

City of Sodaville

Work Session Agenda

February 8, 2024

7:00 PM – City Hall

Teleconference # 253-215-8782 * Meeting ID: 898 9534 3481 * Passcode: 234775

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Visitors
5. Water Rate Discussion
6. Adjourn

PUBLIC COMMENT There are two times at every regular City Council meeting when the public has an opportunity to address the City Council. The first time is reserved for questions or statements regarding items appearing on the agenda, except public hearings and the merits of land use issues. The second time is at the end of the agenda. At this time, you can address the City Council on any matter of public concern, other than an agenda item. The Mayor will announce the time for public comment, and invite persons to address the City Council. Each person has three minutes to address the City Council. ***PUBLIC COMMENT is not accepted during the meeting other than at those times.*** The Council reserves the right to enter into Executive Session as needed to conduct City business in accordance with Oregon Public Meeting Law as clarified in the Oregon Attorney General's Public Records and Meetings Manual or advised by counsel.

Individuals needing special accommodations such as sign language, foreign language interpreters or equipment for the hearing impaired must request such services at least 48 hours prior to the City Council meeting by calling 541-258-8882.

“The City of Sodaville is an equal opportunity provider and employer.”

5. Water Rate Discussion

Staff Summary

Current non-restriction tier prices:

- First 2,500 gallons in a month Included in Customer Basic Service Charge
- Tier 1. 2,501 to 5,000 gallons in a month \$16.10 per 1,000 gallons
- Tier 2. 5,001 to 7,500 gallons in a month \$17.00 per 1,000 gallons
- Tier 3. 7,501 to 10,000 gallons in a month \$17.50 per 1,000 gallons
- Tier 4. 10,001 to 12,500 gallons in a month \$20.00 per 1,000 gallons
- Tier 5. 12,501 to 15,000 gallons in a month \$20.70 per 1,000 gallons
- Tier 6. 15,001 to 17,500 gallons in a month \$25.00 per 1,000 gallons
- Tier 7. 17,501 to 20,000 gallons in a month \$27.00 per 1,000 gallons
- Tier 8. 20,001 to 22,500 gallons in a month \$30.00 per 1,000 gallons
- Tier 9. 22,501 to 25,000 gallons in a month \$33.00 per 1,000 gallons
- Tier 10. 25,001 to 27,500 gallons in a month \$35.00 per 1,000 gallons
- Tier 11. 27,501 to 30,000 gallons in a month \$40.00 per 1,000 gallons

If the City changes **non-restriction water rates** to \$0.02 per gallon over 5,000 gallons, which would replace the Tiers between 5,000-12,500, the City could expect between \$500-\$1,000 in extra revenue for the remainder of the fiscal year, or February-June. If the City increases **non-restriction water rates** to \$0.02 per gallon between 5,000-7500, and \$0.04 per gallon thereafter, the City could receive up to \$9,000 in extra revenue for the remainder of the fiscal year. If prices were increased to \$0.04 per gallon above 5,000 gallons and \$0.09 per gallon above 7,500 gallons **during restrictions**, the City could gross \$25,000 in extra revenue. Both changes would total up to an additional \$34,000 per fiscal year. Alternatively, raising the rate to \$0.09 per gallon above 5,000 gallons **during restrictions** could yield between \$29,000-\$57,000.

One additional charge rate to consider is making every Tier a flat rate **during water restriction periods**, increasing by \$50, rather than charging by gallon. Basic Service Charge, 26.45%: Maintain \$47 flat rate for \$1,551 monthly revenue. Tier 1 2,501-5000, 36%: \$50 flat rate for \$4,365 monthly revenue. Tier 2 5,001-7,500, 37.6%: \$100 flat rate for \$9,259 monthly revenue. Tier 3 7,501-10,000, 6.4%: \$150 flat rate for \$2,776 monthly revenue. Tier 4 10,001-12,500, 6.4%: \$200 flat rate for \$4,376 monthly revenue. Tier 5 12,501-15,000, .8%: \$250 flat rate for \$797 monthly revenue. Tier 6 Over 12,501, .8%: \$300 flat rate for \$1097 monthly revenue. \$0.09 per gallon over 15k. Total monthly revenue would be \$24,221 (currently approximately \$10,000). Water hauling costs in 23-24 are approximately \$15,000 monthly.

Water Hauling Cost Data

- 2012: \$2,974.25
- 2015: \$10,819.98
- 2016: \$8,167.85
- 2018: \$16,042.55
- 2019: \$24,987.77
- 2020: \$11,252.65
- 2021: \$86,051.50
- 2022: \$35,632.44
- 2023: \$90,581.77