

RESOLUTION 2007-05

A RESOLUTION ADJUSTING THE METHODOLOGY AND RATES FOR USE OF THE MUNICIPAL SEWER SYSTEM

WHEREAS, Sewer Ord. No. 33 prescribes that sewer rates be adopted through resolution and rates were last revised by Resolution No. 2002-04 (adopted 1/22/2002); and

WHEREAS, the Common Council of the City of Garibaldi finds that a revision of sewer rates should be established in an effort to generate sufficient revenues to repay the bonded indebtedness and increases in operating and maintenance expenses; NOW, THEREFORE

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

Section 1. DEFINITIONS.

- (A) SEWER RATE STUDY. The *April 2000 City of Garibaldi Sewer Rate Study* produced by HGE Engineers.
- (B) STAFF. Any combination of the Public Works Director, Finance Officer and/or their assigns.
- (C) FISCAL YEAR. The fiscal year begins 1 July and ends on 30 June.

Section 2. RESIDENTIAL EQUIVALENT UNIT (REU) METHODOLOGY. A Residential Equivalent Unit (REU) equals 4,000 gallons of monthly water usage as determined in the Sewer Rate Study.

- (A) COMMERCIAL. A non-residential REU equals 4,000 gallons of metered water consumption per month.
- (B) RESIDENTIAL. A residential REU is assumed to use a flat 4,000 gallons per month per dwelling unit regardless of water consumption.

Section 3. DETERMINING COMMERCIAL REUs.

- (A) In January, staff will review water consumption data from the previous calendar year and divide the number by 4,000 gallons and by 12 months to determine the number of REUs to be billed each month. REUs will be rounded to the next highest integer.
- (B) Commercial users will be billed monthly for the number of REUs derived from the previous year's water consumption, as stated in Section 3(A), starting with the new fiscal year. The REUs will not change during the course of the fiscal year.
- (C) Commercial uses associated with residential uses (mixed-use on single water meter) will have 48,000 gallons subtracted from the previous calendar year usage totals per residence before applying the provisions in Section 3(A). At least one commercial REU will be assigned to the account in addition to the residential REUs.

Section 4. INCOMPLETE DATA. If a commercial user does not have a full-year of water usage or is new, City staff will extrapolate REUs based upon water usage, conversion factors as listed in the Sewer Rate Study, equivalent business usage and the Public Works Director's analysis.

Section 5. NOTICE. Upon compiling REUs, the Finance Officer will correspond with commercial users prior to 1 May updating them of their new REU totals and accompanying monthly rate for the fiscal year.

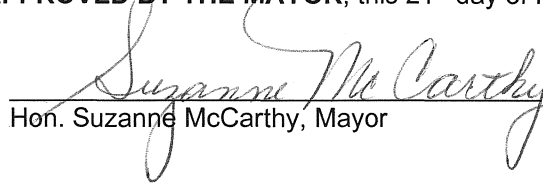
Section 6. APPEAL. Commercial users may appeal staff interpretation of the methodology as it was applied to their account to the City Administrator no later than 1 June.

Section 7. EXEMPTIONS. Water-only meters not contributing to the sewer system and designated as such by the Public Works Director are exempt from paying sewer rates.

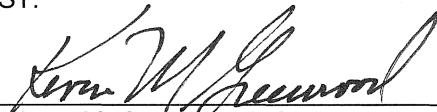
Section 8. PROPOSED 2007-08 RATES. Effective 1 July 2007, the monthly charges for sewer service shall be as follows:

Residential REU rate, per dwelling unit:.....\$42.25
Non-residential REU rate, per 4000 gallons:.....\$33.25

PASSED BY THE COMMON COUNCIL AND APPROVED BY THE MAYOR, this 21st day of May, 2007.


Hon. Suzanne McCarthy, Mayor

ATTEST:


Kevin M. Greenwood, City Administrator