



CITY OF

PORTLAND, OREGON

BUREAU OF WATER WORKS

Mike Lindberg, Commissioner
Edward Tenny, Administrator
1120 S.W. 5th Avenue
Portland, OR 97204-1926
Information (503) 796-7404

DATE: April 11, 1990

TO: Commissioner Mike Lindberg

FROM: Edward Tenny, Administrator *ET*
Bureau of Water Works *nr*

SUBJECT: 1990-91 Water Rate Ordinance

The Water Bureau is submitting for Council consideration the 1990-91 Water Rate Ordinance.

This Ordinance sets the rates and charges for water and water-related services for the fiscal year beginning July 1, 1990 and ending June 30, 1991. It affects all purchasers of City water or water-related services. This includes City residential and commercial water customers as well as outside City wholesale customers.

City Charter Section 11-106 states that "For each fiscal year the Council shall fix rates which will provide an estimated income to equal expenses and debt service relating to water bonds."

This Ordinance is necessary to fund the Bureau's proposed budget. Rates established in this Ordinance will ensure revenue levels adequate to meet financial and service level objectives of the Water Bureau.

The rates for outside City wholesale customers (water districts, companies and cities) are set based on a formula contained in the City's long-term water sales agreements with these customers. The City is further contractually obligated to these wholesale customers to notify them of the date of the Council hearing on this Ordinance.

These rates are expected to generate \$40.4 million in revenue for the Water Fund. Of this \$40.4 million, \$7.8 million will be raised from outside City wholesale and retail commodity rates; \$20.8 million from inside City commodity rates; \$11.2 million from customer service charges; and \$.56 million from collection and other miscellaneous charges. The average rate increase for City users is 7.4 percent. The typical residential customer will see a 38 cent per month increase in their water bill to \$9.66. Even with these rate increases, Portland's rates remain among the lowest in the Greater Portland area.

04/04/90

TYPICAL FY 90/91 WATER BILLS

	Meter Size	Average Consumption (cf/mon)	Average Monthly Bill				
			1990-91	1989-90	Increase	%	
RESIDENTIAL-	Small, 1 or 2 people	5/8"	400	\$6.06	\$5.68	0.38	6.7
	Average, 3 or 4 people	5/8"	900	9.66	9.28	0.38	4.1
	Large, 5 or more people	1"	2,500	23.41	21.46	1.95	9.1
	Apartment, 10 units	1 1/2"	4,000	37.94	34.88	3.06	8.8
	Apartment, 50 units	4"	45,000	362.90	345.48	17.42	5.0
	Apartment, 300 units	6"	120,000	940.11	897.94	42.17	4.7
COMMERCIAL-	Small, Retail Shop, etc.	1"	4,500	37.81	35.86	1.95	5.4
	Small, Fast Food Rest., etc.	1 1/2"	9,000	73.94	70.88	3.06	4.3
	Small, Misc. use	2"	6,000	56.80	51.74	5.06	9.8
	Medium, Car Wash, etc.	3"	40,000	312.02	303.09	8.93	2.9
	Large, Office Bldg., etc.	4"	80,000	614.90	597.48	17.42	2.9
INDUSTRIAL	Small, Non-water Related	4"	16,000	154.10	136.68	17.42	12.7
	Medium, Non-water Related	8"	100,000	840.76	776.88	63.88	8.2
	Medium, Water Related	8"	200,000	1,560.76	1,496.88	63.88	4.3
	Large, Water Related	10"	500,000	3,815.72	3,683.10	132.62	3.6
	Large, Water Related	12"	800,000	6,105.96	5,892.26	213.70	3.6

Commissioner Mike Lindberg
April 11, 1990
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RE: 1990-91 Water Rate Ordinance

Miscellaneous charges, which are based on the cost of providing specific services, have been increased to cover inflation. The contractually mandated outside City rates decrease an average of 1.9 percent due to a decline in the rate of return calculation and changes in the cost of service methodology recommended by a consultant rate study.

The system development charges (SDCs) calculation has been changed in accordance with ORS 223.297-314. System development charges are reimbursement fees based on the estimated value of existing water facilities, less depreciation, which serve retail customers. The methodology and calculation have been reviewed by Ken Rust of Public Financial Management. These changes have resulted in the first system development charges increase since FY 80-81.

Please sign the ordinance and return to Sue Miller at the Water Bureau so it can be filed by Friday, April 13, 1990, in order to be heard by the Council on April 19, 1990.

Thank you for your consideration in this matter.



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BUREAU OF WATER WORKS

Mike Lindberg, Commissioner
Edward Tenny, Administrator
1120 S.W. 5th Avenue
Portland, OR 97204-1926
Information (503) 796-7404

DATE: April 11, 1990

TO: Mayor J. E. Bud Clark
Commissioner Earl Blumenauer
Commissioner Dick Bogle
Commissioner Bob Koch
Commissioner Mike Lindberg

FROM: Ed Tenny, Administrator *ET*
Bureau of Water Works *mr*

SUBJECT: Proposed Water Rates, FY 90-91

This memorandum is intended to provide summary information on the proposed water rates for FY 90-91. As always, we have consulted with Ken Rust of PFM and Drew Barden of OF&A while constructing our financial plan to ensure that the underlying economic assumptions are reasonable and consistent. Our FY 90-91 financial plan, excluding add packages, falls within the budget targets set by OF&A. The rates are based on the Water Bureau's requested (RSL) budget, and will need to be modified in response to changes made by Council for the approved budget. The FY 90-91 revenue requirement is consistent with the figure projected for FY 90-91 in last year's plan, but the mix between capital and O&M expenditures has changed to accomodate revisions in the CIP.

RETAIL WATER RATES

The average rate increase being proposed for inside-City retail customers is 7.4%. This increase would add only \$0.38 per month to the typical residential customer's water bill, and is the lowest retail rate increase requested in the past four years. Portland's proposed FY 90-91 rates are 25% lower than the average FY 89-90 rates of neighboring water districts.

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 FY 90-91 Proposed Water Rates
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The principal reasons for the rate increase, expressed in dollar components, are as follows:

	<u>Dollars</u>	<u>Average % Rate Increase</u>
<u>TARGET (CSL) BUDGET:</u>		
Operations Expense (inflation/benefits/capital)	825,000	2.85
Utility Franchise Fee	172,000	0.66
Mayor's Budget Changes	<u>N/A</u>	<u>N/A</u>
Total Target (CSL) Increases:	\$ 997,000	3.51
<u>REQUESTED (RSL) BUDGET:</u>		
Customer Billing Information System	533,000	1.74
Computer Servicess I/A	66,000	0.21
Hydropower Staff Transfer	74,000	0.24
Water Quality Program	265,000	0.86
Meter Reading Software	20,000	0.07
Equip./Fleet Services	631,000	2.05
Rate Increase Avoided by Drawdown of Cash Balances to cover other costs:	<u>\$ (400,000)</u>	<u>(1.30)</u>
Total Requested (RSL) Budget	\$ 1,189,000	3.87
Net Proposed Rate Increase	\$ 2,759,000	7.38

Please note the last Requested (RSL) component listed: Rate Increase Avoided by Drawdown of Cash Balances. The use of a portion of the contingency balance in the financial model to mitigate rate increases reduces projected net income, but is being proposed because the remaining balance, at just over \$3.2 million, will still provide a short-term reserve that is close to 10% of operating expenses. It should be noted, however, that \$3.2 million is less than 1-1/4 accounting periods of water sales receipts. (Industry standards would suggest a contingency equal to 2 accounting periods.) Since water sales account for 90% of all Bureau revenues (98% of Water Fund revenues) and can vary with the weather, a contingency balance of this magnitude should not be considered generous, and should not be drawn down further.

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SYSTEM DEVELOPMENT CHARGES

The system development charges (SDCs) calculation has been changed in accordance with ORS 223.297-314. System development charges are reimbursement fees based on the estimated value of existing water facilities, less depreciation, which serve retail customers. The methodology and calculation have been reviewed by Ken Rust of Public Financial Management. These changes have resulted in the first system development charges increase since FY 80-81.

THE LONG-TERM PERSPECTIVE

While the above listed rate components address FY 90-91 specifically, it is important to be aware of the longer term results of the proposed increase. Some of the results that become apparent in the context of the ten-year financial plan (FY 90-91 through FY 99-2000) are described below:

1. A Capital Improvement Program (CIP) is planned for the next ten years totalling \$113.6 million, with annual outlays averaging approximately \$11.4 million. In keeping with the Bureau's policy of a balanced approach between cash and debt financing of capital, bond sales are anticipated to occur in FY 90-91, 92-93, 94-95, and 96-97, totalling \$62.3 million. Remaining capital needs will be cash financed using a combination of rate and non-rate revenues. There may be substantial changes to the CIP over the next few years as the full impact of EPA mandates regarding filtration of surface water supplies becomes known.
2. A revenue increase of 4.5% above inflation is projected for FY 91-92 to cover debt service requirements from the FY 90-91 bond issue and expense related to capital maintenance. After FY 91-92 revenue increases are projected to be approximately at the level of inflation.
3. Operating income is forecast to grow at an annual rate of about 7% over the ten year period. Operating income may have to be augmented through rates in FY 91-92 and 92-93 to yield net income at the breakeven level.
4. A debt service coverage ratio of 1.3 or above is maintained throughout the ten year forecast period. Debt coverage is a key indicator of financial health that affects both the Water Bureau's and the City's bonded debt rating. Since the Bureau plans to sell bonds in FY 90-91, and since it is no longer allowable to fund a bond reserve with bond proceeds, the

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coverage ratio will play a more important role than it previously has in measuring bond security for potential buyers.

WHOLESALE WATER RATES

The total (wholesale + retail) water sales revenue increase planned for FY 90-91 is 4.7%, or just slightly more than the rate of inflation. This increase generates our revenue requirement of \$40.4 million, of which \$7.8 million (19%) comes from wholesale rates. Even though revenue generated from wholesale rates is up \$0.8 million from last year, the effective overall rate impact on wholesale customers is a -1.9% decrease.

The decrease in wholesale rates comes about because they are determined using different methodologies from inside-City retail, and are subject to different influences. Wholesale rates are set on the Utility-Enterprise basis (as required by contract) and fluctuate from year to year according to the allowable rate of return, plant replacement indexes, and growth in demand. The rate of return is significantly lower this year than last, the plant replacement indexes are tracking with inflation, and outside-city consumption growth has been higher than the rate of inflation. The combination of these factors results in a rate decrease this year to most wholesale customers even though the total dollars being collected from them is greater than last year.

CONCLUSION:

Approval of the proposed rate increase in FY 90-91 will allow the Bureau to remain in a sound fiscal position while meeting new service level objectives and continuing to provide the highest possible quality water and service to City customers while keeping the cost of this essential product both equitable and low.

cc: M. Rosenberger
C. Short
D. Cain
B. Bagnall
Office of Finance & Administration

**TYPICAL RESIDENTIAL MONTHLY WATER BILLS
IN THE GREATER PORTLAND AREA**

<u>Water Utility</u>	<u>Typical FY 89-90 Residential Monthly Water Bill*</u>
Hazelwood Water District	7.15
Gilbert Water District	8.00
Powell Valley Road Water District	8.05
Clackamas Water District	8.86
Portland, City of: FY 90-91 Proposed	9.66
Tigard Water District	9.75
Rockwood Water District	9.79
Metzger Water District	9.90
Lake Oswego, City of	12.30
Wolf Creek Highway Water District	12.33
Milwaukie, City of	12.35
Beaverton, City of	12.40
Valley View Water District	13.35
Gresham, City of	13.81
West Slope Water District	13.95
Lake Grove Water District	14.30
Raleigh Water District	14.96
Palatine Hill Water District	15.30
Tualatin, City of	15.45
Lusted Water District	17.20

* Calculations assume average monthly water usage of 900 cubic feet and, except for Portland, are based on FY 89-90 rates.

April 11, 1990

CITY OF PORTLAND, OREGON

BUDGET/FINANCIAL ORDINANCE IMPACT STATEMENT

A. INITIATOR'S SUMMARY OF ORDINANCE ACTION (Deliver original to Budget Office. Retain a copy.)				B.M.B. USE No.
1. NAME OF INITIATOR Bernice Bagnall	2. ROOM NO. Wtr. Engr.	3. TELE. NO. 7551	4. BUREAU WATER WORKS	
5. DEPARTMENT PUBLIC AFFAIRS		6. TO BE FILED:	a. DATE b. CALENDAR (Check One) <input type="checkbox"/> REGULAR <input type="checkbox"/> 4/5ths	
7. SUMMARY OF ACTION (State what you seek to accomplish, state effect on programs affected where known. Cite titles of funds, accounting codes, and BUC's, where applicable. Continue on reverse.)				

This Ordinance establishes water rates and water-related charges for FY 1990-91. These rates are expected to generate \$40.4 million in revenue for the Water Fund. This is 4.7 percent more revenue than the current rate structure would generate. This level of revenue increase is necessary to maintain the financial health and credit worthiness of the Water Bureau.

Of this \$40.4 million, \$7.8 million will be raised from outside City wholesale and retail commodity rates; \$20.8 million from inside City commodity rates; \$11.2 million from Customer Service charges; and \$.56 million from collection and miscellaneous charges. The average rate increase for City users is 7.4 percent. The typical residential customer will see a 38 cent per month increase in their water bill to \$9.66. Outside City rates are calculated using the utility enterprise method of determining revenue requirements and a cost-of-service rate allocation as provided for in the 25-year water sales agreements.

System development charges (SDCs) calculation has been changed in accordance with ORS 223.297-314. System development charges are reimbursement fees based on the estimated value of existing water facilities, less depreciation, which serve retail customers. The methodology and calculation have been reviewed by Ken Rust of Public Financial Management. These changes have resulted in the first system development charges increase since FY 80-81.

The attached exhibit shows a comparison of these rates with other jurisdictions in the Portland metropolitan area.

8. APPROPRIATION UNIT HEAD (Typed name and signature)

Ed Tenny
Edward Tenny, Administrator

9. AUTHORIZED DEPARTMENT OFFICIAL (Signature)

M Rosenberg
Mike Rosenberger, Deputy Administrator

Prescribe the rates and charges for water and water-related services by the City of Portland during the fiscal year July 1, 1990 to June 30, 1991 and fixing an effective date.

The City of Portland ordains:

Section 1. The Council finds:

1. Pursuant to Section 11-105 of the City Charter, this Council has determined the revenue requirements necessary to equal the probable cost of operation, maintenance, capital expenditures, depreciation and debt service of the Bureau of Water Works for the fiscal year beginning July 1, 1990 and ending June 30, 1991.
2. The Commissioner-in-charge of the Bureau of Water Works recommends the rates and charges prescribed herein be adopted in order to meet the Bureau of Water Works' revenue requirements for the fiscal year beginning July 1, 1990 and ending June 30, 1991.
3. This Ordinance has been approved by the Office of the City Attorney.

NOW, THEREFORE, the Council directs:

- a. The following rates and charges are prescribed for the use of water-related services during the fiscal year beginning July 1, 1990 and ending June 30, 1991.

1. SERVICE CHARGE

(a) A monthly, or quarterly, service charge shall be levied on water services connected directly to the City system. The service charge shall be in addition to the rates charged for water used and charged according to the size of the meter or unmetered service as follows:

<u>Size of Meter/Service</u>	<u>Monthly Service Charge</u>	<u>Quarterly Service Charge</u>
5/8" or 3/4"	\$ 3.18	\$ 9.54
1"	5.41	16.23
1 1/4" or 1 1/2"	9.14	27.42
2"	13.60	40.80
3"	24.02	72.06
4"	38.90	116.70
6"	76.11	228.33
8"	120.76	362.28
10"	215.72	647.16
12"	345.96	1,037.88
16"	615.65	1,846.95
30"	1,117.98	3,353.94

Fire protection service size is based on the size of the pipeline entering the property.

- (b) The service charge shall apply to any unused water service when the owner, other city, water district or water company desires the service be retained for future use. Failure to pay the charge within sixty (60) days of the bill for the charge shall be sufficient cause for the service to be disconnected from the main. The Administrator of the Bureau of Water Works may direct a waiver of the charge because of a special need to retain the service when the public health or welfare or the convenience of the Bureau is served.
- (c) Services equipped with backflow prevention devices or detector check metering devices located in vaults owned by the City shall be charged as follows:

<u>Size of Meter/Service</u>	<u>Monthly</u>	<u>Quarterly</u>
2" or Smaller	\$ 16.20	\$ 48.60
3"	26.87	80.61
4"	42.00	126.00
6"	79.46	238.38
8"	124.25	372.75
10"	219.62	658.86
12"	350.11	1,050.33
16"	619.80	1,859.40
30"	1,122.13	3,366.39

2. COMMODITY RATE

For water used through metered services, the charge per 100 cubic feet shall be as follows:

- (a) Inside City Boundaries \$.72
- (b) Outside City Boundaries
 - (1) Other distributors (other cities, water districts or water companies purchasing water for resale).

- Service Area 1:
 - Receiving water from supply conduits. \$.399

- Service Area 2:
 - Receiving water from gravity transmission system. \$.578

- Service Area 3:
 - Receiving water from pumped transmission system. \$.864

- Service Area 4:
 - Receiving water from gravity supply distribution system. \$.787

Service Area 5:

Receiving water from Washington County gravity supply system. \$.432

Geographic descriptions of the above service areas shall be maintained on file at the Bureau of Water Works.

(2) Served directly by the City that are not other distributors.

Receiving water from supply conduits. \$.395

Receiving water from distribution system. \$.9524

Formerly served by the Parkrose Water District. \$.766

Formerly served by the Sylvan Water District. \$.9524

(c) Water will be furnished at Inside City Boundaries Commodity Rates to a continuous building having 50% or more of the area of the building located within the City boundaries. All other structures, buildings, shops, dwellings and/or sprinkling systems or parts thereof wholly outside the City Boundaries, shall be supplied by separate services and meters, and shall be charged the Outside City Boundaries Commodity Rate. The separate meters and services shall be furnished and installed at the expense of the owner of the premises.

3. OTHER WATER USAGE

For the use of fire hydrants or unmetered services the charges shall be as follows:

(a) Permit and usage charges

(1) Annual hydrant permit (all permits expire December 31, each year)

Minimum charge per calendar quarter or part thereof: \$25.00

This minimum charge includes 5,000 gallons or 700 cubic feet. (as measured by the permit holder)

(2) Temporary permit for measured water: \$25.00

This minimum charge includes 5,000 gallons or 700 cubic feet. (as measured by the permit holder)

(3) Measured water usage above the minimum charge in paragraphs 1 & 2 above.

each additional 1,000 gal or part thereof \$.96

or each additional 100 cu ft or part thereof \$.72

- (4) Temporary permit for unmeasured water usage:
 - By the Day:
 - First day or part thereof: \$25.00
 - Each additional day or part thereof: \$ 9.00
 - By the Hour:
 - First one-half (1/2) hour or part thereof: \$25.00
 - Each additional hour or part thereof: \$ 9.60
- (5) For the inspection of backflow prevention, the Bureau of of Water Works may charge: \$30.00
- (6) All annual permit holders under this section are required to report water usage within 15 days of the end of each calendar quarter.
- (b) In addition, the costs of attendant(s) and equipment shall be charged for as provided in Section 5.48.030 of the City Code.
- (c) The Bureau of Water Works may require a deposit for hydrant use permits and/or rented equipment. The deposit may be applied to the cost of water attendant(s), the service charges and/or equipment furnished by or rented from the Bureau of Water Works.
- (d) Daily rental rate for hydrant valve and/or wrench:
 - First three (3) days or part thereof \$ 9.00
 - Each additional day or part thereof \$ 3.00
- (e) The Bureau of Water Works may require a meter to be installed. The rental rate for meters shall be as follows:
 - First ten (10) days or part thereof \$ 10.00
 - Each additional day or part thereof \$ 1.00
 - Maximum charge per month \$ 25.00
- (f) Whenever the potential contamination or pollution of the City water supply may exist, the Bureau of Water Works shall require an approved backflow prevention device be installed. The rental rate shall be as follows:
 - 2" double check valve;
 - first three (3) days or part thereof \$ 24.00
 - Each additional day or part thereof \$ 8.00
 - 2" combination meter and backflow device;
 - first three (3) days or part thereof \$ 36.00
 - Each additional day or part thereof \$ 12.00

- | | |
|--------------------------------------|----------|
| 3" double check valve; | |
| first three (3) days or part thereof | \$ 36.00 |
| Each additional day or part thereof | \$ 12.00 |
- (g) Use of fire hydrant or unmetered services without permit, each time hydrant is accessed. In addition, the water used, minimums and service charge shall be charged at triple the regular rates. \$ 65.00
- (h) Additional charge for annual permit holders not reporting water usage within fifteen (15) days of the end of each calendar quarter. \$ 25.00
- (i) Flow testing a fire hydrant. \$100.00
- (j) When there are extraordinary circumstances, the Administrator of the Bureau of Water Works may adjust rates for using the hydrants.
4. SERVICES FOR FIRE PROTECTION
- A. SERVICE CHARGES
- (a) Metered services used exclusively for fire protection shall be charged according to the size of the pipeline entering the property as provided for in subsection a.1(a.) of this Ordinance. Unmetered firelines shall be charged a service charge at ten (10) times the normal rate as prescribed in subsection a.1(a) of this Ordinance.
- B. COMMODITY CHARGES
- (a) Water registered on full flow metered firelines, or estimated on unmetered firelines, and used for testing, shall be charged for at the commodity rates prescribed in subsection a.2 of this Ordinance.
- (b) Water used as a result of leaks on firelines shall be charged for at three (3) times the commodity rates prescribed in subsection a.2. of this Ordinance from the time of notification, if repairs have not started within sixty (60) days after notification of such leak by the Bureau of Water Works. If fireline leakage has not been controlled after one hundred eighty (180) days, water used shall be charged for at ten (10) times the commodity rate from the time of notification. In addition, the fireline service will be regarded as a domestic service and subject to the provisions of subsection a.4.B.(c) of this Ordinance.
- (c) Unauthorized use of fire protection services will require immediate installation of a full flow meter, conversion to a domestic service and payment of a System Development Charge as prescribed in subsection a.9(c) of this Ordinance.

- 5. **STANDBY OR EMERGENCY SUPPLY CONNECTIONS**
Distributors (other cities, water districts or water companies purchasing water for resale) having a water supply other than that furnished by the City of Portland and desiring a standby or emergency supply from the City of Portland shall be charged on the basis of contract specific to that distributor.
- 6. **PAY STATIONS**
Pay stations authorized by City Code Section 21.16.100 shall be compensated at the rate of \$ 0.35 for each bill collected.
- 7. **OTHER SERVICE CHARGES AND COLLECTION CHARGES**
The following service charges and collection charges shall be made by the Bureau of Water Works and may be added to the water bill.

- (a) Additional charges for late payment of bill:
 - (1) When the status becomes past due
 (Reminder Notice) \$2.50
 - (2) When the status becomes urgent.
 - Urgent Notice \$5.50
 - Manual Urgent Notice \$7.50

Notice of these charges shall be made on a previous bill.

- (3) When the bill goes to shut-off
 - Shut Off and On Notice \$20.00
 - Manual Shut Off and On Notice \$24.00
 - Second Shut Off and Lock Meter \$30.00
- (b) After the water has been shut off for non-payment, the provision of Section 21.16.030 of the City Code pertaining to delinquent water bills, shall apply.
- (c) Additional charges for non-payment of bill or unauthorized water usage:
 - (1) Removal and Re-installation of meter \$ 50.00
 - (2) Removal of spacer or standpipe \$ 25.00
 - (3) Shutting off water at main or reinstating service As provided in
 Section 5.48.030 of the City Code, plus \$ 10.00
 - (4) Plugging or crimping service and Unplugging or uncrimping service \$100.00
 - (5) Check returned by bank for non-payment \$ 10.00
 - (6) Submitting a bill to Small Claims Court Court cost plus \$ 35.00
 - (7) For special shut off or turn on at consumer or owner's request \$ 12.00

- (d) For decreasing the size of the meter
 As provided for
 in Section 5.48.030
 of the City Code.

- (e) Increasing meter from 5/8" to 3/4"
 (plus SDC differential) \$ 75.00

- (f) For testing water meters at consumer's
 or owner's request:
 - 5/8", 3/4" or 1" \$ 33.00
 - 1 1/4", 1 1/2" or 2" \$ 49.00
 - Larger than 2" As provided for
in Section 5.48.030
of the City Code.

- (g) For inspection and testing
 backflow preventers pursuant
 to Section 21.12.350 of the
 City Code
 - (1) For initial inspection
 of new installations. As provided for
in Section 5.48.030
of the City Code.
 - Minimum charge \$ 60.00

 - (2) For annual testing of
 privately owned devices
 for compliance with Oregon
 State Health Division Rules. As provided for
in Section 5.48.030
of the City Code.
 - Minimum for double check or RP device \$ 70.00
 - Minimum for detector double check device \$ 130.00

- (h) For removing material, debris, shrubbery, plantings
 or any other obstructions limiting or preventing
 clear access to meter when owner fails
 to maintain clear access. As provided for
in Section 5.48.030
of the City Code.

- (i) Where meter readers are required to use more than normal
 time to read meters due to locked doors, fences or other
 obstructions established or permitted, the additional
 time may be added to the bill as a special charge.
 Additional charges shall be made for each subsequent time
 the meter reader is required to return to read the meter.
As provided for in
Section 5.48.030 of
the City Code.
 - Minimum charge each time \$ 10.00

- (j) For searching records to provide historical data, the Bureau of Water Works may charge for the time expended, as provided for in Section 5.48.030 of the City Code. A written request and/or deposit may be required.
- (k) A deposit may be required as a condition of service as provided for in Section 21.16.085 of the City Code.
- (l) Special services requested by the consumer, owner or other person may be charged for as provided for in Section 5.48.030 of the City Code. A written request and/or deposit may be required.
- (m) An unclaimed refund may be charged \$ 0.50 per month for handling.
- (n) Credit balances may be retained by the Bureau of Water Works whenever the amount of such balance is less than the expense necessary to refund it.

Cost of refund \$ 5.00

8. CARRYING CHARGES

Bills issued by the Bureau of Water Works which remain unpaid for more than thirty (30) days are subject to a carrying charge at a rate of 9% per year (0.75% per month) on the unpaid balance in excess of \$35.00, including previous carrying charges. The carrying charge shall be computed monthly until the bill is paid.

9. SYSTEM DEVELOPMENT CHARGE

(a) A System Development Charge will be levied for each new water service connecting to the City water system inside the City boundaries. The charge will be according to the size of the service and will be payable at the time of application for service as follows:

<u>Size of Meter/Service</u>	<u>Charge</u>
5/8"	600.00
3/4"	900.00
1"	1,500.00
1 1/2"	3,000.00
2"	4,800.00
3"	9,000.00
4"	15,000.00
6"	30,000.00
8"	48,000.00
10"	86,500.00

charges for larger meter
sizes available upon request

(b) This system development charge is in accordance with ORS 223.297-314. The system development charge is a

reimbursement fee based on the estimated replacement cost of existing water facilities, less depreciation, which serve retail customers. The system development charge nets out customer contributions and outstanding bond principal, while adding the value of construction in progress, to arrive at a cost basis for the retail service area. Peak-day design capacity, estimated retail peak-day demand, and the current equivalent meters are combined with the cost basis to arrive at a unit cost of peak-day capacity, and a cost per equivalent dwelling unit. The methodology is available for public inspection.

- (c) New water service connections solely for temporary construction water or fire protection purposes shall be exempt from payment of the System Development Charge.
- (d) The conversion of an existing fireline to a service for use other than fire protection or the continued use of a fireline for other than fire protection shall require the payment of the System Development Charge as provided for in (a).
- (e) In the event a service has been removed prior to reconnection or establishing a new connection, the person desiring a new connection shall pay a System Development Charge only on the difference in charges between the size of the previous connection and the new connection being requested. If the service was removed more than 36 months prior to reconnection the applicant must provide proof of payment of the original SDC or proof of the existence of the original service. No System Development Charge or credit for a previously paid System Development Charge will apply when a smaller connection is requested.

10. CHARGES FOR INSTALLING SERVICES

- (a) 3/4" service with 5/8" meter, basic charge; \$ 600.00
 plus, for a 3/4" meter; \$ 20.00
 plus, if paving is required. \$ 125.00
- (b) 1" service, basic charge; \$ 815.00
 plus, if paving is required. \$ 135.00
- (c) Larger than 1" service
 As provided for
 in Section 5.48.030
 of the City Code.

ORDINANCE No.

- (d) An exception to the above charge will be made for any service installed within the Downtown Transit Mall, or in any other area where actual cost of installation, because of extraordinary conditions, as determined by the Administrator of the Bureau of Water Works, may exceed the above charges which are based on an average cost of installation for the listed size of service during the previous year. These exceptions to the above charges will be made as provided for in Section 5.48.030 of the City Code.
- (e) An additional charge may be made for services installed in street rights-of-way wider than sixty (60) feet, on a pro-rata footage basis.
- (b) The water rates and charges fixed by this Ordinance shall be in force and effect from and after July 1, 1990 and any and all Water Rate Ordinances now in effect conflicting in any manner with the provisions of this Ordinance, are hereby repealed on and after July 1, 1990.

Passed by the Council, **APR 25 1990**

Commissioner Lindberg
April 11, 1990
Anne Conway:dmh BGT:ORD-RATES

BARBARA CLARK
Auditor of the City of Portland
By *Mary Flanagan* Deputy

692

~~642~~

Calendar No.

ORDINANCE No. 162976

Title

Prescribe the rates and charges for water and water-related services by the City of Portland during the fiscal year July 1, 1990 to June 30, 1991 and fixing an effective date.

APR 19 1990

PASSED TO SECOND READING

APR 13 1990

Filed _____

BARBARA CLARK
Auditor of the CITY OF PORTLAND

By Coy Kershner
Deputy

THE COMMISSIONERS VOTED AS FOLLOWS:		
	Yeas	Nays
BLUMENAUER	✓	
BOGLE	✓	
KOCH	_____	_____
LINDBERG	✓	
CLARK	✓	

FOUR-FIFTHS CALENDAR	
BLUMENAUER	
BOGLE	
KOCH	
LINDBERG	
CLARK	

INTRODUCED BY
COMMISSIONER LINDBERG

NOTED BY THE COMMISSIONER
Affairs <i>MD</i>
Finance and Administration
Safety
Utilities
Works

BUREAU APPROVAL
Bureau: WATER WORKS
Prepared By: ANNE CONWAY Date: 4/11/90
Budget Impact Review: <input type="checkbox"/> Completed <input type="checkbox"/> Not required
Bureau Head: <i>Ed Tenny</i> EDWARD TENNY, ADMINISTRATOR

CALENDAR	
Consent	Regular

NOTED BY
City Attorney
City Auditor
City Engineer