastal communities; and

WHEREAS, the Garibaldi City Council held a town hall meeting on 11 July 2011 to discuss a proposed rate structure for water service that aligns Garibaldi's water rates to similar coastal communities; and

WHEREAS, the Garibaldi City Council has directed the City Manager to adjust the City's water service rates to be comparable to similar coastal cities, while providing for sufficient revenue to adequately operate the City's water system; NOW, THEREFORE

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

Section 1. For the purpose of this resolution the following terms are defined:

1. *Water Service*: references the size of water pipe used to provide service to a property or building. This designation may also reference the actual water meter and its corresponding size. For the purpose of this rate structure meters that have designated as 5/8" meters will be treated as 3/4" meters.
2. *Base Rate*: is the minimum charge each month for a water service based on the *Water Service*.
3. *Base Gallons*: is the minimum amount of gallons included with a *Base Rate* each month for a *Water Service*.
4. *Overage Rate*: is the amount that is charged per thousand gallons of water used over the *Base Gallons* in any given month.

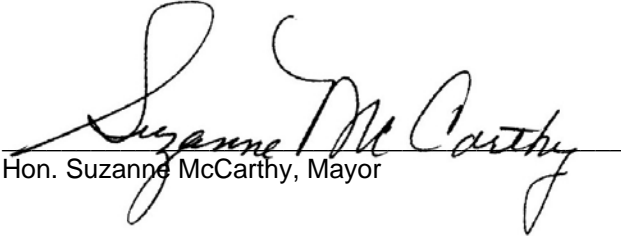
Section 2. Effective as of the passage of this resolution, Water System Charges shall be changed as follows:

Water Service	Base Rate	Base Gallons	Overage Rate
Residential 3/4"	\$24.50	4,000	\$2.75
Commercial 3/4"	\$24.50	4,000	\$3.00
Commercial 1"	\$36.75	8,000	\$3.00
Commercial 1- 1/2"	\$49.00	12,000	\$3.00
Commercial 2"	\$73.50	16,000	\$3.00
Commercial 3"	\$98.00	32,000	\$3.00
Commercial 4"	\$196.00	64,000	\$2.50
Commercial 6"	\$784.00	128,000	\$2.50

Section 3. The City Manager is hereby instructed to adjust water service rates each year on July 1, beginning 1 July 2012, in an amount ranging from a zero percent (0%) to three percent (3%) increase above the established rate of the prior year. The City Manager will determine an increase based on actual

costs in the operation and maintenance of the water system. This amount will be no more than the percent increase in construction costs as indexed by the Engineering News Record (ENR) for the Seattle, Washington area.

PASSED BY THE COMMON COUNCIL AND APPROVED BY THE MAYOR, this 18th day of July 2011.


Hon. Suzanne McCarthy, Mayor

ATTEST:

John O'Leary, City Manager