1. 2:00 P.M. Agenda

   Documents:

   2024-09-10 Public Works And Streets Agenda.pdf

2. 2:00 P.M. Meeting Materials
   2024-07--Financial-Report-Public-Works

   Documents:

   2024-08-13 PWS Summary.pdf
   2024 August Public Works Department Report Rev.pdf
   Water Report Aug 2024.Pdf
   2024-07 Financial Report Public Works.pdf
   Yachats Water Rate Study 12. 2020.Pdf
   Water Rate -Tiered.pdf

3. Additional Documents Added After Meeting

   Documents:

   Water Rate -Tiered.pdf
   STREET BID TAB.pdf
   2024_25 Street Paving Request Narrative.pdf
   2024_25 Yachats Street Paving Suggestions.pdf
   ESTIMATE_1609_From_Gettis Paving INC North Radar Rd.pdf
   ESTIMATE_1610_From_Gettis Paving INC Hanley And 10th St.pdf
   ESTIMATE_1611_From_Gettis Paving INC Upper Radar Rd.pdf
   ESTIMATE_1612_From_Gettis Paving INC Lower Green Hill At HWY 101.Pdf
   ESTIMATE_1613_From_Gettis Paving INC Upper Green Hill.pdf
   ESTIMATE_1615_From_Gettis Paving INC Crestview.pdf
   ESTIMATE_1616_From_Gettis Paving, INC 9th St.pdf
   Yachats--AC Repairs Knife River Multiple.pdf
   Yachats City Of Crestview Asphalt Paving REVISED02 Bid RoadandDriveway Crestview.pdf
   Yachats City Of Various Asphalt Paving REVISED RoadandDriveway Multiple.pdf

CITY OF YACHATS

PUBLIC WORKS & STREETS COMMISSION MEETING

Tuesday, September 10, 2024 at 2:00pm

To Be Held Via Zoom & In Person Located at:
Commons Bldg., Civic Meeting Room 1
441 Hwy 101 N., Yachats, OR 97498

Join Zoom Meeting
https://us02web.zoom.us/j/87044929816
Meeting ID: 870 4492 9816

AGENDA

I. Call to Order

II. Announcements & Correspondence
- a. EPC EP Fair (September 14)

III. Citizen's Concerns

IV. Reports
- a. Fire Dept Report (Alex or Kevin)
- b. Public Works Report (Rick)
  - i. Street Paving status
  - ii. Delineators Status
  - iii. Water Level & SWL status
- c. Finance Report (Don Groth)

V. Current Business
- a. CIP's focus end of Summer / Fall /Winter
- b. Storm Water Master Plan
- c. Public Works Standards

VI. New Business
- a. Presentation By Don Phipps
- b. Adopt A Fire Hydrant Project

VII. Other Business
- a. From Commission
- b. From Staff

This meeting is open to the public and all interested persons are invited to attend. This meeting will be audio taped. All items to be considered by the Commission must be submitted to City Hall no later than one week prior to the meeting. Minutes of all public meetings are available for review on the City website at www.yachatsoregon.org . In accordance with ORS 192.630, City of Yachats will make a good faith effort to provide accommodations for any person desiring to attend a public meeting, if the request is made at least 48 hours in advance of the meeting time. The meeting room is physically accessible to persons with mobility devices; a sign language or foreign language interpreter may be available, with advance notice. Call City Hall at 541-547-3565 or Oregon Relay 1-800-735-2900 (TDD) two days in advance. Posted 09/06/2024 By: Kimmie Jackson, Recorder

CITY OF YACHATS PUBLIC WORKS & STREETS COMMISSION

ACTION SUMMARY

Date:	August 13, 2024
Time:	2:00 p.m.
Place:	441 Hwy 101 N., Civic Meeting Room 1
Attending:	Chair Linn West, Co-Chair Don Groth, Commissioner Jim Welch, Commissioner Bob Bennett, Commissioner Kevin Erdahl and Commissioner Don Phipps; Staff: Dave Buckwald, Wastewater Lead, Rick McClung, Water Lead and Kimmie Jackson, Recorder
Absent	

CALL MEETING TO ORDER:

1. Agenda Item - Announcements or Correspondence	
Topic	Discussion
	None
2. Agenda Item Citizens Concerns	
	None
3. Agenda Item Reports	
	Public Works report is attached to the online packet. Dave and Rick were available for questions. ODOT permit for delineators is approved as of today; will bid the job out now. Gant app is in for 2nd street allotment, find out in November; if we don't received, paving projects will need another source of money or just do the overlay; this is the third phase and would like to finish. Westech is retiring from the engineering of record, need an RFP for a secondary; give clarifier project to another firm. Will include the cip and master plan.

	The SW Lincoln agreement is in progress, attorneys have been evening, then to the board for approvl.
	Finance Review for June 2024 is attached to the online packet. Commissioner Groth was available for questions. Also overed the 2nd soft close and made note the unaudited balance forward. Emergency Preparedness report – two applications were interviewed and accepted to move forward. Emergency fair on Sept 14; looking at the south tank for potential expansion of the Conex's; moving the conex from under the water tank. As for the fire board, have a member attend. Need someone from the EP committee.
Action Item	Motion to accept the two applicants to serve on the emergency prep. The motion was called and passed unanimously.
4. Agenda Item Business	
	Utility Rate Study - Meeting summary Presentation of 5-yr plan for public works- wastewater projects 118k to pay on last year's cip's; design standards are att a rough draft to send back; storm drain is in process. This yar construction stage of the submersible pump; main pump station is in progress; annual inflow will start after the rain starts; Hanley dr man holes will do one there and one next year; riverside lift improvements will be done and will report on hi next month; vfd 2 left to get done, and maybe in by the next June 2025; man doors we may change and will talk with cm; gis mapping & utility line hardware is in progress, working on e 2nd st still; slide gates are getting bids; wwpt upgrade//generator waiting on parts, heat pump still be investigate; fencing for heating oil tank will be installed.

	Mcclung, 5 yr project to get done; the terlitl rots rollout is attached to the online packet, will need $6,670,000. Desig standards need to review with the planner for further approval; Fire Hydrants - new project, m with daven d ri Street Repair projects – bids are coming in, wil move 9th st to next year; safety issues will need to be done first. Newsletter article - Don is starting a report to ghoto
Action Items:	

Adjournment:	3:50 p.m.
Prepared By:	Kimmie Jackson, Recorder

Date: September 3, 2024

To: Bobbi Price, City Manager

From: Public Works Department

Re: August 2024 Public Works Report

Rainfall at Yachats Public Works:

	Inches			
	2024	**2023**	**2022**	**2021**
August	0.60	0.39	0.09	0.23
Rain year to date:	47.48	34.22	35.79	29.97

Total water produced: **4,578,900** gallons

Total water accounted for: **4,405,307** gallons Water loss efficiency: **96.2** %

Total wastewater treated**:** **3,799,000** gallons

The following is a list of what was done by Public Works staff in August 2024.

Streets:

- Side arm mowing on Crestview, Overlook, Green Hill, Elk Mountain Rd. and Gimlet Ln.
- Storm clean-up on Crestview and Horizon Hill.

Storm Drainage:

- Culvert cleaned on Yachats Ocean Rd.
- Gender Creek culvert inspection.

Water Treatment Plant:

- Water systems operations.
- Water plant maintc.
- Reedy Creek headworks maintc.
- Hauled away debris from the Water Treatment Plant.

Distribution Sys:

- Meter reading and rereads.
- Meter maintc.
- Leak investigations.
- Water pump station maintc.

Wastewater Treatment Plant:

- Wastewater systems operations.
- Plant maintc. & clean-up.
- Biosolids operations.

Collection Sys:

- Lift station inspections.
- Emergency bypass connection installed at Parkside and Riverside lift stations.
- Degreased lift stations.
- Assisted contractors with WW Pump Plug Project (CIP).
- Investigated sewer odor complaint on Horizon Hill. (Nothing found.)
- Picked up new Pontiac L.S. pump from Albany.

Public Works:

- Shop maintc. and clean up.
- Fleet maintc. & repair.
- Equipment maintc. and repair.
- Multiple locates.
- Brush box handling.
- PW administration.
- Piles picked up for Trails crew.
- Garbage removal at the Commons.
- Samples to Newport.
- City Hall and Commons work.
- Code Enforcement lot vegetation inspections.
- City building safety inspections.
- Hauled multiple loads of fill dirt to the city fill site.
- Brush cut area for new benches.
- Placed three benches for public use at intersection of Hwy 101 N and Ocean View Drive.
- Crosswalk flashers repaired.
- Rock placement at corner of 4th and Hwy101 N.
- Safety Meeting.
- Repaired asphalt in front of Commons bldg.
- Assisted with Staff & Volunteer Appreciation lunch.
- Hauled away several truckloads of debris from Public Works yard.
- Brush cut the Public Works yard.
- Finished storm clean-up from last winter.

Commons Heating Oil Tank Decommission & Removal:

- Two loads of asphalt to Newport.
- Traveled to Junction City for portable fence and installed it.

	1.2024	2.2024	3.2024	4.2024	5.2024	6.2024	7.2024	8.2024
Gallons of Water Produced								
Water Plant	3,261,300	2,901,000	2,838,100	3,314,600	3,387,700	4,066,000	5,269,800	4,578,900
Total	**3,261,300**	**2,901,000**	**2,838,100**	**3,314,600**	**3,387,700**	**4,066,000**	**5,269,800**	**4,578,900**
Gallons of Accounted for Water								
Reservoir Level Feet	28.5	28.5	28.6	26.2	27.5	24.2	29.9	26.4
Reservoir +/- Gallons 41,666 per Foot	0	0	0	99,998	54,165	137,497	179,163	145,831
Waterline Flushing Gallons	0	0	0			0	0	0
Gallons Sold	3,140,312	3,258,736	2,574,929	3,643,350	3,141,314	4,058,588	5,842,500	4,551,138
Total Water Accounted for	**3,140,312**	**3,258,736**	**2,574,929**	**3,543,352**	**3,195,479**	**3,921,091**	**6,021,663**	**4,405,307**
Final Water Report								
Water Loss Efficiency	96%		90%		94%	96.4	na	96.2
Unaccounted Gallons per Month	120,988		263,171		192,221	144,909	na	173,593
Unaccounted Gallons per Minute	2.8		6.1		4.4	3.4	na	4

Streets Operating 100-1040

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2024

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
100	1040	300101	Beginning Balance	$ 61,680.85	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
100	1040	304650	Tax - State Highway	$ 72,000.00	$ -	$ -	$ -	0.00%	
			REVENUE	**$ 133,680.85**	**$ -**	**$ -**	**$ -**	**0.00%**	
100	1040	105110	Water Lead	$ 2,000.00	$ -	$ 96.22	$ 96.22	4.81%	
100	1040	105111	Wastewater Lead	$ 3,500.00	$ -	$ 423.84	$ 423.84	12.11%	
100	1040	105113	Field Utility 1	$ 1,500.00	$ -	$ -	$ -	0.00%	
100	1040	105114	Field Utility A	$ 5,100.00	$ -	$ 210.38	$ 210.38	4.13%	
100	1040	105118	Succession Planning w/License	$ -	$ -	$ 348.92	$ 348.92	0.00%	
100	1040	105121	Field Utility Journeyman	$ 5,000.00	$ -	$ 174.72	$ 174.72	3.49%	
100	1040	105122	Field Utility B	$ 900.00	$ -	$ 105.01	$ 105.01	11.67%	
100	1040	105140	Fringe Benefits	$ 1,900.00	$ -	$ 98.84	$ 98.84	5.20%	
100	1040	105141	Insurance Benefits	$ 3,600.00	$ -	$ 234.92	$ 234.92	6.53%	
100	1040	105142	Regular PERS System	$ 4,000.00	$ -	$ 237.73	$ 237.73	5.94%	
			PERSONNEL	**$ 27,500.00**	**$ -**	**$ 1,930.58**	**$ 1,930.58**	**7.02%**	
100	1040	205222	Insurance	$ 4,300.00	$ -	$ 4,092.41	$ 4,092.41	95.17%	Annual Property/Liability Renewal FY21
100	1040	205312	Equipment Fuel/Tires/Parts	$ 1,000.00	$ -	$ -	$ -	0.00%	
100	1040	205313	Equipment Repair	$ 2,700.00	$ -	$ -	$ -	0.00%	
100	1040	205317	Tools and Small Equipment	$ 600.00	$ -	$ -	$ -	0.00%	
100	1040	205361	Parts	$ 6,000.00	$ -	$ -	$ -	0.00%	
100	1040	205362	Consumables	$ 1,500.00	$ -	$ -	$ -	0.00%	
100	1040	205363	Outside Services	$ 3,000.00	$ -	$ -	$ -	0.00%	
100	1040	205411	Street Lighting	$ 18,000.00	$ -	$ 1,639.33	$ 1,639.33	9.11%	
100	1040	205474	Mowing	$ 10,000.00	$ -	$ 1,700.00	$ 1,700.00	17.00%	
100	1040	205475	Tree Removal/Trimming	$ 10,000.00	$ -	$ 100.00	$ 100.00	1.00%	

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
			MATERIALS AND SERVICES	**$ 57,100.00**	**$ -**	**$ 7,531.74**	**$ 7,531.74**	**13.19%**	
			EXPENSE	**$ 84,600.00**	**$ -**	**$ 9,462.32**	**$ 9,462.32**	**11.18%**	
			Revenue Total	**$ 133,680.85**	**$ -**	**$ -**	**$ -**	**0.00%**	
			Expense Total	**$ 84,600.00**	**$ -**	**$ 9,462.32**	**$ 9,462.32**	**11.18%**	
			NET GAIN/(LOSS)	**$ 49,080.85**	**$ -**	**$ (9,462.32)**	**$ (9,462.32)**		

Streets Capital Reserve 150-1040

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024
Period 01
Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
150	1040	300101	Beginning Balance	$ 61,157.17	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
150	1040	304481	Grants	$ 40,000.00	$ -	$ 20,000.00	$ 20,000.00	50.00%	
150	1040	314861	Transfer in General Fund	$ 115,000.00	$ -	$ -	$ -	0.00%	
			REVENUE	**$ 216,157.17**	**$ -**	**$ 20,000.00**	**$ 20,000.00**	**9.25%**	
150	1040	105110	Water Lead	$ 3,000.00	$ -	$ 543.90	$ 543.90	18.13%	
150	1040	105140	Fringe Benefits	$ 600.00	$ -	$ 39.29	$ 39.29	6.55%	
150	1040	105141	Insurance Benefits	$ 2,000.00	$ -	$ 117.33	$ 117.33	5.87%	
150	1040	105142	Regular PERS System	$ 1,000.00	$ -	$ 117.32	$ 117.32	11.73%	Personnel costs for capital projects
			PERSONNEL	**$ 6,600.00**	**$ -**	**$ 817.84**	**$ 817.84**	**12.39%**	
150	1040	407947	Capital Outlay-Street Projects	$ 190,000.00	$ -	$ -	$ -	0.00%	
			CAPITAL OUTLAY	**$ 190,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
			EXPENSE	**$ 196,600.00**	**$ -**	**$ 817.84**	**$ 817.84**	**0.42%**	
			Revenue Total	**$ 216,157.17**	**$ -**	**$ 20,000.00**	**$ 20,000.00**	**9.25%**	
			Expense Total	**$ 196,600.00**	**$ -**	**$ 817.84**	**$ 817.84**	**0.42%**	
			NET GAIN/(LOSS)	**$ 19,557.17**	**$ -**	**$ 19,182.16**	**$ 19,182.16**		

Storm Drains Operating 100-1050

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
100	1050	300101	Beginning Balance	$ 9,674.43	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
100	1050	314861	Transfer in General Fund	$ 30,000.00	$ -	$ -	$ -	0.00%	Quarterly Transfer from 100-1010
			RESOURCE	**$ 39,674.43**	**$ -**	**$ -**	**$ -**	**0.00%**	
100	1050	105110	Water Lead	$ 500.00	$ -	$ 13.74	$ 13.74	2.75%	
100	1050	105111	Wastewater Lead	$ 3,500.00	$ -	$ 333.19	$ 333.19	9.52%	
100	1050	105113	Field Utility 1	$ 1,600.00	$ -	$ -	$ -	0.00%	
100	1050	105114	Field Utility A	$ 5,000.00	$ -	$ 14.41	$ 14.41	0.29%	
100	1050	105118	Succession Planning w/License	$ -	$ -	$ 160.45	$ 160.45	0.00%	
100	1050	105121	Field Utility Journeyman	$ 5,000.00	$ -	$ 111.94	$ 111.94	2.24%	
100	1050	105122	Field Utility B	$ 900.00	$ -	$ 285.24	$ 285.24	31.69%	
100	1050	105140	Fringe Benefits	$ 1,800.00	$ -	$ 66.82	$ 66.82	3.71%	
100	1050	105141	Insurance Benefits	$ 3,300.00	$ -	$ 199.28	$ 199.28	6.04%	
100	1050	105142	Regular PERS System	$ 3,600.00	$ -	$ 153.11	$ 153.11	4.25%	
			PERSONNEL	**$ 25,200.00**	**$ -**	**$ 1,338.18**	**$ 1,338.18**	**5.31%**	
100	1050	205313	Equipment Repair	$ 5,500.00	$ -	$ -	$ -	0.00%	
100	1050	205317	Tools and Small Equipment	$ 500.00	$ -	$ -	$ -	0.00%	
100	1050	205367	Storm Drain Parts	$ 300.00	$ -	$ -	$ -	0.00%	
			MATERIALS AND SERVICES	**$ 6,300.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
			EXPENSE	**$ 31,500.00**	**$ -**	**$ 1,338.18**	**$ 1,338.18**	**4.25%**	
			Resource Total	**$ 39,674.43**	**$ -**	**$ -**	**$ -**	**0.00%**	
			Expense Total	**$ 31,500.00**	**$ -**	**$ 1,338.18**	**$ 1,338.18**	**4.25%**	
			NET GAIN/(LOSS)	**$ 8,174.43**	**$ -**	**$ (1,338.18)**	**$ (1,338.18)**		

Storm Drains Capital Reserve 150-1050

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
150	1050	300101	Beginning Balance	$ 61,446.49	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
			RESOURCE	**$ 61,446.49**	**$ -**	**$ -**	**$ -**	**0.00%**	
150	1050	105110	Water Lead	$ 4,200.00	$ -	$ 271.95	$ 271.95	6.48%	
150	1050	105140	Fringe Benefits	$ 400.00	$ -	$ 19.68	$ 19.68	4.92%	
150	1050	105141	Insurance Benefits	$ 1,400.00	$ -	$ 58.67	$ 58.67	4.19%	
150	1050	105142	Regular PERS System	$ 700.00	$ -	$ 58.66	$ 58.66	8.38%	
			PERSONNEL	**$ 6,700.00**	**$ -**	**$ 408.96**	**$ 408.96**	**6.10%**	
			EXPENSE	**$ 6,700.00**	**$ -**	**$ 408.96**	**$ 408.96**	**6.10%**	
			Resource Total	**$ 61,446.49**	**$ -**	**$ -**	**$ -**	**0.00%**	
			Expense Total	**$ 6,700.00**	**$ -**	**$ 408.96**	**$ 408.96**	**6.10%**	
			NET GAIN/(LOSS)	**$ 54,746.49**	**$ -**	**$ (408.96)**	**$ (408.96)**		

Water Operating 660-1700

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
660	1700	300101	Beginning Balance	$ 259,161.55	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
660	1700	304310	Water/Wastewater Services	$ 977,000.00	$ -	$ 91,048.81	$ 91,048.81	9.32%	
660	1700	304320	Installation Charges	$ 4,000.00	$ -	$ -	$ -	0.00%	
660	1700	304335	Rents or Fees	$ 1,000.00	$ -	$ 105.00	$ 105.00	10.50%	
			REVENUE	**$ 1,241,161.55**	**$ -**	**$ 91,153.81**	**$ 91,153.81**	**7.34%**	
660	1700	105101	City Manager	$ 30,000.00	$ -	$ 2,721.50	$ 2,721.50	9.07%	
660	1700	105102	Deputy Recorder	$ -	$ -	$ 1,373.77	$ 1,373.77	0.00%	
660	1700	105103	Bookkeeping/Accounting	$ 15,100.00	$ -	$ 996.74	$ 996.74	6.60%	
660	1700	105104	CIP Coordinator	$ 16,600.00	$ -	$ 1,490.64	$ 1,490.64	8.98%	
660	1700	105105	Community Services Coordinator	$ 25,200.00	$ -	$ 1,766.39	$ 1,766.39	7.01%	
660	1700	105108	Planner	$ 5,700.00	$ -	$ 276.38	$ 276.38	4.85%	
660	1700	105110	Water Lead	$ 55,000.00	$ -	$ 4,265.31	$ 4,265.31	7.76%	
660	1700	105111	Wastewater Lead	$ 10,000.00	$ -	$ 1,609.12	$ 1,609.12	16.09%	
660	1700	105113	Field Utility 1	$ 7,000.00	$ -	$ -	$ -	0.00%	
660	1700	105114	Field Utility A	$ -	$ -	$ 1,865.57	$ 1,865.57	0.00%	
660	1700	105118	Succession Planning w/ License	$ 34,000.00	$ -	$ 2,350.62	$ 2,350.62	6.91%	
660	1700	105119	Succession Planning EntryLevel	$ 16,500.00	$ -	$ -	$ -	0.00%	
660	1700	105121	Field Utility Journeyman	$ 37,500.00	$ -	$ 2,606.99	$ 2,606.99	6.95%	
660	1700	105122	Field Utility B	$ 14,500.00	$ -	$ 892.78	$ 892.78	6.16%	
660	1700	105140	Fringe Benefits	$ 28,400.00	$ -	$ 1,623.52	$ 1,623.52	5.72%	
660	1700	105141	Insurance Benefits	$ 53,700.00	$ -	$ 3,776.21	$ 3,776.21	7.03%	
660	1700	105142	Regular PERS System	$ 58,600.00	$ -	$ 3,572.70	$ 3,572.70	6.10%	
			PERSONNEL	**$ 407,800.00**	**$ -**	**$ 31,188.24**	**$ 31,188.24**	**7.65%**	
660	1700	205210	Dues & Memberships	$ 2,000.00	$ -	$ -	$ -	0.00%	
660	1700	205211	State Fees	$ 14,500.00	$ -	$ 834.00	$ 834.00	5.75%	
660	1700	205212	Fee Expense	$ 10,000.00	$ -	$ 955.53	$ 955.53	9.56%	
660	1700	205222	Insurance	$ 28,440.00	$ -	$ 27,067.04	$ 27,067.04	95.17%	Annual Property/Liability Renewal FY23
660	1700	205240	Office Materials & Supplies	$ 7,000.00	$ -	$ 625.33	$ 625.33	8.93%	

Fund	Dept	Account Number	Description	Budget for Year		Prior Mo Bal		Current Activity		Actual to Date		% of Budget	Notes
660	1700	205241	Computer Equipment and Maint.	$	500.00	$	-	$	-	$	-	0.00%	
660	1700	205251	Telephones/Cell Phones/DSL	$	10,000.00	$	-	$	1,191.50	$	1,191.50	11.92%	
660	1700	205253	Postage	$	200.00	$	-	$	-	$	-	0.00%	
660	1700	205255	Education and Training	$	5,000.00	$	-	$	-	$	-	0.00%	
660	1700	205260	Contract Expense (all Professional, IGA & Personal Svcs)	$	25,000.00	$	-	$	1,080.00	$	1,080.00	4.32%	July-Jcline Finance $1,080
660	1700	205261	Auditor	$	5,000.00	$	-	$	-	$	-	0.00%	
660	1700	205262	Legal Expense	$	9,000.00	$	-	$	-	$	-	0.00%	
660	1700	205270	Travel	$	1,000.00	$	-	$	-	$	-	0.00%	
660	1700	205282	Software	$	20,000.00	$	-	$	505.05	$	505.05	2.53%	
660	1700	205311	Equipment Lease and Rental	$	3,000.00	$	-	$	142.33	$	142.33	4.74%	
660	1700	205312	Equipment Fuel/Tires/Parts	$	5,000.00	$	-	$	284.14	$	284.14	5.68%	
660	1700	205313	Equipment Repair	$	4,000.00	$	-	$	-	$	-	0.00%	
660	1700	205317	Tools and Small Equipment	$	3,000.00	$	-	$	-	$	-	0.00%	
660	1700	205330	Building and Land Maintenance	$	7,500.00	$	-	$	-	$	-	0.00%	
660	1700	205335	Custodial Support/Supplies	$	3,500.00	$	-	$	241.11	$	241.11	6.89%	
660	1700	205342	Plant Utilities	$	25,000.00	$	-	$	1,990.92	$	1,990.92	7.96%	
660	1700	205351	Main Plant Parts	$	10,000.00	$	-	$	306.04	$	306.04	3.06%	
660	1700	205352	Main Plant Consumables	$	12,000.00	$	-	$	-	$	-	0.00%	
660	1700	205353	Main Plant Outside Services	$	45,000.00	$	-	$	7,773.00	$	7,773.00	17.27%	
660	1700	205361	Parts	$	42,000.00	$	-	$	12,053.06	$	12,053.06	28.70%	
660	1700	205362	Consumables	$	1,500.00	$	-	$	285.86	$	285.86	19.06%	
660	1700	205363	Outside Services	$	15,000.00	$	-	$	3,396.05	$	3,396.05	22.64%	
660	1700	205470	Equipment Repair/Maintenance	$	4,000.00	$	-	$	119.45	$	119.45	2.99%	
660	1700	205474	Mowing	$	6,000.00	$	-	$	978.00	$	978.00	16.30%	
660	1700	205475	Tree Removal/Trimming	$	10,000.00	$	-	$	-	$	-	0.00%	
660	1700	208000	Operating Contingency	$	30,000.00	$	-	$	-	$	-	0.00%	
			MATERIALS AND SERVICES	**$**	**364,140.00**	**$**	**-**	**$**	**59,828.41**	**$**	**59,828.41**	**16.43%**	
660	1700	217126	Transfer out Cap Res	$	250,000.00	$	-	$	-	$	-	0.00%	Quarterly Transfer to 660-1705
660	1700	217136	Transfer Out Debt Services	$	43,000.00	$	-	$	-	$	-	0.00%	Quarterly Transfer to 155-1200
			TRANSFERS	**$**	**293,000.00**	**$**	**-**	**$**	**-**	**$**	**-**	**0.00%**	
			EXPENSE	**$**	**1,064,940.00**	**$**	**-**	**$**	**91,016.65**	**$**	**91,016.65**	**8.55%**	
			Revenue Total	**$**	**1,241,161.55**	**$**	**-**	**$**	**91,153.81**	**$**	**91,153.81**	**7.34%**	
			Expense Total	**$**	**1,064,940.00**	**$**	**-**	**$**	**91,016.65**	**$**	**91,016.65**	**8.55%**	
			NET GAIN/(LOSS)	**$**	**176,221.55**	**$**	**-**	**$**	**137.16**	**$**	**137.16**		

Water Capital Reserve 660-1705

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Description	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
660	1705	300101	Beginning Balance	$ 1,962,447.94	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
660	1705	301500	Interest Earned	$ 57,000.00	$ -	$ 4,538.33	$ 4,538.33	7.96%	LGIP Interest Earned
660	1705	314875	Transfer in Water Operations	$ 250,000.00	$ -	$ -	$ -	0.00%	Quarterly transfer from 660-1700
660	1705	314879	Transfer in SDC	$ 60,000.00	$ -	$ -	$ -	0.00%	Quarterly transfer from 160-1605
			REVENUE	**$ 2,329,447.94**	**$ -**	**$ 4,538.33**	**$ 4,538.33**	**0.19%**	
660	1705	105110	Water Lead	$ 15,000.00	$ -	$ 1,314.45	$ 1,314.45	8.76%	
660	1705	105111	Wastewater Lead	$ 2,000.00	$ -	$ -	$ -	0.00%	
660	1705	105140	Fringe Benefits	$ 1,800.00	$ -	$ 95.01	$ 95.01	5.28%	
660	1705	105141	Insurance Benefits	$ 4,300.00	$ -	$ 283.55	$ 283.55	6.59%	
660	1705	105142	Regular PERS System	$ 3,600.00	$ -	$ 283.53	$ 283.53	7.88%	
			PERSONNEL	**$ 26,700.00**	**$ -**	**$ 1,976.54**	**$ 1,976.54**	**7.40%**	
660	1705	407948	Capital Outlay - Water systems	$ 1,054,000.00	$ -	$ 31,888.50	$ 31,888.50	3.03%	July-Westech Engineering $6,888.50, C T Thissell Inc $25,000
			CAPITAL OUTLAY	**$ 1,054,000.00**	**$ -**	**$ 31,888.50**	**$ 31,888.50**	**3.03%**	
			EXPENSE	**$ 1,080,700.00**	**$ -**	**$ 33,865.04**	**$ 33,865.04**	**3.13%**	
			Revenue Total	**$ 2,329,447.94**	**$ -**	**$ 4,538.33**	**$ 4,538.33**	**0.19%**	
			Expense Total	**$ 1,080,700.00**	**$ -**	**$ 33,865.04**	**$ 33,865.04**	**3.13%**	
			NET GAIN/(LOSS)	**$ 1,248,747.94**	**$ -**	**$ (29,326.71)**	**$ (29,326.71)**		

Wastewater Operating 670-1800

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
670	1800	300101	Beginning Balance	$ 333,350.05	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
670	1800	304310	Water/Wastewater Services	$ 911,000.00	$ -	$ 85,832.48	$ 85,832.48	9.42%	
670	1800	304320	Installation Charges	$ 11,000.00	$ -	$ -	$ -	0.00%	
			REVENUE	**$ 1,255,350.05**	**$ -**	**$ 85,832.48**	**$ 85,832.48**	**6.84%**	
670	1800	105101	City Manager	$ 30,000.00	$ -	$ 2,721.50	$ 2,721.50	9.07%	
670	1800	105102	Deputy Recorder	$ -	$ -	$ 1,373.73	$ 1,373.73	0.00%	
670	1800	105103	Bookkeeping/Accounting	$ 15,100.00	$ -	$ 996.71	$ 996.71	6.60%	
670	1800	105104	CIP Coordinator	$ 25,100.00	$ -	$ 1,490.64	$ 1,490.64	5.94%	
670	1800	105105	Community Services Coordinator	$ -	$ -	$ 1,766.41	$ 1,766.41	0.00%	
670	1800	105108	Planner	$ 5,700.00	$ -	$ 276.37	$ 276.37	4.85%	
670	1800	105110	Water Lead	$ 1,000.00	$ -	$ -	$ -	0.00%	
670	1800	105111	Wastewater Lead	$ 72,000.00	$ -	$ 7,037.23	$ 7,037.23	9.77%	
670	1800	105113	Field Utility 1	$ 12,500.00	$ -	$ -	$ -	0.00%	
670	1800	105114	Field Utility A	$ 47,700.00	$ -	$ 3,011.57	$ 3,011.57	6.31%	
670	1800	105117	Capital Projects Coordinator	$ 16,600.00	$ -	$ -	$ -	0.00%	
670	1800	105118	Succession Planning w/ License	$ 34,000.00	$ -	$ 494.11	$ 494.11	1.45%	
670	1800	105119	Succession Planning EntryLevel	$ 16,500.00	$ -	$ -	$ -	0.00%	
670	1800	105121	Field Utility Journeyman	$ -	$ -	$ 716.60	$ 716.60	0.00%	
670	1800	105122	Field Utility B	$ 24,400.00	$ -	$ 1,447.77	$ 1,447.77	5.93%	
670	1800	105140	Fringe Benefits	$ 32,000.00	$ -	$ 1,557.39	$ 1,557.39	4.87%	
670	1800	105141	Insurance Benefits	$ 60,000.00	$ -	$ 4,064.40	$ 4,064.40	6.77%	
670	1800	105142	Regular PERS System	$ 66,100.00	$ -	$ 3,059.38	$ 3,059.38	4.63%	
			PERSONNEL	**$ 458,700.00**	**$ -**	**$ 30,013.81**	**$ 30,013.81**	**6.54%**	
670	1800	205210	Dues & Memberships	$ 1,500.00	$ -	$ -	$ -	0.00%	
670	1800	205211	State Fees	$ 10,000.00	$ -	$ -	$ -	0.00%	
670	1800	205212	Fee Expense	$ 7,000.00	$ -	$ 955.52	$ 955.52	13.65%	
670	1800	205222	Insurance	$ 21,400.00	$ -	$ 20,366.90	$ 20,366.90	95.17%	

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
670	1800	205240	Office Materials & Supplies	$ 7,000.00	$ -	$ 658.36	$ 658.36	9.41%	
670	1800	205241	Computer Equipment and Maint.	$ 1,500.00	$ -	$ -	$ -	0.00%	
670	1800	205251	Telephones/Cell Phones/DSL	$ 7,500.00	$ -	$ 826.38	$ 826.38	11.02%	
670	1800	205253	Postage	$ 250.00	$ -	$ -	$ -	0.00%	
670	1800	205255	Education and Training	$ 4,000.00	$ -	$ 599.06	$ 599.06	14.98%	
670	1800	205260	Contract Expense (all Professional, IGA & Personal Svcs)	$ 28,000.00	$ -	$ 1,080.00	$ 1,080.00	3.86%	July-Jcline Finance $1,080
670	1800	205261	Auditor	$ 3,000.00	$ -	$ -	$ -	0.00%	
670	1800	205262	Legal	$ 8,500.00	$ -	$ -	$ -	0.00%	
670	1800	205270	Travel	$ 1,000.00	$ -	$ -	$ -	0.00%	
670	1800	205282	Software	$ 20,000.00	$ -	$ 505.05	$ 505.05	2.53%	
670	1800	205311	Equipment Lease and Rental	$ 3,000.00	$ -	$ 142.33	$ 142.33	4.74%	
670	1800	205312	Equipment Fuel/Tires/Parts	$ 6,500.00	$ -	$ 391.01	$ 391.01	6.02%	
670	1800	205313	Equipment Repair	$ 5,000.00	$ -	$ -	$ -	0.00%	
670	1800	205317	Tools and Small Equipment	$ 3,000.00	$ -	$ 51.21	$ 51.21	1.71%	
670	1800	205330	Building and Land Maintenance	$ 4,000.00	$ -	$ -	$ -	0.00%	
670	1800	205335	Custodial Support/Supplies	$ 4,000.00	$ -	$ 298.65	$ 298.65	7.47%	
670	1800	205342	Plant Utilities	$ 27,000.00	$ -	$ 2,186.70	$ 2,186.70	8.10%	
670	1800	205351	Main Plant Parts	$ 8,000.00	$ -	$ 185.99	$ 185.99	2.32%	
670	1800	205352	Main Plant Consumables	$ 20,000.00	$ -	$ 1,279.00	$ 1,279.00	6.40%	
670	1800	205353	Main Plant Outside Services	$ 20,000.00	$ -	$ 2,844.48	$ 2,844.48	14.22%	
670	1800	205361	Parts	$ 20,000.00	$ -	$ -	$ -	0.00%	
670	1800	205362	Consumables	$ 5,000.00	$ -	$ 188.14	$ 188.14	3.76%	
670	1800	205363	Outside Services	$ 15,000.00	$ -	$ 1,755.00	$ 1,755.00	11.70%	
670	1800	205470	Equipment Repair/Maintenance	$ 5,000.00	$ -	$ 119.45	$ 119.45	2.39%	
670	1800	205474	Mowing	$ 2,000.00	$ -	$ 185.00	$ 185.00	9.25%	
670	1800	205475	Tree Removal/Trimming	$ 10,000.00	$ -	$ -	$ -	0.00%	
670	1800	208000	Operating Contingency	$ 25,000.00	$ -	$ -	$ -	0.00%	
			MATERIALS AND SERVICES	**$ 303,150.00**	**$ -**	**$ 34,618.23**	**$ 34,618.23**	**11.42%**	
670	1800	217126	Transfer out Cap Res	$ 200,000.00	$ -	$ -	$ -	0.00%	Quarterly transfer to 670-1805
			TRANSFERS	**$ 200,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
			EXPENSE	**$ 961,850.00**	**$ -**	**$ 64,632.04**	**$ 64,632.04**	**6.72%**	
			Revenue Total	**$ 1,255,350.05**	**$ -**	**$ 85,832.48**	**$ 85,832.48**	**6.84%**	
			Expense Total	**$ 961,850.00**	**$ -**	**$ 64,632.04**	**$ 64,632.04**	**6.72%**	
			NET GAIN/(LOSS)	**$ 293,500.05**	**$ -**	**$ 21,200.44**	**$ 21,200.44**	**0.07%**	

Wastewater Capital Reserve 670-1805

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
670	1805	300101	Beginning Balance	$ 1,276,676.44	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
670	1805	301500	Interest Earned	$ 65,000.00	$ -	$ 7,067.38	$ 7,067.38	10.87%	LGIP Interest Earned
670	1805	314876	Transfer in Wastewater Service	$ 200,000.00	$ -	$ -	$ -	0.00%	Quarterly transfer from 900-9000
670	1805	314878	Transfer in WWater Plant Debt	$ 100,000.00	$ -	$ -	$ -	0.00%	Quarterly transfer from 155-1276
670	1805	314879	Transfer in SDC	$ 300,000.00	$ -	$ -	$ -	0.00%	Quarterly transfer from 160-1605
			REVENUE	**$ 1,941,676.44**	**$ -**	**$ 7,067.38**	**$ 7,067.38**	**0.36%**	
670	1805	105110	Water Lead	$ 200.00	$ -	$ 135.98	$ 135.98	67.99%	
670	1805	105111	Wastewater Lead	$ 10,000.00	$ -	$ 158.64	$ 158.64	1.59%	
670	1805	105140	Fringe Benefits	$ 1,000.00	$ -	$ 21.33	$ 21.33	2.13%	
670	1805	105141	Insurance Benefits	$ 1,100.00	$ -	$ 65.75	$ 65.75	5.98%	
670	1805	105142	Regular PERS System	$ 1,600.00	$ -	$ 53.94	$ 53.94	3.37%	
670	**1805**		**PERSONNEL**	**$ 13,900.00**	**$ -**	**$ 435.64**	**$ 435.64**	**3.13%**	
670	1805	407921	Capital Outlay - Infrastructure Systems	$ 1,099,000.00	$ -	$ 35,513.00	$ 35,513.00	3.23%	July-Westech Engineering $273, Civil West Engineering $240, Legacy $35,000
			CAPITAL OUTLAY	**$ 1,099,000.00**	**$ -**	**$ 35,513.00**	**$ 35,513.00**	**3.23%**	
			EXPENSE	**$ 1,112,900.00**	**$ -**	**$ 35,948.64**	**$ 35,948.64**	**3.23%**	
			Revenue Total	**$ 1,941,676.44**	**$ -**	**$ 7,067.38**	**$ 7,067.38**	**0.36%**	
			Expense Total	**$ 1,112,900.00**	**$ -**	**$ 35,948.64**	**$ 35,948.64**	**3.23%**	
			NET GAIN/(LOSS)	**$ 828,776.44**	**$ -**	**$ (28,881.26)**	**$ (28,881.26)**		

SDC-Admin 160-1605

Monthly Financial Detail Report

JULY 2024

Printed: 8/12/2024

Period 01

Fiscal Year 2023

Fund	Dept	Account Number	Description	Budget for Year	Prior Mo Bal	Current Activity	Actual to Date	% of Budget	Notes
160	1605	300101	Beginning Fund Balance	$ 877,236.39	$ -	$ -	$ -	0.00%	Beginning Balance - Unposted
160	1605	301500	Interest Earned	$ 15,000.00	$ -	$ 2,504.55	$ 2,504.55	16.70%	LGIP Interest
160	1605	304341	SDC Water Improvements	$ 9,000.00	$ -	$ -	$ -	0.00%	
160	1605	304342	SDC Water Reimbursements	$ 6,000.00	$ -	$ -	$ -	0.00%	
160	1605	304343	SDC Wastewater Reimbursement	$ 14,000.00	$ -	$ -	$ -	0.00%	
160	1605	304344	SDC Storm Drain Improvement	$ 5,000.00	$ -	$ -	$ -	0.00%	
160	1605	304435	LID Assessments	$ -	$ -	$ 1,485.10	$ 1,485.10	0.00%	
			REVENUE	**$ 926,236.39**	**$ -**	**$ 3,989.65**	**$ 3,989.65**	**0.43%**	
160	1605	217126	Transfer out Cap Res	$ 360,000.00	$ -	$ -	$ -	0.00%	Quarterly Transfer to 660-1705 $60,000 and 670-1805 $300,000
			TRANSFERS	**$ 360,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
			EXPENSE	**$ 360,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
			Revenue Total	**$ 926,236.39**	**$ -**	**$ 3,989.65**	**$ 3,989.65**	**0.43%**	
			Expense Total	**$ 360,000.00**	**$ -**	**$ -**	**$ -**	**0.00%**	
			NET GAIN/(LOSS)	**$ 566,236.39**	**$ -**	**$ 3,989.65**	**$ 3,989.65**		

Water Rate Study

City of Yachats

Final Report

December 2020

Prepared by:

Oregon Association of Water Utilities

Table of Contents

EXECUTIVE SUMMARY

The City of Yachats called upon the Oregon Association of Water Utilities to conduct a water / wastewater rate study to determine the adequacy of the water/wastewater rates in conjunction with the proposed budget for the 2020-2021 fiscal year, with subsequent adjustments for years 2022-2024. The purpose of the study was to develop financial assistance and rates that:

- Provide examples of rates which meet the projected capital and operation and maintenance (O&M) costs of the system
- Determine equitable costs among the different types of system users
- Encourage efficient use of the water
- Are relatively simple to administer, understand, and are consistent with industry standards

The rate study stems from a justification of a single expenditure line created and managed by the city's administration office. This figure includes personnel services, materials and services, contingency funding, and capital improvement. The capital improvement costs are reviewed in this study and implemented to align system costs to future rates.

Table 1: Current Rate Information

Service Connection Size (in.)	# of connections	Allowance (Units) [1,2]	Base Rate	Unit Rate Cost	Average Consumption [3]	Typical Monthly Cost
5/8 Residential	704	2	$48.24	$5.33	5.44	$77.23 [4]
5/8 Residential	11	2	$72.37	$8.02	NA	NA
5/8 Commercial [5]	136	2	$48.24	$5.33	NA	NA
5/8 Commercial	28	2	$48.24	$5.33	NA	NA
2.0 Commercial	7	2	Varies [7]	$5.33		NA
3.0 Commercial [6]	1	2	$94.54	$5.33	210	$1,213.84
4.0 Commercial [6]	1	2	$70.78	$5.33	96.1	$582.99
Total Connections	888	NA		NA		
Total Annual Base			**$522,925.08**			
Total Annual Consumption			**$195,127.54**			
Combined Base and Consumption			**$718,052.62**	**94.99 %**		
Proposed Budget			$755,900.00			

1 – One unit of water = 748 gallons, 2-1,496 gallons allowance per month 3 – figures taken from various calculations provided by Public Works Committee, 4-cost average based on average usage of all 5/8-inch meters, with 3.44 units of water costs at $5.33 per unit, 5 – Service connection associated with rental housing, 6 – Figures taken from 2015 calculation of Yachat's 53 largest consumers, 7- base rate varies from $94.54 to $305.69,

Current Revenues / Expenditures:

Proposed revenue requirements for fiscal year 2020-2021 are $755,900.00 dollars. The base rate revenues equal $522,925.08 or 69.18 percent of the total proposed budget. An annual adjustment to the base rate has been initiated since 2016 and should be continued as fluctuations in capital planning changes with each succeeding year.
The existing consumption rate (a charge per unit of water) is $5.33, with an allowance of water provided in the base rate. The allowance of water included is two units or 1,496 gallons per month. All water consumed after the allowance is charged at $5.33 per unit. Consumption revenues equal 25.81 percent of the proposed budget or $195,127.54 dollars. The combination of base and consumption rates total 94.99 percent of proposed budget or $718,052.62 dollars.

With figures based on averages of water produced and delivered to the consumers, the current budget has an estimated shortfall of $37,847.38 or approximately 5 percent.

User Characteristics:

Equitable fees assessed to customers begin with a determination of the type of users. For the City of Yachats, the classification of customers is categorized as follows:

- 715 - Single-family residents, 80 percent of total users
- 136 - Vacation units, 15 percent of all users
- 37 – Classified as commercial.

It appears there are discrepancies among users in the volume of water consumed monthly. Single family residential dwellings on average use approximately 5.44 units or 4,000 gallons per month, with the commercial users' diverse consumptions total from 10,000 gallons to over 200,000 gallons per month. The large users account for approximately 52 percent of total water sales. One note to mention is the 7.5 percent of total produced water is used at the water and wastewater treatment facilities. This is mentioned to look at both water/wastewater system upgrades, cost associated with and revenues required for such projects.

Cost Evaluations:

If the total operating expenditures were equally divided per the number of consumers, the cost per user for the city would be $70.94 per month. This simplistic approach immediately proves unfair due to the extreme averages of water consumed and the major differences between residential and commercial consumptions.

$755,900.00 divided by 12 months divided by 888 connections = $70.94

Believed as the highest priority regarding water costs, all consumers pay for those costs associated with the infrastructure that provides continued high quality, safe, clean drinking water. When determining the cost for water, equity centered on water consumption should be applied across the spectrum of users. Reclassifying users specific to meter size accentuates this point, relies on the price per unit and the amount of consumption per month. The intrinsic value associated with water service and the consumption of water during each billing cycle make up a fair and equitable rate for all customers.

Rates:

Water rate designs include city customers and outside urban growth boundary services, totaling charges necessary to generate a level of revenue to meet proposed budget forecasts for the water system. At this point, we reviewed the amount of water produced and divided the new expenditure line to determine the cost associated with producing a single unit of water (one hundred cubic feet or 748-gallons). Using the production numbers from 2019 and applying those same amounts to the new fiscal year expenditures, provides a way for the price per unit required to meet proposed expenditures. See Table 2:

Table 2: Cost per unit of production		
Annual Production of Water	Proposed Expenditures	Cost per 748 gallons (1 unit)
62,895 units (47,045,460 gallons)	$755,900.00	$12.02

Looking at the monthly allowance of water and applying the cost per unit to the number of units, two units at $12.02 cost per, equates to $24.04 monthly cost for the water department to provide this allowance. With a $48.24 monthly base rate, one can speculate the favorable revenues for the water department at these consumption levels, but an additional consideration with total consumption is necessary to consider when the unit price (currently $5.33) is less than fifty percent the production cost per unit.

When a typical residential bill has an average consumption of 5.44 units of water, operating cost to deliver those units would be $65.38 dollars. This approach is applied when estimating the actual cost per residential customer, and revenues required to meet budgetary concerns.

One main interest within this study was the equitability of usage for all customers and their charges, respectively. Fairness across the user classification is often defined in a manner that low volume consumption should pay a fair share, while large consumers should not receive a volume discount.

Several methods to determine rates can be applied to a study, with the basic approach examining the base rates versus consumption (volume) rates. It is typically suggested that the base rate cover 60 percent-to-75 percent of the annual fixed expenses of the water budget, allowing the balance of revenues to be generated by what is termed a *volume rate.* The City of Yachats has executed sound practices in this area as current base rates equal 69.18 percent of the proposed budget.

Existing Rates:

This first step provides a concise view of the existing rates (both base and consumption rates) which currently provides an indication of the overall revenues generated using current water rates. The City of Yachats, with concerns of capital improvement planning, originally strategized with the idea of upgrades to the existing system using either $100,000.00 or $200,000.00 as a single line item for capital improvements for the proposed budget. Using the $200,000.00 figure, the current production cost per unit of water tallied at $12.02 per. Consideration towards maintaining the unit cost, comparing the total

monthly bills alongside the total units consumed, indicated a vast difference in the fair and equitable approach in rate applicability as it related to both residential and commercial accounts.
At the request of the City Council, a random comparison of the two inch and larger meters, using typical levels of consumption indicated the charge per unit of water ranged from $5.78 - $7.22 which is significantly lower than the current production cost at $12.02 dollars per unit. With total water sale revenues from both base and consumption rates, the city is in good condition meeting 94.99 percent of the proposed budget.

First Findings:

In this example, the emphasis is not on the base rate, but how the price per unit influences, and plays a role in the total proposed budget. The increase in budgetary requirements to a total figure of $755,900.00 is based upon sustaining capital monies for smaller annual projects, deemed short-term.

As the above proposed budget was confirmed, a review of the base rates from the commercial classification of users indicated a distortion in how base rates are applied. Similar sized meters had different monthly base rates. Discussions with staff indicated an unclear reasoning behind how the base rates were established, but they may have been originated by how much water was being consumed. Discovered were larger metered connections paying less than smaller metered connections.

Through this step of the process, two recommendations were provided for consideration: a) apply a meter multiplier to the base rate, which will also provide the same ratio of allowance of water for the user, and b) apply a tiered (increase block) rate for all consumption beyond the allowances stipulated with the meter ratios. This approach affords the exact per unit cost for all users, regardless of the size of the service connection for the base rates, then applies a conservation minded approach to the consumption rates. Table 3 makes available both the current monthly base rates and the Council affirmed base rate to be implemented. See page V

Another change recommended with establishing new rates is moving away from multi-line charges (capital improvement reserve) which determine total monthly costs. All figures recommended in the water rate study provides a single monthly base rate and consumption rate. The current consumption rate is a uniformed rate at $6.00 per unit, with the potential to become a tier consumption rate. These figures were developed and calculated to include capital reserves as feathered into the consumption rate. This simplifies both the billing process and understanding of the monthly charge.

Meter Multiplier Base Rate:

Discovered during the water rate study, is the varied levels of monthly usage, as it was explained in an analysis submitted by the Public Works Commission, showing a great number of accounts using the minimum allowance of water, and twenty percent of the users consuming fifty percent of the deliverable water. Associated with the varying degrees of water usage, the cost per unit also had unique ranges. A unit of water (748 gallons) could cost one customer one amount, and a second customer could be paying a higher or lower per unit cost, which originated from current five categories of users by size and having ten different base rates.

The meter multiplier establishes for the City of Yachats uses American Water Works Association standard that relates a monthly cost based on replacement of a meter and adjacent infrastructure over the life of the meter. Table 3 on the following page shows a comparison of both current and recommended base rates. a meter ratio applied to each of the meter sized base rates and two options for the consumption rate.

Option one, highlighted in columns 8 and 9, show new monthly costs associated with both a fixed consumption unit rate as well as a tiered structure based on levels of consumption, then compared to current costs, displayed in column 7. The key points from this table offer evidence how complex the current base rates are and the varied rates for the same type of user shown in column 2. One point that is usually overlooked is the understanding of the allowances, column 5, that matches the allowances in ratio to the recommended base rates that follow the meter multiplier. With the proposed budget set at approximately $755,900.00 dollars, the expected unit cost would be $6.00 for all water sold. The City Council has accepted the meter multiplier be applied to the base rates along with the unit cost be increased from $5.33 per unit to $6.00 per unit.

The tiered rate structure focused on conservation will be offered for the Council to entertain for July 2021 decision. This step pertains to the consumption side of revenues, which will add a conservation minded approach to the water rate structure. This method, "tiered block rate" is centered on the more water consumed, the increase per unit is applied. Oregon Association of Water Utilities will be looking at providing these figures to the city during the first quarter of 2021.

Table 3: Base Rate Comparison

1	2	3	4	5	6	7	8	9
Meter Size	Mo. Base Rate	Mo. Base Rate		Allowances	Consumption Levels **		Using Tiers***	Unit Costs ^^
	Current Base Rate	New Base Rate*	Meter Ratio	With Base Rate		Current Costs	New Costs	New Costs
5/8"	$ 48.24	$ 48.24	5/8" = 1.0	2		$ 48.24	$48.24	$ 48.24
5/8"	$ 52.98	$ 48.24	5/8" = 1.0	2	4	$ 58.90	$60.24	$ 60.24
5/8"	$ 61.87	$ 48.24	5/8" = 1.0	2	6	$ 69.56	$73.24	$ 72.24
					8	$ 80.22	$86.24	$ 84.24
					10	$ 90.92	$100.24	$ 96.24
1"	$ 112.37	$ 67.54	1" = 1.4	2.8		$ 116.63	$67.54	$ 67.54
					6	$ 133.69	$86.84	$ 86.74
					10	$ 155.01	$112.84	$ 110.74
					15	$ 181.66	$148.34	$ 140.74
2"	**$ 94.54**	$ 139.90	2" = 2.9	5.8		$ 114.79	$139.90	$ 139.90
2"	**$ 133.15**	$ 139.90	2" = 2.9	5.8		$ 153.40	$139.90	$ 139.90
2"	**$ 150.97**	$ 139.90	2" = 2.9	5.8		$ 171.22	$139.90	$ 139.90
2"	**$ 305.69**	$ 139.90	2" = 2.9	5.8		$ 325.94	$139.90	$ 139.90
					10 ^	$ 175.79	$165.10	$ 165.10
					15 ^	$ 202.44	$199.70	$ 195.10
					30 ^	$ 282.39	$298.20	$ 285.10
3"	$ 94.54	$ 530.64	3" = 11.0	22		$ 201.14	$530.64	$ 530.64
					45	$ 323.73	$680.14	$ 668.64
					60	$ 403.68	$777.64	$ 758.64
					90	$ 563.58	$977.64	$ 938.64
4"	$ 70.78	$ 675.36	4" = 14.0	28		$ 209.36	$675.36	$ 675.36
					50	$ 326.62	$807.36	$ 807.36
					100	$ 593.12	$1,132.36	$ 1,107.36
					150	$ 859.62	$1,482.36	$ 1,407.36
					300	$ 1,659.12	$2,532.36	$ 2,307.36

Notes

* - Applied meter multiplier to the base rate - starting point at $48.24

** - Random levels of consumption and costs associated with usage

*** - Rates set using tier structure based on $6.00, $6.50, $7.00

^ - Based on Base rates - $133.15

^^ - Rates set using fixed unit costs at $6.00 for all units of water consumed - 2 percent revenue with $755K budget, or $8.50 with $855K budget

Water Rate Study

Introduction:

In July 2019, the City of Yachats authorized Oregon Association of Water Utilities to review current water rates. The purpose of this study is to develop examples of financial strategies and rates that:

- Provide adequate revenue to meet the operation and maintenance costs, capital improvement costs, as well as review contingency funding
- Determine and distribute costs among the various consumer types
- Are relatively simple to understand and implement, being consistent with industry practices

It is a privilege for Oregon Association of Water Utilities to provide this level of rate study assessment as a member service to the City of Yachats. When conducting a rate study, the best results are based on the most accurate data obtained, equity among the consumers, and revenues that meet demands and allow the water system to operate per state regulations.
After careful review of the written materials provided by the city's staff, along with discussions with key personnel, some points are necessary to mention to maintain continuity, they are:

- Changes in necessary monies for capital improvement
- Creation of a contingency fund for emergency purposes
- Existing expenditures based on billing unit of 748 gallons
- Monthly costs based on the number of active meter connections or 100 cubic feet (ccf)

After an extensive evaluation of current budget numbers regarding this rate study, it appears that an update/modification in the existing water rates are necessary to create a fair and equitable structure. The city has done well to meet the financial obligations in funding the operations of the public water system as routine annual adjustment of the water rates have been implemented. Reserves have been created for future capital improvement projects, contingencies, and for major maintenance and repairs. System Development Charges (SDCs) will not be part of this study, but it is recommended that they be reviewed on a regular basis.

A recommended contingency fund for emergencies may be 10 to 20 percent of the operational portion of the budget. This single line item ($60,000.00) is 7.94 percent of the 2020-21 budget. These contingencies do not need to be expanded if not essential to match future endeavors. It is advisable to carry unused contingencies, and other revenues not expended, over to the next year's working capital expense line item, and again set aside a new contingency figure for the next budget year. The City annual adjustment of water rates follows the construction cost index, which has averaged 2.91 percent per year.

Several water rates examples and options for the City of Yachats' Council to review are included in this report. In addition to the general expectations of a water rate study, Oregon Association of Water Utilities considers policies, ordinances, and customer relations as factors in the development of water rates. Special interests, political climate, and an ease of understanding also play roles in the formation of rates.

Oregon Association of Water Utilities utilizes the information provided by the water system when performing a water rate study. The information includes the existing/adopted budget that consists of revenues necessary for O&M, personnel, contingency, capital outlay, loan debt service, and loan debt reserve fund if required. We also consider policies, practices, resolutions, and ordinances that have been adopted from an operational view, not a legal review or opinion. The system figures are based on an estimate from the existing records and future needs as discussed and is $755,900.00 dollars.

Table 1: Proposed Budget Information		
Personnel and Materials Services:	$447,900.00	
	Sub-total:	$447,900.00
Contingency Reserve/Transfers: [1]	$60,000.00	7.94%
Annual Debt Service:	$48,000.00	6.35%
Capital Outlay: [2]	$200,000.00	26.46%
	Total Expenditures:	$755,900.00
1 – Contingency dollars are normally based on 10-20 percent of operating costs; actual rate is 7.94 percent of proposed budget. 2- Capital outlay should be adjusted annually based on prospective projects for the year(s) of succession		

There are proposed approximately 888 active connections and eighty percent are residential customers. Also, included in the calculation of rates is the amount of averaged water produced at 47 million gallons or 62, 900 hundred cubic feet (ccf) annually, the amount of water sold is 43 million gallons, or 57,900 ccf, and the unaccounted water is 3.7 million gallons. The unaccounted-for water is 7.9 percent is a significant achievement as most public water systems strive for 15 percent unaccounted-for water.

Originally, the primary purpose for a formal water rate study was to assist the city in developing a structure that is balanced for all users. Both the City Council and Public Works Committee had past rates and annual adjustments so the city could operate in the black. While reviewing revenues and expenditures, the primary emphasis was to a look at short-term (low costs) annual projects which can be supported through rates. By emphasizing annual short-term projects, we can increase maintenance of the water system and provide a report to the City Council.

Comparing annual production and delivery records of water against the operating expenses provides insight as to the efficiency of the water system. When viewed as cost per unit of water, 748 -gallons, the water system can determine the actual system cost as it relates to each consumer in a billing cycle.

Table 2, Cost per Unit of Delivery is figured on a running average of all water produced over a given p*eriod*. When water is not accounted for through meter readings or other methods, it is seen as a 100 percent loss associated with the production cost for that delivered unit. The exception to this is when operations can provide accurate water usage relating to leaks, flushing, treatment plant operations and other maintenance tasks. This water is then considered non-billable used water rather than unaccounted for water. Water that cannot be sold should be considered potential lost revenues.

Table 2: Delivery Cost per Unit			
Total Expenditures: Used in this study			$755,900.00
Water Production: 47 million gallons (62,900 ccf) units			
Unaccounted for Water: 3.7 million gallons (5,000 ccf) units			
Average cost per single unit (748 gallons)			
Expense per gallons	0.016	Current rate per 748 gallons	Potential Revenue [1]
Expense per unit	$12.02	$6.00 [2]	**$347,400.00**
1- Potential revenue based on selling 57,900 units of water at $6.00 per unit or 45.9 percent of budget 2 - Current rate at $6.00 was adopted during September 2020 Council meeting, increase from $5.33			

Rate structures vary from utility to utility, but generally include three elements. First, is consideration of the classification of customers served, i.e., residential, commercial, and industrial. Second, all customers have an established frequency in billing; third, the schedule of charges will be identified and charged.

For water utilities using a cost-of-service approach, the level of the utility's rates is a direct reflection of the utility's costs and customer's demands. The above table outlines this approach to reveal how water deliverables affects the overall revenue required.

Setting the base rate per size of connection, multiply by the number of connections, and then multiply by 12 (12 months/yr.) forecasts an amount that can be considered as revenue income to help ensure that most "fixed" annual expenditures are covered.

It is typically suggested that the base rate cover 60-75 percent of the annual water budget. This allows for the balance of revenues to be generated by what is termed a *volume rate.* The metered amount of water can be charged by a unit measurement in gallons or cubic feet. The meters, measure in one-hundred cubic feet (748-gallon unit) and a dollar amount can be charged per said unit.

In table 3, *Current Rate Information,* the City of Yachats revenues are derived from: the size and number of connections, the monthly base rate, allowance of water given in the base rate, if applicable, volume unit rates, and other miscellaneous revenues, i.e., late fees.

To recover the difference in revenues not earned in the base rate, the volume (consumption) rate income when added to the base rate income should meet the total revenue requirements. The current rate per unit of consumed water is $5.33. The City now applies a construction cost index to both the base and consumption rates, fluctuating between 1.7 and 3.3 percent over the past four years.

The City of Yachats total revenues from existing rates is $713,184.22 or 94.35 percent of the proposed budget at $755,900.00. Base rates equate to 68.54 percent while providing 36.79 percent of the available water to be sold, while consumption revenues equate to 25.81 percent.

Table 3: Current Rate Information						
Service Connection Size (in.)	**# of connections**	**Allowance (units)**	**Base Rate**	**Unit Rate Cost**	**Average Consumption**	**Typical Monthly Cost**
5/8" Residential	715 [1]	2	$48.24	$5.33	5.44	$66.58
5/8" Residential	164 [2]	2	$48.24	$5.33 [2]	10.00	$90.92
2" Commercial	7	2	*	$5.33	30.00	$282.39
3" Commercial	1	2	$94.54	$5.33	60.00	$403.68
4" Commercial	1	2	$70.78	$5.33	100.00	$593.12
Total Connections	888					
Total Annual Base			**$522,925.08 [3]**			
Total Annual Consumption			**$195,127.54**			
Combined Base and Consumption			**$718,052.62**	**94.99 %**		
Proposed Budget			**$755,900.00**			

1 – small number of users are outside city limits – base rate = $72.37, 2 – Users are considered commercial accounts – unit cost is $8.02 for outside city limits, 3- figure is based on 2" connection average monthly rate at $129.38, *- see table 3 – page 5

When developing a fair rate structure that meets the water system requirements, the rate study results, suggestions, and final decision are established on:

- Total revenues generated by base rates.
- Total gallons of water associated with the base rates.
- The price per unit that establishes equitability among all consumers.
- Amount of available water for sale and the price per unit.
- Total revenues generated by volume (consumption) rates.

Oregon Association of Water Utilities can use this information and apply it to various scenarios, providing a method to better understand the effects from various rate approaches.

Cost Evaluations:

If the total operating expenditures are equally divided by the number of connections, the cost per connection for the City of Yachats would be $70.94 per month.

$755,900.00 divided by 12 months divided by 888 users = $70.94 per month

Consumers pay for those costs associated with the infrastructure that provides continued high quality, safe, clean water. When determining the cost for water, equity centered on water consumption should be applied across the spectrum of users, (meter size and classification of the connection) and this is accomplished through the price per unit and the amount of consumption per month.

Rate Study Approach:

Many diverse and competing models can be applied to any rate study, but when they are not well understood and evaluated, they can cause confusion among those that are affected by a change in the water utility rates. It is the goal of this water rate study to bridge key elements and provide an informational tool for the City Council and Public Works Committee in selecting an appropriate rate structure. Any rate structure has key components and aligning said approach, so it is easily understood and adopted.

Examples shown in this rate study are based on a single line budget to operate and maintain the city's water system**.** While there are many approaches to determining a monthly consumer's cost, this rate study uses a methodical style with the following points:

- Affordability Index – rates allowed by the affordability index and historical monthly costs [1]
- System Data – information relevant to the study
- Existing Rates – current revenues and expenditures, speculation of gains and losses.
- Recommended Rate – apply rates evenly regardless of total water consumption

The varied points will show base rates established, what percentage of revenues is generated from said base rates, and how consumption charges make up any revenue deficits. Examples provide both an amount of water included in the base rate and cost per unit of water consumed. Often as examples are presented, it will be likely that no single method satisfies all the requirements for every community.

Alternative rate structures identify aspects in rate studies that assist in highlighting the dynamics of the water system. Although rate structures are generally composed of three components, who is charged, how often and how much, additional attention is centered on the structure's consumption charge. Typically, there are four basic types of consumption charges: declining block, uniform block, inclining block, and seasonal.

As rates are adjusted, policy choices are the responsibility of the utility decision makers. Even though public involvement is not required to design a water rate structure, it is important to keep the public relations door open by allowing for comment at a public meeting, and following proper procedures for adopting policies, resolutions, or ordinances. This should take place prior to adopting rate policy by ordinance or resolution. The level of impact on the consumer, and the values and views of the decision makers plays a key role in sustaining rates that will meet the operation and maintenance of the City's water system, all the while maintaining and building customer trust.

Factors that affect forecasted revenues include the following: water conservation, weather, economic conditions, number of actual billable customers, etc. These are mentioned points to consider when forecasting revenue needs to meet budgeted expenditures.

The following information is designed to illustrate methods of approach that will expand the various examples and highlight specific points of relevancy. The focus with this water rate study is to build on all levels of understanding, create a fair and equitable approach for all consumers, and provide a rate structure frame for revenues for the water system to continue to operate.

1 - https://www.oregon4biz.com/assets/docs/IFA/SDWhandbook.pdf

Affordability Index:

The impact of water cost for median household incomes (MHI) for the area is the affordability index. A tool that state's agencies review to determine loan interest rates, loan fees, any percentage of principal forgiveness (if possible), loan repayment periods and the effect on the single-family residential user. These are areas that may impact economically disadvantaged areas. A review of the index may be used to establish a pre-determined rate for a specific amount of water each month. For this rate study using the 2019 Median Household Income at $49,293.00 and the 2019 Affordability Index of 1.25% ($/Mo) for the 97498-zip code area, equates to $51.34 for a monthly water bill. **See Table 4**

Table 4: Median Household Income Information

Zip Code	Certified Population 2015	U.S. Census Population 2010	Annual Growth	MHI 2019	2019 Affordability Index 1.25%
97498	740	690	1.14%	$49,293*	$51.34
Information obtained from US Census Bureau American Community Survey 2018 – inflation adjusted for 2019, * - Average Household income - $62,132 for Yachats service area					

Historical Rates:

The City of Yachats water rates were $48.24 base rate per month for a 5/8-inch service connection and $5.33 per unit (748 gallons) consumption rate for all users. This structured format is labeled a "uniform block" which gives a price signal to the customer based on increased usage, but the unit cost does not increase with higher consumptions.

The city used an annual adjustment; associated with the construction cost index, on both the base rate and consumption, which over the past four years averaged 2.91 percent increase or $2.15 dollars. In July 2020, no adjustment to either the base rate or consumption rate was implemented due the concern of the COVID-19 pandemic. The city was looked at the impact on the community, lost revenues for operations and maintenance, and adjusted budgets to remain solvent for the rest of 2020.

System Data:

Information compiled in the "System Data" spreadsheet (see next page) outlines those factors that influence the monthly revenues based on the annual proposed operating budget. Water produced, water sold, and water losses are criteria that affect the rates. Relating the volumes of water to the operating expenses will define the cost per unit, either 1,000 gallons or 100 cubic feet (748 gallons).

The number of connections, the size of connections, and the monthly rates determine if a surplus or deficit in revenues is associated with the current rate structure. One important factor to consider is the amount of water allowed with the base rate. A larger allowance of water included in the base rate will lower the price per unit within the base, so any additional water will be at a higher cost per unit to deliver. All the information will be based on how much of the percentage of total expenditures is generated from the base rate. Consumption rates will be included in the existing rate spreadsheet. **(See Table 5: System Data)**

Table 5: System Data			
Total Gallons Produced		62,895 ccf	
Total Gallons Sold		57,921 ccf	
Cost per Unit (748 gallons)		$12.02	
Base Rate Revenues		$518,056.68	
Total Operating Budget	$755,900.00	% of Total Budget	68.54

Additional information that relates to the initial review of the figures associated with the City of Yachats water rate study.

Table 6: Expensed Points			
Personnel / Materials	$447,900.00		**59.25%**
Contingency	$60,000.00		**7.94%**
Capital Outlay	$200,000.00		**26.46%**
Annual Debt Service	$48,000.00		**6.35%**
			Base Rate % Total Cost
TOTAL OPERATING EXPENDITURES	$755,900.00		**68.54%**

The City's last rate increase was July 2019, this follows the routine review of water rates the City Council has been implementing since 2016. The base rate percentage of total proposed budget falls in the range of 60 – 75 percent of fixed operating expenses. Currently, base rates are calculated using two figures, one which sets the base rate and a second figure added as a "Capital Improvement Reserve". The new recommendation is to have the base rate designed as a single figure.

Water Rate Study
for
City of Yachats

System Data

For Year:	2020-2021
Date completed:	December-20

	Gallons (annual)	100 Cubic Feet		
Amount of Water Produced	47,045,400	62,895	Total Units Sold	
Amount of Water Sold	43,325,128	57,921		
Non-Revenue Water	3,720,272	4,974		7.91%

	Dollars
Personnel / Materials	$447,900.00
Contingency	$60,000.00
Annual Debt Service	$48,000.00
Capital Outlay	$200,000.00
Proposed Annual Budget	$755,900.00

Cost per Gallon	Cost Per 1000 Gals	Cost Per 100 Cu.Ft.
$0.01607	$16.07	$12.02

Lost Production Cost: $59,775.32

Connection Information
Base Rate Only

Size	Residential	# of connections Commercial	Outside
5/8"	704	28	11
5/8"		136	
1"			
1 1/2"			
2"		7	
3"		1	
4"		1	
6"			

Vacation Rentals

5 services varied monthly cost

Total Connections: 888

Current Rate information (base)

Size	Residential	Commercial	Outside
5/8"	$48.24	$48.24	$72.37
5/8"		$48.24	
1"			
1 1/2"			
2"		$48.24	$129.38
3"		$94.54	
4"		$70.78	
6"			

Base Rate Revenues: $518,056.68

		Residential	Commercial	Outside
Current Consumption Rate	Per 100 Cubic Feet (748 gallons per)	$5.33	$5.33	$8.02

Operating Budget Outline

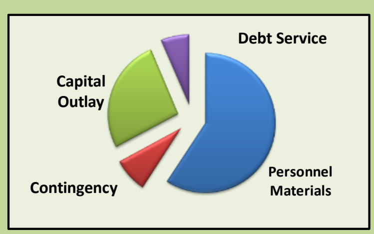
Personnel / Materials	$447,900.00	59.25%
Contingency	$60,000.00	7.94%
Capital Outlay	$200,000.00	26.46%
Annual Debt Service	$48,000.00	6.35%
TOTAL OPERATING EXPENDITURES	$755,900.00	

Base Rate % Total Cost: 68.54%

Percentage of budget without any consumption revenue

Notes:

- Last rate adjustment July 2019
- Balance of reserves - $162,000.00
- Capital Improvement plans - 5-years - $450,000.00 or $90,000.00 annually - CIP set at $200K annually
- Contingency funded at 7.94 percent of budget
- Base Rate actually $45.99, $2.25 is Capital Improvement Reserve - all meter sizes - inside city limits
- Base Rate actually $68.99, $3.38 is Capital Improvemnet Reserve - all meters - outside city limits
- Capital Improvement Reserve rates = 26 percent of proposed budget



Existing Rates:

The "Existing Rates" spreadsheet details much of the same information as the system data spreadsheet, plus expands the details on the adjustment of base rates. Applying revenues from consumption rates, allowance of water included in the base rate (if applicable) and the revenues generated by selling additional units of water. Since the City of Yachats provides an allowance of water in the base rate, the consumption charge begins once the allowance is consumed. Aligning the base rate revenue with the consumption revenue will show any surpluses or deficits of the current rate structure. Later examples will show water allowance with the base rate and how various base rates will give similar value level to the consumer. Included at the bottom of the "Existing rate spreadsheet" are residential figures of monthly rates supported by three hypothetical levels of monthly consumption.

Table 7: Existing Rates			
Total # of Connections	**888**		
Total Production of Water (annual ccf)	**62,895** [a]	**Sold Water (annual ccf)**	**57,921** [b]
Consumption Charge per Unit (1 - ccf)	**$5.33** [1]	**Total Billable Units**	**36,609**
Base Rate Revenues [2]	**$522,925.08**	**Revenue Percent**	**69.18%**
Consumption Rate Revenues	**$195,127.54**	**Non-Revenue Water**	**3,720**
Total Revenues	**$718,052.62**	**% of Total Budget**	**94.99%**
Total Proposed Budget	**$755,900.00**	**Budget Shortfall**	**5.01%**
Findings			
Cost Per Unit	**$12.02** [3]	**Allowed Units**	**23,088 (37%)** [4]
Consumption Rate Revenues	**$277,517.76**	**% of Total Budget**	**37%**
a – Averaged units of water produced over past three years, b – average units sold over the past three years, 1- Averaged price sold among user groups, 2- Figure based on current base rates per month, 3- Cost per unit calculates total operating budget by total units in production, 4 – Allowed units is total units provided in allowance compared to total units produced,			

The average consumer purchases approximately 5.44 units or 4,000 gallons per month, which equates to a water charge of $66.58 per month. Approximately a third of all customers use 2-4 units, while ten larger customers account for 50 percent of all water sold. The water and wastewater treatment plants account for 7.3 percent of total water produced.

Water Rate Study
for
City of Yachats

Existing Rates

For Year:	2020-2021
Date completed:	December-20

	Annual Gals	Annual Units CCF	
Amount of Water Produced	47,045,400	62,895	
Amount of Water Sold	43,325,128	57,921	
Non-Revenue Water	3,720,272	4,974	8%

	Dollars
Annual Operating Budget	$707,900.00
Debt Service	$48,000.00
Proposed Annual Budget	$755,900.00

Cost per 1,000 gallons	Cost per 100 Cubic Feet
16.07	12.02

Connection information

Size	Residential	Commercial	Outside
5/8"	704	28	11
5/8"	0	136	0
1"	0	0	0
1 1/2"	0	0	0
2"	0	7	0
3"	0	1	0
4"	0	1	0
6"	0	0	0
Consumption w/ base Water Allowance	2	2	2

Vacation Rentals

Total Connections 888

Current Rate information

Size	Residential	Commercial	Outside
5/8"	$48.24	$48.24	$72.37
5/8"	$0.00	$48.24	$0.00
1"	$0.00	$0.00	$0.00
1 1/2"	$0.00	$0.00	$0.00
2"	$0.00	$48.24	$129.38
3"	$0.00	$94.54	$0.00
4"	$0.00	$70.78	$0.00
6"	$0.00	$0.00	$0.00
Consumption Charge per 748 gallons	$5.33		$8.02

33% increase

5 accts ave monthly base rate

Current Base Revenue

	Residential	Commercial	Outside	Totals
5/8"	$33,960.96	$1,350.72	$796.07	$36,107.75
5/8"	$0.00	$6,560.64	$0.00	$6,560.64
1"	$0.00	$0.00	$0.00	$0.00
1 1/2"	$0.00	$0.00	$0.00	$0.00
2"	$0.00	$337.68	$0.00	$337.68
3"	$0.00	$94.54	$0.00	$94.54
4"	$0.00	$70.78	$0.00	$70.78
6"	$0.00	$0.00	$0.00	$0.00
Total/month	$33,960.96	$8,414.36	$796.07	$43,171.39
Base Rate Totals — 12 mo. Total	$407,531.52	$100,972.32	$9,552.84	$ 518,056.68
% of operating budget	53.91%	13.36%	1.26%	68.54%

Water with base charge

	Residential	Commercial	Outside	Totals
Total/month	1,408	346	22	1,776
12 mo. Total	16,896	4,152	264	21,312

Total Water Included in Base Rate	12 mo. Total	21,312	36.79%
Available Units to be sold			36,609
Consumption Rate Revenues	Figured at $5.33 per unit		$ 195,127.54
	Potential Lost Revenue Cost		25.81%
Non-Revenue Units	3,720	$59,775.32	
		Total Revenue Generated	$ 713,184.22
		Annual Gain/(Shortfall)	$ (42,715.78)
			-5.65%

Notes: MONTHLY USAGE -

Approx 300 accts full-time average usage 2-4 units or 1,500 - 3,000 gallons

Approx 330 accts usage = 1 unit or 750 gallons

100 accts usage = 6.5 to 16.5 units or 4,850 - 12,500 gallons

10 accts usage > 200 units or 150,000 gallons

Typical Residential Water Bill

Units of Water	Residential Water Bill
2.00	$48.24
5.44	$66.58
10.00	$90.88

Preliminary Observations:

Expanding on “existing rates” using the figures provided by the city, some discoveries will be noted to enhance and support the methodology of a new rate structure.

a) Approximately 7.91 percent of water is considered “non-revenue water” which for water operations is phenomenal. This amount of water equates to approximately 5,000 units of “non-revenue” water that correlates to $60,000.00 of costs associated with water production
b) With base rate revenues totaling 68.54 percent and current consumption rate at $5.33 per unit or 25.81 percent; a shortfall of 5.65 percent. If the City Council wished to leave the current base rates as the July 2019 resolution, then the consumption rate would have to be increased to $6.50 per unit for all consumers. For the average consumer using 5.44 units of water per month, this will increase the monthly charge by $6.36 to balance the proposed budget
c) When determining total revenue from consumption, the $5.33 price per unit was applied to all consumed units, and cost per unit for outside users is $8.02. Eleven users or 1.2 percent of customers are outside the city and are charged this increase per unit price for delivery, a small influence on the overall budget.
d) Allowances of water account for 36.79 percent of total water produced, while the base rates equate 68.54 percent of total budget
e) The first set of data provided early in the process outlined the largest monthly consumers. This information provided figures that could be related to new recommended monthly water rates and the impact on this class. While reviewing the largest consumers, operations for both the water and wastewater department impacts the revenues generated by the city as it relates to water consumed. This is non-revenue water. The two departments consume approximately 7.3 percent of total metered water or 4,275 ccf or 3.19 million gallons annually
f) As stated in the above bullet (e) non billable water used by the water and wastewater departments account for 7.3 percent of total produced water. This equates to 4,275 units of water, annually. Normally this information is not calculated into the financial review, but the volume of water is enough to influence total cost of operations. If the units of water were taken from the “available water” category, the unit price for all water sold would increase from $6.50 to $7.35 per unit.
g) Two-inch meters monthly base rates range from $94.54 to $305.69 (July2019) which when applying a meter multiplier (next example) all two-inch meters will be recommended at $139.90 per month base rate. Category and meter size should be consistent for all customers in each class.
h) The base rates for the largest two connections were substantially lower than smaller service lines, which may have been a front-end discount for total water purchased. A move towards cost-of-services approach, applying the support infrastructure to establish base rates, will provide a more fair and more equitable rate format
i) See “Preliminary Observations” spreadsheet on the next page

Preliminary Observations

Rate Study
for

City of Yachats

For Year:	2020-2021
Date completed:	December-20

	Gallons MG	Units
Amount of Water Produced	47,045,400	62,895
Amount of Water Sold	43,325,128	57,921
Non-Revenue Water	3,720,272	7.91%

	Dollars
Annual Operating Budget	$707,900.00
Debt Service	$48,000.00
Proposed Annual Budget	$755,900.00

Monthly Cost per Connection
$70.94

Connection information

Size	Residential	Commercial	Other
5/8"	704	28	11
3/4"	0	136	0
1"	0	0	0
1 1/2"	0	0	0
2"	0	7	0
3"	0	1	0
4"	0	1	0
6"	0	0	0
Consumption w/ base (gal.)	2	2	2

Cost per 1,000 gallons
16.07
Cost per 100 Cubic Feet
12.02

Connections
888

Current Rate (base)

Size	Residential	Commercial	Outside
5/8"	$48.24	$48.24	$72.37
5/8"	$0.00	$48.24	$0.00
1"	$0.00	$0.00	$0.00
1 1/2"	$0.00	$0.00	$0.00
2"	$0.00	$48.24	$129.38
3"	$0.00	$94.54	$0.00
4"	$0.00	$70.78	$0.00
6"	$0.00	$0.00	$0.00
Consumption Charge [1] per 748 gallons	$5.33		$8.02

In-line with existing rates

Current Base revenue

Size	Residential	Commercial	Outside	Totals
5/8"	$33,960.96	$1,350.72	$796.07	$ 36,107.75
5/8"	$0.00	$6,560.64	$0.00	$ 6,560.64
1"	$0.00	$0.00	$0.00	$ -
1 1/2"	$0.00	$0.00	$0.00	$ -
2"	$0.00	$337.68	$0.00	$ 337.68
3"	$0.00	$94.54	$0.00	$ 94.54
4"	$0.00	$70.78	$0.00	$ 70.78
6"	$0.00	$0.00	$0.00	$ -
Total/month	$33,960.96	$8,414.36	$796.07	$ 43,171.39
12 mo. Total	$407,531.52	$100,972.32	$9,552.84	$ 518,056.68
% of operating budget	53.91%	13.36%	1.26%	68.54%

Water with base charge		Residential	Commercial	Other	Total
	Total/month	1,408	346	22	1,776
	12 mo. Total	16,896	4,152	264	21,312
Typical 5/8" Usage (gals)	5.44			4,275	

Total Water Included in Base Rate 36.79%		Residential	Commercial	Other
	12 mo. Total	16,896		
	12 mo. Total		4,152	
	12 mo. Total			264
Available water to be sold				36,609

Total Base Revenue	$ 518,056.68
	$ 195,127.54
Consumption Revenues	$ 713,184.22
Total Revenue Generated	$ (42,715.78)
Annual Gain/(Shortfall)	-5.65%

Notes:
2" meter service monthly base rates range from $94.54 to $305.69
1 - Price per unit set to meet proposed budget - from $5.33 to $6.50 (Inside)
Consumption rate at $5.33 and $8.02, indicates a 5.65 percent deficit ($42,715)
Average consumption per user per month = 5.44 CCF

Typical Residential Water Bill

Units of Water	Res. Water Bill
2.00	$48.24
5.44	$66.58
6.00	$69.56

Meter Multiplier:

Generally, meter ratios are designed from two separate theories, a) meter multiplier cost ratios are used when assigning elements of costs specifically related to meters, and b) meter capacity ratios, are most often used when estimating the potential demand requirements from customers.

Customer costs by their meter-and-service ratios vary, depending on size of service pipe, materials used, locations of meters, and other characteristics for various sized meters as compared to 5/8-inch meter service. With a 5/8-inch meter being the starting point and using a one-to-one ratio, increasing the size of the meter increases those ratios as they relate to the cost for repair and replacement. Table 8 provides specific ratios.

Table 8: Meter Cost Equivalencies / Dollar Ratios		
Size (inches)	Equivalent Cost Meter Ratio [1]	Equivalent Dollar Ratios
5/8	1.0	$1.00
3/4	1.1	$1.10
1.0	1.4	$1.40
1.5	1.8	$1.80
2.0	2.9	$2.90
3.0	11.0	$11.00
4.0	14.0	$14.00
6.0	21.0	$21.00
1 – American Water Works Assoc – Manual M-1, Principle of Water Rates, Fees and Charges		

A two-inch meter is typically 2.9 times more costly to repair and or replace during the service life than a 5/8-inch meter. If a 5/8-inch meter service costs the consumer $10.00 per month, then a two-inch meter has a monthly rate at $29.00.

Using this approach in determining costs associated with various meter sizes removes the distinction of class categorization, i.e., residential, commercial, or industrial. This approach places the emphasis on the size of meter and not user type. The size of the meter is the focus in determining appropriate monthly base rates.

Another focal point using a meter cost ratio is when a water allowance is given as part of the monthly base charge; they will increase proportionately with the cost ratios. A significant difference from the capacity ratio, especially as it relates to the larger meters. A two-unit allowance for a 5/8-inch meter would translate to (two-units multiplied by 2.9) 5.8 units of water allowance for a two-inch meter based on the cost ratio established using the American Water Works Association standards.

The city has done well with keeping the water rates in line with expenses. The meter equivalency structure, merges two methods into a single set of rates. Setting the rate for a 5/8-inch meter and aligning the cost to meet 60-75 percent of total expenditures. Using the ratios will synchronize the larger meters with the monthly base costs. Using the meter-multiplier cost ratio, the city's efforts on routine rate adjustments will allow the meter multiplier to be applied to the existing 5/8-inch meter base rate, then follow the ratios for applying base costs for the larger users.

Calculating all water provided in the base rate will better determine the amounts of available water to be sold. Water provided in the base rate is subtracted from the total water produced.

Using the meter multiplier approach to base rates, the city can apply the same theory to allowances of water. Current number of units provided in the allowance for all users is 21,312 which increases to 22,183 when applying the meter ratios to water allowance. The remaining available water being 62 percent (35,738 units) should be sold at a minimum of $6.00 per unit.

Total base rate revenues obtained when the larger meters are formulated using the meter cost ratio increases base rate revenues up 2.03 percent or a total of 71.4 percent. The meter multiplier will be applied to fifteen larger accounts, that use a two-inch meter and larger. The remaining 28.79 percent of the proposed budget revenue will be generated by water sales. Tables 9 and 10 - provide specifics as it relates to the City Council implementing new rates based on meter size and the unit charged increased from $5.33 to $6.00 for inside city customers and $8.02 to $8.69 for outside city customers.

Table 9: Meter Multiplier Costs

Total # of Connections [1]	**888**	**Allowance**	**Two units [2]**
Base Rate [3]	**$48.24**	**Annual Base Revenue**	**$539,680.78**
Total Allowance of Water		**22,241 units (16.63 MG)**	
Available Water for Sale		**35,680 units (26.68 MG)**	
Required Balance of Revenues	**$216,219.22**	**Total Billable Units**	**35,680 [2]**
Consumption Rate per Unit	**$6.00**	**Annual Consumption Revenue**	**$214,082.96**
		Total Revenues	**$753,763.74**
			-2,136.26
Typical Monthly Cost (5/8” meter) (gals.) [3]		**5.44 units (4,000 gals.)**	**$68.88**

1 – Discovered during the writing of the rate study, 6-one-inch meters were thought to be 5/8-meters, 2- unit is 748 gals or1,496 gallons allowance per month, 2 – 4,275 units are supplied to city entities as non-revenue 3 – 5/8-inch meter, inside city users

Table 10: Meter Multiplier Base Rates Comparison

1	2	3	4	5	6	7	8	9	10
Meter Size	Current Base Rate	Residential	Commercial	Vacation Rentals	Outside	Meter Ratio	New Base Rate	Allowed Units	Allowed Gallons
5/8"	$48.24	698	28	136		5/8" = 1.0	$48.24	2	1496
5/8"	$72.37				11	5/8" = 1.0	$48.24	2	1496
1"	$67.54	5	1			1" = 1.4	$67.54	2.8	2094
2"	**varies***		7			2" = 2.9	$139.90	5.8	4338
3"	$94.54		1			3" = 11.0	$530.64	22	16456
4"	$70.78		1			4" = 14.0	$675.36	28	20944

Notes

* - two – inch meters current base rates range from $94.54 - $305.69

MM Cost

Rate Study for

City of Yachats

For Year:	2020-2021
Date completed:	December-20

	Annual Units	
Amount of Water Produced	62,895	
Amount of Water Sold	57,921	
Non-Revenue Water	4,974	7.91%

	Dollars
Annual Operating Budget	$707,900.00
Debt Service	$48,000.00
Proposed Annual Budget	$755,900.00

# of connections

Connection Information	Size	Residential	Commercial	Outside
	5/8"	698	28	11
	5/8"	0	136	0
	1"	5	1	0
	1 1/2"	0	0	0
	2"	0	7	0
	3"	0	1	0
	4"	0	1	0
	6"	0	0	0
Consumption w/ base (gal.)		See Units Allowed (748 gals per)		

Gallons Allowed		Residential	Commercial	Outside	Meter Multiplier In Use
2.0	5/8"	$48.24	$48.24	$72.73	5/8" = 1.0
2.0	5/8"	$48.24	$48.24	$0.00	5/8" = 1.0
2.8	1"	$67.54	$67.54	$101.82	1" = 1.4
3.6	1 1/2"	$86.83	$86.83	$130.91	1 1/2" = 1.8
5.8	2"	$139.90	$139.90	$139.90	2" = 2.9
22.0	3"	$530.64	$530.64	$800.03	3" = 11.0
28.0	4"	$675.36	$675.36	$1,018.22	4" = 14.0
42.0	6"	$1,013.04	$1,013.04	$1,527.33	6" = 21.0
Consumption Charge	per 1,000 gals	$6.00		$8.69	

Current Base Revenue		Residential	Commercial	Outside	Totals
	5/8"	$33,671.52	$1,350.72	$800.03	$ 35,822.27
	3/4"	$0.00	$6,560.64	$0.00	$ 6,560.64
	1"	$337.68	$67.54	$0.00	$ 405.22
	1 1/2"	$0.00	$0.00	$0.00	$ -
	2"	$0.00	$979.27	$0.00	$ 979.27
	3"	$0.00	$530.64	$0.00	$ 530.64
	4"	$0.00	$675.36	$0.00	$ 675.36
	6"	$0.00	$0.00	$0.00	$ -
	Total/month	$34,009.20	$10,164.17	$800.03	$ 44,973.40
	12 mo. Total	$408,110.40	$121,970.02	$9,600.36	$ 539,680.78

% of operating budget		53.99%	16.14%	1.27%	71.40%
Water with base charge	Total/month	1,410	421	22	1,853
	12 mo. Total	16,920	5,057	264	22,241
Typical 3/4" Usage	5.44	Percentage of Allowed Water			38%
		Residential			
Water Consumption	12 mo. Total	16,920	Commercial		
Total Cost of Produced Water	12 mo. Total		5,057	Other	Base-Consumption Revenue
	12 mo. Total			264	$ 539,680.78
Available Water to be Sold	Consumption Revenues			35,680	$ 214,082.96
		Total Revenue Generated			$ 753,763.74
			Annual Gain/(Shortfall)		$ (2,136.26)
					-0.28%

Notes:	Typical Residential Water Bill	
	Gallons Used	Res. Water Bill
Base Rate $48.24, meter ratio applied = 71.4 percent of budget	2	$48.24
Water allowance in Base Rate = 22,241 units or 38 percent of avail H2O, 35,680 units for sale or 62%	5.44	$68.88
	10	$96.24

Increase Consumption Rate:

The approach taken in this example is a schedule of rates applicable to blocks of increasing usage in which the usage in each succeeding block is charged a higher unit rate. Currently the City of Yachats has what is termed a “uniform rate” structure as a single charge per unit of volume of water for all water used, regardless of the amount of water consumed. Increasing block rates are designed based on the customer classification determined by similar usage patterns. The design of the increased block rate will be categorized by the size of the meter. Each successive block rate “may” be applicable to a greater volume of water delivery than the preceding block(s).

This rate structure requires applying a judgment and utility policy regarding the number of blocks, the point at which one block ends and the next block begins, and the relative price levels of the blocks.

From the City Council’s workshops, the accepted figures base charge for a 5/8-inch meter user monthly rate will be set at $48.24, with an allowance of 1,496 gallons (two-units). Larger metered connections will be provided with an allowance of water that correlates to the meter ratios applied to the base rates.

An example of this structure is: four-inch meter is 14.0-1 ratio to a 5/8-inch meter. If a 5/8-inch meter is allowed two units of water per month in the base rate, a four-inch meter is allowed 28 units of water per month. To eliminate the “judgement” factor for consideration in applying successive block volumes, each subsequent block(s) can be set in step with the previous block. The total number of tiers considered for an increase block formation will vary from one service provider to another, but normal design is configured using three tiers. The base rate and allowance of water reflect a representation of the actual usage that will determine the various set points of each block.

Conservative in nature, this method applied towards water rates creates an incentive to save water. Understand, that normal water consumption, if reduced by this approach, should later return to levels prior to the rate change. One facet in setting water rates is the fact that the total revenues are calculated from the average consumption figures and not on the expectancies of greater water sales.

Table 11: Tier Rate Recommendations

1	2	4	5	6	7	8
Meter Size	Mo. Base Rate	Allowances	With Base Rate	Tier One $6.00 per	Tier Two $7.00 per	Tier Three $8.00 per
	Base Rate	With Base Rate	With Base Rate	Tier One Range [C]	Tier Two Range [C]	Tier Three Range [C]
5/8"	$ 48.24	2	2	2.1 - 4.0	4.1 - 8.0	8.1 +
5/8"	$ 48.24	2	2	2.1 - 4.0	4.1 - 8.0	8.1 +
5/8" [A]	$ 72.73	2	2	2.1 - 4.0	4.1 - 8.0	8.1 +
[B]	Applied tier adjustments for outside city users			$9.19	$10.19	$11.19
1"	$ 67.54	2.8	2.8	2.9 - 5.6	5.7 - 11.2	11.3 +
2"	$ 139.90	5.8	5.8	5.9 - 11.6	11.7 - 23.2	23.2 +
3"	$ 530.64	22	22	22.1 - 44.2	44.3 - 88.4	88.4 +
4"	$ 675.36	28	28	28.1 - 56.2	56.3 - 112.4	112.4 +
A - service connection base rate for outside city limits - (11 total users)						
B - Tiered rates for outside users synchronized with inside user increases						
C - Typical start-stop points at each step of the tiered structure.						

Table 11 – Tier Rate Recommendations shares a format that outlines the accepted base rates and allowances, plus offers a set of ascending steps of adjustment for each sized meter in service. Note the outside city service users have the same ascending steps, but cost per unit is reflective of the original price per unit.

Costs per unit are usually set according to actual usage of like groups. The group that usually sets the foundation will likely be the majority users, single family residences. In the analysis performed using the meter-multiplier example, proves if all available units can be sold at $6.00 per unit, revenues will be marginally lower (0.28 percent) (-$2,136.36) than the proposed budget. Taken from the “Rate Analysis 2020 V3” spreadsheet provided by the Water Committee indicates approximately 28 percent of users use less than two units of water, while 34 percent of users consume greater than 100 units of water.

The initial outline for a tier rate structure was to implement the $6.00 per unit for the first tier, then consider modestly increasing the unit cost as the tiers increased. A three-tier structure should be more than adequate to fund two goals, a) both short projects, those defined and funded by the capital outlay amount and b) building reserves to compensate, subsidize funds for long-term projects, i.e., new raw water storage or moving the water treatment out of the Tsunami zone.

Water Consumption Chart:

As a precursor on the tier structure for the City Council to consider, a chart is presented that outlines respective monthly costs associated with various levels of water consumption and associating said tier rates for a three-tier format. These monthly costs are associated with columns six through eight in Table 11 on the preceding page.

The chart depicts three tiers as:

- Base Rate – white area, cost associated with replacement of water service infrastructure
    - Allowance of water is included in base rate
- Tier One – yellow area, monthly cost after allowance of water is subtracted
    - $6.00 charge per unit
- Tier Two – orange area, tier two begins with associated levels for the sized meters
    - $7.00 charge per unit
- Tier Three – blue area, tier three begins, continues at rate for all water consumed
    - $8.00 charge per unit

The bold red consumption levels coincide with the meter-multiplier ratios implemented with the current base rates as voted and affirmed by the City Council during the September 2020 meeting. Not every level of water consumption combined with each sized meter is calculated, but those levels that are relative to past data applied in this rate study.

With this tiered format, “increased block rate” the objective is to meet proposed budget when the average usage per customer matches past data supplied by the City of Yachats, as well as the encouragement of water conservation. Discussions indicate the City’s concern with providing water demand to its customers during the months the raw water source is limited.

Water Consumption - Monthly Rate Comparison							
Connection Size		**5/8**	**5/8**	**1.0**	**2.0**	**3.0**	4.0
Base Rate Water Allowance		**2.0**	**2.0**	**2.8**	**5.8**	**22.0**	**28.0**
Base Rate		**$48.24**	**$48.24**	**$67.54**	**$139.90**	**$530.64**	**$675.36**
Consumer Class		Above Base Rates include Capital Improvement Reserve					
Residential		698	0	5	0	0	0
Commercial		28	136	1	7	1	1
Outside		11	0	0	0	0	0
Monthly Usage and Hypothetical Cost at Various Consumption Levels							
Base Rates	**Tier One**	**$6.00**		**Tier Two**	**$7.00**	**Tier Three**	**$8.00**
Consumption Levels	**Gallons**						
2.0	1496	$ 48.24	$ 48.24	$ 67.54	$ 139.90	$ 530.64	$ 675.36
2.8	2094	$ 53.04	$ 53.04	$ 67.54	$ 139.90	$ 530.64	$ 675.36
4.0	2992	$ 60.24	$ 60.24	$ 74.74	$ 139.90	$ 530.64	$ 675.36
5.6	4189	$ 71.44	$ 71.44	$ 87.14	$ 139.90	$ 530.64	$ 675.36
5.8	4338	$ 72.84	$ 72.84	$ 88.54	$ 139.90	$ 530.64	$ 675.36
7.0	5236	$ 81.24	$ 81.24	$ 96.94	$ 148.30	$ 530.64	$ 675.36
8.0	5984	$ 88.24	$ 88.24	$ 103.94	$ 155.30	$ 530.64	$ 675.36
11.2	8378	$ 113.84	$ 113.84	$ 126.34	$ 177.70	$ 530.64	$ 675.36
11.6	8677	$ 117.04	$ 117.04	$ 136.54	$ 180.50	$ 530.64	$ 675.36
12.0	8976	$ 120.24	$ 120.24	$ 139.74	$ 183.30	$ 530.64	$ 675.36
13	9724	$ 128.24	$ 128.24	$ 147.74	$ 190.30	$ 530.64	$ 675.36
22.0	16456	$ 200.24	$ 200.24	$ 219.74	$ 253.30	$ 530.64	$ 675.36
23.2	17354	$ 209.84	$ 209.84	$ 229.34	$ 262.90	$ 537.84	$ 675.36
28.0	20944	$ 248.24	$ 248.24	$ 267.74	$ 301.30	$ 566.64	$ 675.36
35	26180	$ 304.24	$ 304.24	$ 323.74	$ 357.30	$ 608.64	$ 724.36
44.0	32912	$ 376.24	$ 376.24	$ 395.74	$ 429.30	$ 662.64	$ 787.36
45.0	33660	$ 384.24	$ 384.24	$ 403.74	$ 437.30	$ 669.64	$ 794.36
46.4	34707	$ 395.44	$ 395.44	$ 414.94	$ 448.50	$ 679.44	$ 804.16
47.0	35156	$ 400.24	$ 400.24	$ 419.74	$ 453.30	$ 683.64	$ 808.36
48.0	35904	$ 408.24	$ 408.24	$ 427.74	$ 461.30	$ 690.64	$ 815.36
56.0	41888	$ 472.24	$ 472.24	$ 491.74	$ 525.30	$ 746.64	$ 871.36
75.0	56100	$ 624.24	$ 624.24	$ 643.74	$ 677.30	$ 879.64	$1,023.36
88.0	65824	$ 728.24	$ 728.24	$ 747.74	$ 781.30	$ 970.64	$1,127.36
106.0	79288	$ 872.24	$ 872.24	$ 891.74	$ 925.30	$ 1,114.64	$1,271.36
112.0	83776	$ 920.24	$ 920.24	$ 939.74	$ 973.30	$ 1,162.64	$1,319.36
120.0	89760	$ 984.24	$ 984.24	$1,003.74	$ 1,037.30	$ 1,226.64	$1,383.36
138.0	103224	$ 1,128.24	$ 1,128.24	$1,147.74	$ 1,181.30	$ 1,370.64	$1,527.36
157.0	117436	$ 1,280.24	$ 1,280.24	$1,299.74	$ 1,333.30	$ 1,522.64	$1,679.36
208.0	155584	$ 1,688.24	$ 1,688.24	$1,707.74	$ 1,741.30	$ 1,930.64	$2,087.36
230.0	172040	$ 1,864.24	$ 1,864.24	$1,883.74	$ 1,917.30	$ 2,106.64	$2,263.36
260.0	194480	$ 2,104.24	$ 2,104.24	$2,123.74	$ 2,157.30	$ 2,346.64	$2,503.36
392.0	293216	$ 3,160.24	$ 3,160.24	$3,179.74	$ 3,213.30	$ 3,402.64	$3,559.36

Annual Rate Adjustments:

The City of Yachats has worked diligently in developing water rates that are both sustaining to the water department to perform the necessary operations, also mindful of the consumers. Each year the city would review the "construction cost index" (CCI) and apply an increase percentage to the base rate, capital improvement reserve and the water consumption cost.

A viable alternative to the CCI is the "consumer price index" (CPI) that can extract specific costs associated with water and sewerage maintenance prices and inflation. Looking at specific costs as it relates to the previous year(s) and can be quite different from the overall CPI, or overall inflation rate.

The link below offers the City a method to follow the CPI as it relates to water and sewer inflation and apply any adjustment to the base rate.

https://www.in2013dollars.com/Water-and-sewerage-maintenance/price-inflation/2010-to-2020?amount=20

Key indicators that will adjust the operational cost for the fiscal year is the listing of capital improvement plans (short-term) to be completed within the timeframe. Timelines for completion of short-term projects can align with City Council elections, where Council members terms coincide with project completion.

The City of Yachats has a single line budget for CIP at $200,000.00 which will support current projects, while future project list changes each year. The purpose of the single budget line item is to support and maintain those projects which develop in the upcoming years.

This single budgeted line item will vary with each year's analysis, as projects are completed, tabled to the subsequent year, or rescinded. Employing a set figure for capital improvement planning maintains consistency in the budget. A major impact to budgeting is the inevitable large project that is usually projected over a timeline of a loan repayment program. Large projects are usually the component that increase rates significantly, causing uneasiness for most involved with establishing the annual budget.

Summary:

There are various arrangements that can be used to reach an acceptable water rate that meets budgetary requirements. The uniqueness of communities creates challenges that may or may not work from community to community. Whatever the cost associated with providing water from the source to the consumer's tap, usually varies from one water system to another. The variables associated with other water systems may not apply to the City of Yachats. A new water system completed without any debt owed is rare. The age of a water system plays a bigger role in determining future cost since rebuilding is often more expensive than new construction.

The importance of looking at the future regarding system growth and repair, or replacement of aging components, and determining an evaluation of costs can be challenging. Proposed costs are often lower than actual costs due to various circumstances. It is important for public relations and communications to play a role in preserving consumer confidence in both water quality system operations and management.

Covered facts discovered in the initial assessment were two: a) the variations in base rates created an unequal cost per unit of water delivered, b) the price differentiation in the unit price for 748 gallons of water (one hundred cubic feet), with current per unit charge at $5.33 as compared to $12.02 production unit cost.

Pertaining to the examples presented in this rate study, the City of Yachats has chosen a two-step approach, with implementing a meter multiplier to establish new base rate, while employing the same ratios for water allowances and applying a slight increase to the unit cost. The following are recommendations:

- Begin an annual review of prioritized smaller projects and costs
    - Apply the findings against the identified short-term capital improvement projects
    - Adjust projects to match single line-item funding, or adjust capital improvement figures

- Review CPI figures and adjust the "base rate" according to the inflation index for water and sewerage maintenance.

These suggestions create formality in the water rates; using absolute ratios to apply base rates and allowing the City to adjust the rates in the future. Using one of the industry standards of having the base rate meet 60-75% of proposed budget, the City has performed well to maintain fixed cost revenues.

The City of Yachats has requested the Oregon Association of Water Utilities to suggest how to conclude an annual adjustment for the city's monthly water rates, which is accomplished by using the CPI. The aspect of water rates determination relative to future cost can be difficult to forecast.

As the City chooses to implement the proposed rates, the homework in tallying up production costs figures, water sales, non-revenue water, and expenditures will begin to confirm that the "in theory" ideas presented in this study meet the "reality" of water system operational costs and revenues during the subsequent year.

It is our experience that applied fair and equitable rates provide a tool for the City of Yachats to continue service. The knowledge learned from past studies as priority one is the continued responsibility to review and evaluate recent established rates and ensure the City is on track to make necessary adjustments that balance expenditures against revenues.

As collected evidence presents itself during the subsequent year, the Oregon Association of Water Utilities will return, if called upon, to review and confirm the effectiveness of the chosen rate scenario, thus assuring the goals presented in this water rate study.

With numerous considerations and decisions being calculated with this rate study, it is an objective of Oregon Association of Water Utilities to assist the City of Yachats towards a sufficient water rate to meet the needs of the water system, provide fair and equitable rates for all consumers, and to ensure the water system is poised for the future.

City of Yachats

Public Works
500 W. 7th St.
P.O. Box 345
Yachats, OR 97498

Date: September 9th, 2024

To: City Council

From: Rick McClung, Water Department

Re: Water Revenue **Subject:** Tiered Rate suggestions

Tiered Rates

Tiered water rates are identified in the 2020 Water Rate Study by Oregon Water Utilities Association as a logical next step for Yachats to initiate.

Pricing is a critical tool used by water utilities to incentivize conservation and provide equality in gained revenue. The approach taken in these examples is a schedule of rates applicable to blocks of increasing usage in which the usage in each succeeding block is charged a higher unit rate. Currently the City of Yachats has what is termed a "uniform rate" structure as a single charge per unit of volume of water for all water used, regardless of the amount of water consumed.

These rate structures require applying a judgment and utility policy regarding the number of blocks, the point at which one block ends and the next block begins, and the relative price levels of the blocks.

The lowest tier typically corresponds to an amount of water sufficient to meet basic indoor needs like drinking and bathing.

Uniform Rate = our current rate structure

Units	Cost	Units used	Revenue
2	$0.00	18,348	$0.00
2+	$7.05	43,267	$305,032.35
		61,615	**$305,032.35**

Below are examples of what tiered rates could look like for Yachats.

3 Tier Rates Example

	Units	Increase	Units used	Revenue
1	2	$0.00	18,348	$0.00
2	3 to 10	$1.00	9,038	$9,038.00
3	10+	$1.75	34,229	$59,900.75
			61,615	**$68,938.75**

5 Tier Rates Example

	Units	Increase	Units used	Revenue
1	2	$0.00	18,348	$0.00
2	3 to 5	$0.50	6,000	$3,000.00
3	6 to 10	$1.00	3,038	$3,038.00
4	11 to 20	$1.50	5,000	$7,500.00
5	20+	$2.00	29,229	$58,458.00
			61,615	**$71,996.00**

5 Tier Rates Example -Aggressive

	Units	Increase	Units used	
1	2	$0.00	18,348	$0.00
2	3 to 5	$1.00	6,000	$6,000.00
3	6 to 10	$2.00	3,038	$6,076.00
4	11 to 20	$3.00	5,000	$15,000.00
5	20+	$4.00	29,229	$116,916.00
			61,615	**$143,992.00**

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What other water utilities are doing

Southwest Lincoln County Water PUD

Water Rates and Charges

Effective July 1, 2023

DOMESTIC SERVICE		
Meter Size	Inside District	Outside District
	Daily Base Rate	
3/4"	$1.53	$1.99
1"	$2.23	$2.65
1 1/2"	$2.82	$3.26
2"	$4.42	$5.11
6"	$32.72	$37.76

BUSINESS & COMMERICAL 3/4"	
Daily Base Rate	$2.23
Usage Rate	
101 to 300	$3.85
301 to 1000	$5.26
1001 to 2000	$6.00
2001 & over	$6.67

Water Use Rates			
Usage	Inside District Domestic 3/4"	Outside Domestic 3/4"	Other Meter Sizes
101 to 300	$3.35	$5.03	$3.79
301 to 1000	$4.57	$6.83	$5.17
1001 to 2000	$5.22	$7.86	$5.90
2001 & over	$5.80	$8.69	$6.55

Bond Surcharge		
Meter Size	Inside District	Outside District
3/4"	$9.20	$13.80
1"	$12.90	$19.35
1 1/2"	$16.60	$24.90
2"	$26.70	$46.05
6"	$193.20	$289.80

*usage is in cubic feet. To convert to gallons, multiply usage by 7.48

Service Charges	
Change of Owner	$100.00
Late Payment	$10.00
Door Hanger	$15.00
Returned Check	$10.00
Turn On Water	$40.00
Reconnection	$850.00
Bulk Water	$25.00 plus $0.70 per 100 Gallons

New Service Rates			
Meter Size	New Meter Installation	Inside District System Development Charge	Outside District System Development Charge
3/4"	Request Quote	Request Quote	Request Quote
1"			
1 1/2"			
2"			
6"			

Waldport

Meter Size	Inside the City Base Rate	Outside the City Base Rate
5/8" (most residents)	$35.70	$58.97
1"	$80.42	$122.56
1.5"	$154.96	$227.44
2"	$244.40	$353.32

Usage is measured in units. *A unit equals 748 gallons or 100 cubic feet.* The usage rate for both inside and outside City water users is <u>$4.32 per unit</u> or roughly half a cent per gallon.

<u>Wastewater (sewer) rates*:</u>

<u>Single residential</u> base rate is $51.24 per month plus $5.21 per unit of usage. Wastewater unit charges are based upon water consumption i.e. if you use one unit of water you are also billed for one unit of sewer.
<u>Multi-family residential</u> metered with a single meter pay a base rate of $46.54 per dwelling unit per month, plus $5.21 per unit of usage.
<u>Small Commercial services</u> pay a base rate of $51.24 per month plus $5.21 per unit.
<u>Larger commercial services</u> are assigned a "dwelling equivalency" base rate, reflective of their capacity to impact the treatment plant, based on their average water usage for the previous fiscal year, plus $5.21 per unit of usage.

Seal Rock

Base Fee:
¾” Domestic $49.50
1” Domestic $69.15
2” Domestic $108.95
¾” Commercial $65.95
1” Commercial $102.85
1 ½” Commercial $125.10
2” Commercial $181.05
3” Commercial $286.05
4” Commercial $343.10
6” Commercial $500.10

Domestic Inside District Water Charges:
1 to 1000 gallons at .... $6.25 per 1000
1001 to 4000 gallons at .... $8.75 per 1000
4001 to 7000 gallons at .... $11.50 per 1000
7001 to 13000 gallons at .... $14.25 per 1000
13001 to 17000 gallons at .... $18.50 per 1000
17001 to 20000 gallons at .... $25.25 per 1000
over 20000 gallons at .... $29.00 per 1000

Commercial Inside District Water Charges:
1 to 1000 gallons at .... $6.25 per 1000
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7001 to 12000 gallons at .... $11.50 per 1000
12001 to 16000 gallons at .... $18.50 per 1000
16001 to 49999 gallons at .... $25.25 per 1000
50000 gallons and over at .... $29.00 per 1000

Toledo

WATER RATES-INSIDE CITY LIMITS

Water Use Charge (per 1000 gallons)	$5.45

Facilities and Service Charge by Meter Size

Meter Size	Multiplier	Facilities Charge	Service Charge	Total Facilities and Service Charge by Meter Size
5/8"	1.0	$27.84	$6.29	$34.13
3/4"	1.5	$41.75	$6.29	$48.04
1"	2.6	$72.38	$6.29	$78.67
1.25"	4.1	$114.12	$6.29	$120.41
1.5"	5.9	$164.22	$6.29	$170.51
2"	10.5	$292.26	$6.29	$298.55
3"	23.6	$656.90	$6.29	$663.19
4"	41.9	$1166.29	$6.29	$1172.58
6"	94.3	$2624.84	$6.29	$2631.13
8"	167.5	$4662.37	$6.29	$4668.66
10"	261.0	$7264.93	$6.29	$7271.22
12"	377.0	$10493.79	$6.29	$10500.08

Manzanita

Base Rates				Meter Multiplier	Allowances
	Residential	Commercial	Outside		
5/8"- 3/4"	$47.56	$57.07	$ -	1.0 - 1	2000
5/8"- 3/4" out		$ 47.56	$68.48	1.0 - 1	2000
1"	$66.58	$79.89	$ 95.87	1.4 - 1	NA
1 1/2"	$85.60	$102.72	$123.26	1.8 - 1	NA
2"	$137.91	$165.49	$198.59	2.9 - 1	NA
3"	$523.11	$627.73	$753.27	11.0 - 1	NA
2" BULK	$137.91	$165.49	$198.59	2.9 - 1	NA
3" BULK	$523.11	$627.73	$753.27	11.0 - 1	NA

		Residential	Commercial	Outside
Tiers Levels	Per Unit			
Tier One	2,001 – 5,000	$9.50	$9.50	$11.40
Tier Two	5,001 – 10,000	$11.00	$11.00	$13.20
Tier Three	10,001 +	$12.25	$12.25	$14.70

City of Yachats

Public Works
500 W. 7th St.
P.O. Box 345
Yachats, OR 97498

Date: September 9th, 2024

To: City Council

From: Rick McClung, Water Department

Re: Water Revenue **Subject:** Tiered Rate suggestions

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Toledo

WATER RATES-INSIDE CITY LIMITS

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2"	10.5	$292.26	$6.29	$298.55
3"	23.6	$656.90	$6.29	$663.19
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6"	94.3	$2624.84	$6.29	$2631.13
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Manzanita

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2"	$137.91	$165.49	$198.59	2.9 - 1	NA
3"	$523.11	$627.73	$753.27	11.0 - 1	NA
2" BULK	$137.91	$165.49	$198.59	2.9 - 1	NA
3" BULK	$523.11	$627.73	$753.27	11.0 - 1	NA

		Residential	Commercial	Outside
Tiers Levels	Per Unit			
Tier One	2,001 – 5,000	$9.50	$9.50	$11.40
Tier Two	5,001 – 10,000	$11.00	$11.00	$13.20
Tier Three	10,001 +	$12.25	$12.25	$14.70

BID TABULATION FOR STREET PAVING

9/10/2024

	STREET	GETTIS PAVING	ROAD & DRIVEWAY	KNIFE RIVER
1	UPPER RADAR ROAD	$ 19,800	$ 16,843	$ 23,900
2	UPPER GREEN HILL & OVERLOOK	$ 2,980	$ 4,913	$ 5,860
3	PAVING OF CRESTVIEW TO OVERLO	$ 43,024	$ 24,635	$ 39,570
4	SOUTH REEVES CIRCLE	$ 9,200	$ 6,978	$ 5,970
5	HANLEY & 10TH INTERSECTION	$ 9,035	$ 9,077	$ 10,800
6	GREENHILL AT 101	$ 9,059	$ 18,613	$ 25,530
7	HORIZON HILL PATCH		$ 8,636	
8	NORTH RADAR ROAD	$ 12,800	$ 13,318	$ 13,925
9	9TH STREET	$ 37,006	$ 34,818	$ 31,250
	mobilization			$ 21,750
	TOTAL	$ 142,904	$ 137,831	$ 178,555

City of Yachats
PUBLIC WORKS DEPARTMENT
500 W. 7th St.
P.O. Box 345
Yachats, OR 97498

Date: September 10, 2024

To: Bobbi Price, Rick McClung, Linn West and Neal Morphis

From: David Buckwald, Public Works Department

Re: Street paving request for FY 2024-25

All,

The following is a list of what I consider to be the most critical paving projects in Yachats to date. I have listed the nine projects in order of priority based on citizen safety and consumption of Public Works staff time.

1) **Upper Radar Road**
   During heavy rains, road rock is washed down onto the paved area of Radar Road. This makes the pavement very slippery with gavel on top to people walking on it. Public Works spends many hours annually cleaning loose gravel from the filled ditch and culvert as well as street. Then return to rock the road again.

2) **Upper Green Hill and Overlook**
   A large break in the pavement edge caused by large trucks turning onto Overlook.

3) **Paving of Crestview to Overlook**
   Every medium to heavy rainfall causes the road to get ruts washing gravel down to Hwy 101. Public Works spends many hours annually back blading and rocking this section street. The lower section of the street was cut to install the drainage pipe for the new South Tank Reservoir, but it was never repaved.

4) **South Reeves Circle**
   This section of street is seriously degraded. Public Works receives many calls though out the year. Most calls are concerns that citizen tires may get punctured.

THE CITY OF YACHATS DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, RELIGION, CREED, GENDER, NATIONAL ORIGIN, AGE, DISABILITY, MARITAL OR VETERAN STATUS, SEXUAL ORIENTATION, OR ANY OTHER LEGALLY PROTECTED STATUS.

The following paving sites are listed as critical but secondary to the site above.

5) Hanley & 10th St intersection.
6) Greenhill at Hwy101.
7) Horizon Hill Patch.
8) North Radar Road.
9) 9th Street.

Please review the quotes and offer your suggestions. I recommend we go with Road and Driveway because they know our area and have a manufacturing site in Newport.

Regards,

David Buckwald
Public Works

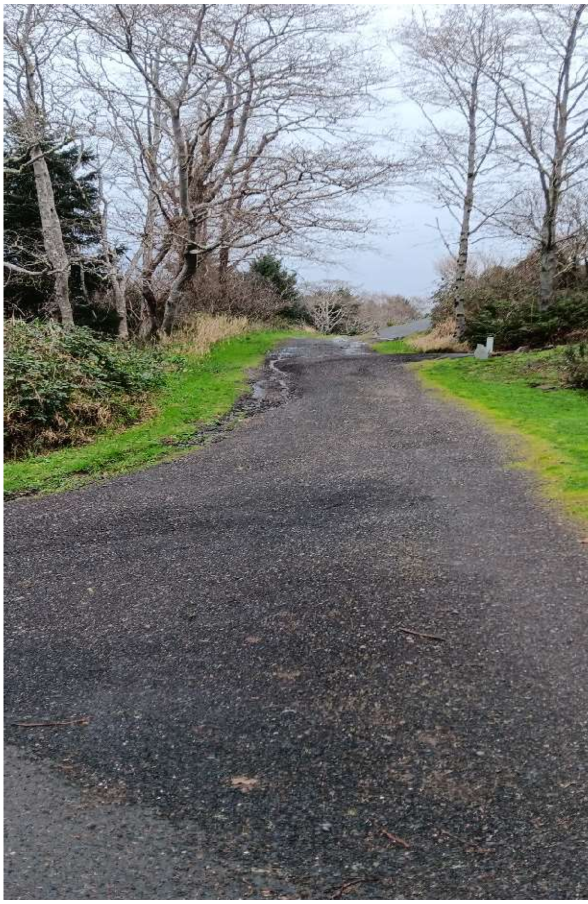
All,

Below are several areas that are considered the “worst” areas needing to be paved. These are items that require a lot of Public Works maintenance and in some cases, may be a safety hazard.

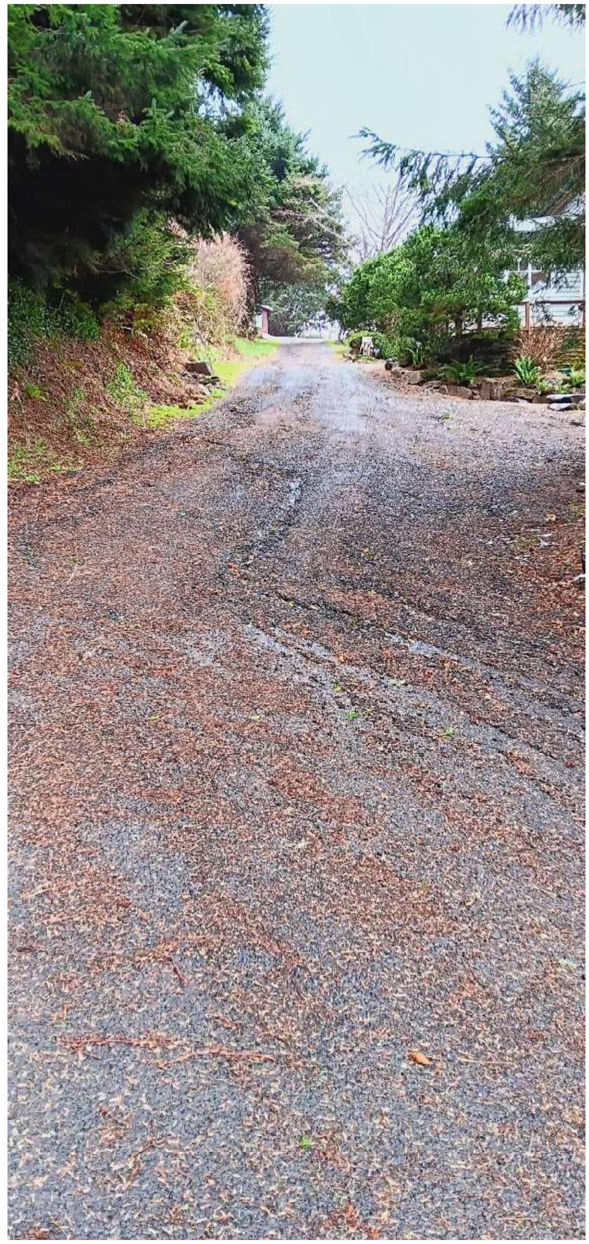
Hanley & 10th St. intersection:40ftx40ft

9^{th} St.:

North end of Radar Rd.:170ft




Upper Radar Rd.: 300ft



Green Hill @ Hwy 101 N: 150ft


.

Crest View to Overlook: 560ft

South Reeves Circle @ Hwy 101 S:

ESTIMATE

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PO BOX 1225
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GETTIS PAVING
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Bill to

City of Yachats
Attn: Dave Buckwald
501 Highway 101 N
P.O. Box 345
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Ship to

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Estimate details

Estimate no.: 1609
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		North end of Radar road			
2.	**Prep**	Prep work- Fine grade for paving.	1	$800.00	$800.00
3.	**Rock**	Rock as needed. an estimated 2 loads of rock	2	$500.00	$1,000.00
4.	**road**	AC pave approx 2425sq ft at 3" thick and compact	1	$9,700.00	$9,700.00
5.	**approach**	AC pave 2 approaches, approx 325sq at 3" thick and compact	1	$1,300.00	$1,300.00

Total **$12,800.00**

Note to customer

*Owner is responsible for any and ALL permits required before work may start. Additionally, please be advised; Driveways that are flat may be subject to drainage issues that may result in water collection in areas where there is not drainage or less that a 4% slope. We are not responsible if this issue occurs. Our prices do not reflect repairs or warranty to these drainage issues.
*Owner/contractor acknowledges receipt of construction lien information notice as required by ORS 87.093 . Terms: Account is due upon COMPLETION. If account is not paid within 30 days of completion the owner/contractor agrees to pay a finance charge of 1.5% per month (annual percentage rate of 18% which will commence to accrue on the date the payment was due. Owner/ Contractor shall be liable for all costs, expenses and attorneys fees for any attempt to collect. This price is guaranteed for 30 days.

Accepted date **Accepted by**

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Estimate details

Estimate no.: 1610
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		Hanley and 10th Street			
2.	**Prep**	Prep- Dig out 9" to prep for AC paving. approx 1370sq ft	1	$2,055.00	$2,055.00
3.	**Rock**	Rock as needed. an estimated 3 loads of rock	3	$500.00	$1,500.00
4.	**road**	AC Pave approx 1370sq ft at 3" thick and compact	1	$5,480.00	$5,480.00

Total **$9,035.00**

Note to customer

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Estimate details
Estimate no.: 1611
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		Upper Radar Road			
2.	**Prep**	Prep- Fine grade for asphalt.	1	$800.00	$800.00
3.	**Rock**	Rock as needed. an estimated 2 loads	2	$500.00	$1,000.00
4.	**road**	AC pave approx 4200sq ft at 3" thick and compact	1	$16,800.00	$16,800.00
5.	**patching**	Pothole patch- approx 10' x 15'	1	$1,200.00	$1,200.00

Total **$19,800.00**

Note to customer

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Estimate details
Estimate no.: 1612
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		Green Hill at Hwy 101			
2.	**Prep**	Prep work- Dig out and remove 9" of roadway, approx 3450sq ft	1	$5,175.00	$5,175.00
3.	**Rock**	Rock as needed , an estimated 7 loads of rock	7	$500.00	$3,500.00
4.	**approach**	AC pave one approach, approx 96sq ft	1	$384.00	$384.00

Total **$9,059.00**

Note to customer

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Estimate details

Estimate no.: 1613
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		Upper Green Hill Road			
2.	**Prep**	Prep- Dig out approx 370sq ft at 9" deep	1	$1,000.00	$1,000.00
3.	**Rock**	Rock as needed. an estimated on load of rock	1	$500.00	$500.00
4.	**road**	AC pave 370sq ft at 3" thick and compact	1	$1,480.00	$1,480.00

Total **$2,980.00**

Note to customer

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Estimate details
Estimate no.: 1615
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		Crest View to Overlook			
2.	**Prep**	Prep- (Lower Road) Dig out and haul away approx 2880sq ft at 9" deep	1	$4,320.00	$4,320.00
3.	**Rock**	Rock as needed. An estimated 6 loads of rock	6	$500.00	$3,000.00
4.	**road**	Lower road- AC pave approx 2880sq ft at 3" thick and compact	1	$11,520.00	$11,520.00
5.	**Prep**	Prep work (Upper Road) Fine grade and prep for asphalt.	1	$700.00	$700.00
6.	**Rock**	Rock as needed. an estimated 3 loads of rock	3	$500.00	$1,500.00
7.	**road**	AC pave Upper road, approx 4050sq ft at 3" thick and compact	1	$16,200.00	$16,200.00
8.	**approach**	AC pave a total of 6 approaches, total of approx 1446sq ft at 3" thick and compact	1	$5,784.00	$5,784.00

Total **$43,024.00**

Note to customer

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*Owner/contractor acknowledges receipt of construction lien

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Estimate details

Estimate no.: 1616
Estimate date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.		9th Street			
2.	**Prep**	Prep work- Dig out and haul away approx 5380sq ft at 9" deep	1	$8,070.00	$8,070.00
3.	**Rock**	Rock as needed. An estimated 12 loads of Rock	12	$500.00	$6,000.00
4.	**road**	AC Pave approx 5380sq ft at 3" thick and compact	1	$21,520.00	$21,520.00
5.	**approach**	AC pave 3 approaches , total of approx 354sq ft at 3" thick and compact	1	$1,416.00	$1,416.00

Total **$37,006.00**

Note to customer

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Accepted date **Accepted by**

KNIFE RIVER

CCB #2101

Project Name: AC Paving Repairs
Location: Various Streets

Owner: City of Yachats
Address: PO Box 345
Yachats, Oregon 97498

QUOTATION

From: Jason Dull
Quotation Date: 8/26/2024
Bid Date / Time: 8/27/2024 2:00PM

Customer: City of Yachats
Contact/Cell: Dave Buckwald 541-272-4210
Phone / Fax 541-547-3565 x113

BID ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL
1	Mobilization	1	LS	$ 21,750.00	$ 21,750.00
2	Hanley & 10th St. Intersection, 3" depth AC Grind & Inlay, 1,227 SF	1	LS	$ 10,800.00	$ 10,800.00
3	9th St., 3" depth AC Grind & Inlay 4,881 SF, Aprons 3 EA, 402 SF	1	LS	$ 31,250.00	$ 31,250.00
4	N end of Radar, Fine Grading & 3" depth AC 2,736 SF, Aprons 2 EA, 217 SF	1	LS	$ 13,925.00	$ 13,925.00
5	Upper Radar, Fine Grading & 3" depth AC, 5,080 SF, Aprons 3 EA, 482 SF	1	LS	$ 23,900.00	$ 23,900.00
6	Greenhill & Hwy 101, 3" depth grind & Inlay, 2,750 SF, Apron one EA 120 SF	1	LS	$ 25,530.00	$ 25,530.00
	Digout Repair, 8 x 90, 720 SF, 12" depth excavation & crushed rock backfill				
7	Overlook & Greenhill Corner digout repair 16 x 22, 352 SF	1	LS	$ 5,860.00	$ 5,860.00
	4" depth AC, 12" depth crushed rock				
8	Crestview to Overlook, 3" depth Grind & Inlay, 2,172 SF, Aprons 6 EA, 552 SF	1	LS	$ 39,570.00	$ 39,570.00
	Fine grading & 3" Depth AC 5,334 SF				
9	S Reeves Circle & Hwy 101, 4" depth Grind & Inlay, 27 x 19, 513 SF	1	LS	$ 5,970.00	$ 5,970.00
	Pricing is based on a site visit 08/20/24				
				BID TOTAL	$ 178,555.00

TERMS: Net due and payable upon completion unless noted otherwise.

CONDITIONS OF QUOTATION:

* This is a unit price quotation.
* Pricing is firm through May of 2023. Pricing expires in 30 days without a contract or intent to award.
* Includes 1 mobilizations.
* KR not responsible for drainage where grades are less than 1%.
* Excludes Engineering/Testing/Bonds/Permits/Traffic Control.
* Addendums reviewed: NONE
* Add 1% for performance and payment bond, if required.
* Completion dependent upon weather and ground conditions.
* Pricing is based upon normal work hours on straight time.
* Excludes over excavation and backfill of soft subgrade.
* Excludes soil sterilant, weed killer, and termite solution.
* Excludes pavement markings, signage, and wheel stops.
* Excludes crack filling, slurry seals, seal coats, and prime coats.
* Excludes all utility adjustments.
* Excludes all temp paving.
* Excludes all night work.
* Quote contingent upon a mutually agreeable subcontract.
* Subject to additional terms and conditions attached.

If Owner or Prime Contractor insists upon completion of work against advice of Knife River because of weather conditions or sub-surface conditions, the Owner or Prime Contractor shall assume all risk of defects due to weather or sub-surface conditions.

Knife River
By: X Jason Dull

Date: 8/26/24

Subject to additional terms and conditions attached. I (we) hereby accept this proposal and the additional terms and conditions, and authorize Knife River to proceed as specified. I (we) hereby acknowledge receipt of the required notices for residential construction projects: Information Notice To Owner About Construction Liens (ORS 87.093), Notice of Procedure (ORS 701.330), Consumer Protection Notice (ORS 701.330 (1)) if applicable. Further, Owner acknowledges and agrees that the provisions of the foregoing statutory notices are incorporated into this contract by reference as though fully set forth herein.

By X ______________________
Owner / Prime Contractor

Date ______________________

The acceptance of this project is subject to approval by the Knife River Credit Department.

Approved ______________________

Date ______________________

Printed Name ______________________

By X ______________________
Co-Owner / Mortgagee

Job: AC Paving Repairs

Date ______________________

ADDITIONAL TERMS AND CONDITIONS

1. **<u>Completion</u>:** The work to be completed shall be commenced on or about the date set forth. However, if Knife River is delayed in the performance of the work due to acts of God, strikes, or material shortages which are beyond its control, the completion date shall be extended accordingly.
2. **<u>Terms</u>:** NET DUE AND PAYABLE UPON COMPLETION UNLESS NOTED OTHERWISE. A finance charge of 1 1/2% per month, or a minimum of $1.00, will be made on the unpaid balance at the end of the following month's billing cycle. This is an ANNUAL PERCENTAGE RATE of 18%.
3. **<u>Progress Billings & Payments</u>:** Knife River shall make progress billings for work completed through the 25th of each month on or about the 30th of that month. Payments shall be made in accordance with the conditions set forth in item number 2 above. In the event payments are not made in full within 30 days following billing, Knife River may exercise its rights under the Oregon Construction Lien Laws.
4. **<u>Final Inspection & Acceptance</u>:** When notified by Knife River, that in its opinion all work required by the contract has been completed, the Owner or the Owner's representative shall make a final inspection of the site. Immediately following this notice of com-pletion, the Owner shall issue a punch list, if any, of those items that should be completed prior to final acceptance. If, within 10 days following notice of completion there is no response from the Owner or the Owner's representative, Knife River will assume that all items are complete and accepted. At this time all monies due Knife River including retainages, shall be released.
5. **<u>Changed Conditions:</u>** Changes in conditions beyond the original scope of the project shall be accomplished with a Price Agreement for the additional work or on an Extra Work basis. Before Knife River proceeds with the changed conditions, agreement shall be made in writing between the Owner, or the Owner's representative, and Knife River. Extra work shall be billed on a cost-plus 18% basis if an agreement in price cannot be reached between the above-mentioned parties.
6. **<u>Project Price / Unit Price</u>:** The project price given is approximate. This price is subject to adjustment for measurement of final quantities on unit prices specified unless bid as a Lump Sum. The Owner shall arrange for his representative to provide all measurements in writing to Knife River at the earliest practical time. If a representative is not available to represent the Owner, Knife River shall provide all such measurements.
7. **<u>Lump Sum</u>:** The Lump Sum price given is the exact amount for the work to be performed based on the approved plans and specifications. If, however, there are changes in the original scope of the project, Knife River reserves the right to claim for additional compensation for that portion of the work that was not included in the original bid.
8. **<u>Subcontractors</u>:** Knife River reserves the right to subcontract all or any portion of said project.
9. **<u>Escalation</u>:** The present asphalt price is based on today's liquid asphalt cost. Documentation for increased asphalt prices shall be presented to the Owner or the Owner's representative by means of the quoted date liquid asphalt index of $. Upon completion of the work, the adjustment in price will be reflected in the final billing, and Owner / Prime Contractor shall pay Knife River the amount of such increase in addition to all other contract amounts.
10. **<u>Permits & Licenses</u>:** All fees for permits & licenses, unless so stated in the Project Specifications, shall be paid for by the Owner / Prime Contractor.
11. **<u>Liens</u>:** Knife River hereby gives notice of its reservation of the right to assert any and all liens against the Owner / Prime Contractor arising under all Federal, State, or Local laws in the event the amounts stated in the contract are not paid when due.
12. **<u>Residential Projects</u>:** Owner retains all rights accorded by the laws and rules of the Oregon Construction Contractors Board (CCB), including the right to file a complaint with CCB.
13. **<u>Attorney Fees</u>:** In the event any suit or action is brought by the parties arising out of this Contract Proposal, it is agreed that the prevailing party shall recover such reasonable attorney fees as shall be set by the trial court and any court on appeal.
14. **<u>Dispute Resolution – Mediation/Arbitration:</u>** Any dispute or claim arising out of or relating to this Agreement will be resolved by arbitration in accordance with the rules of the Arbitration Service of Portland (ASP). Unless a different location is agreed by the parties, the arbitration will be held in the county in which the project is located before a single arbitrator who is a licensed attorney with at least 15 years of experience in construction law. A judgment upon the award rendered by a single Arbitrator shall be entered in a Court with competent jurisdiction. As a condition precedent to the filing of an arbitration claim, the parties agree to first mediate any claims between them. Any party refusing to mediate shall not prevent the other party or parties from pursuing their claims in arbitration. The parties will share the cost of mediation equally. Nothing herein will be construed to prevent any party's use of injunction, and/or any other prejudgment or provisional action or remedy. Any such action or remedy will not waive the moving party's right to compel arbitration of any dispute. The parties agree to also meet and negotiate in good faith in order to resolve any disputes which may arise between them.
15. **<u>Hazardous Materials</u>:** Owner represents and warrants to Knife River. that there are no environmentally hazardous materials or wastes contained on the property or on or in the soil to be excavated and/or removed by Knife River and there are no potentially hazardous environmental conditions on the property and that the property has not been identified by any governmental agency as a site upon which, or potentially upon which, environmentally hazardous materials have been (or may have been)located or deposited. Owner agrees to indemnify and hold Knife River harmless for any and all damages, claims, demands, and judgments arising from or connected in any manner with hazardous materials or wastes, or hazardous environmental conditions, on the property or in the soil to be excavated or removed by Knife River.
16. **<u>Warranty:</u>** Unless otherwise stated in Project Specifications, Knife River warrants all materials or services provided by it to be of good quality and workmanship and free from defects under normal proper use and service for a period of one (1) year from the date of substantial completion of the project. Knife River provides no warranty for defects caused by sub-surface conditions and/or failure of materials previously supplied by others. If defects should occur, Knife River shall be notified immediately in writing.

CUSTOMER SIGNATURE ____

DATE ____

rev 08092023

Road & Driveway Company
Cedar Creek Quarries, Inc.
CCB 16331
CCB 46114
121 NE Harney • PO BOX 730 • Newport, OR 97365
P: 541.265.9441 • F: 541.265.9443
www.roadanddriveway.com

BID

Job No. 15375-02
Date: 8/7/2024

We are pleased to submit the following bid

To:
City of Yachats
ATTN: Dave Buckwald
[address]
[address]
p. (541) 547-3385
e. dave@yachatsmail.org

For:
Asphalt Paving Crestview Street
Yachats, OR

QUANTITY	UNIT	ITEM DESCRIPTION	UNIT PRICE	AMOUNT
		Shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 7,070 SF. Traffic control included. MH risers included.	LS	$ 24,635.46
		General Conditions: All work to be completed during normal (daytime) business hours or additional charges will apply. Work excludes: grinding, survey, engineering, pesticides/herbicides, bonds/permits, utility adjustment/capping, temp ac pavement, slurry seal, seal coat, shoulder rock. All work is weather dependent.		
			Total service charges:	$ 24,635.46

Terms: cash, check, credit paid upon completion of work. In accordance with ORS 701.625, invoices not paid by Customer within thirty (30) days are delinquent and will bear interest at the rate one and one-half percent (1.5%) per month, or the max amount allowed by law, whichever is less, until paid.

Your signature on one copy, returned to this office, will make this a legal contract for the performance of the above work.

Accepted by ______________

Date ______________

Work approved by Rogan Wienert

Date 8/7/2024

Price valid for 30 days after above date, prior to acceptance.

Road & Driveway Company CCB 16331 **BID**

Cedar Creek Quarries, Inc. CCB 46114

121 NE Harney • PO BOX 730 • Newport, OR 97365
P: 541.265.9441 • F: 541.265.9443
www.roadanddriveway.com

Job No. 15621-01
Date: 8/7/2024

We are pleased to submit the following bid

To:
City of Yachats
ATTN: David Buckwald
PO Box 345
Yachats, OR 97498
p. (541) 272-4210
e. dave@yachatsmail.org

For:
Various Asphalt Paving Projects
Yachats, OR

Page 1 of 3

QUANTITY	UNIT	ITEM DESCRIPTION	UNIT PRICE	AMOUNT
		Item 1. Upper Radar Rd -- Dig out and haul away failed asphalt and unsuitable base material at bottom intersection, shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 3,600 SF.	LS	$ 16,843.57
		Item 2. North Radar Rd -- Shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 2,920 SF.	LS	$ 13,318.09
		Item 3. Horizon Hill -- Cut, dig out, and haul away failed asphalt and unsuitable base material, shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 940 SF.	LS	$ 8,636.75
		Item 4. South Reeves Circle and Hwy 101 Intersection-- Cut, dig out, and haul away failed asphalt and unsuitable base material, shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 840 SF.	LS	$ 6,978.51
			Total service charges:	

Terms: cash, check, credit paid upon completion of work. In accordance with ORS 701.625, invoices not paid by Customer within thirty (30) days are delinquent and will bear interest at the rate one and one-half percent (1.5%) per month, or the max amount allowed by law, whichever is less, until paid.

Your signature on one copy, returned to this office, will make this a legal contract for the performance of the above work.

Accepted by __________ Work approved by Rogan Wienert

Date __________ Date 8/7/2024

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QUANTITY	UNIT	ITEM DESCRIPTION	UNIT PRICE	AMOUNT
		Item 5. Greenhill and Hwy 101 Intersection -- Cut, dig out, and haul away failed asphalt and unsuitable base material, shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 3400 SF.	LS	$ 18,613.63
		Item 6. East 9th From Hwy 101 to King St -- Dig out, and haul away existing failed asphalt and failed base, shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 5720 SF.	LS	$ 34,818.94
		Item 7. Greenhill and Overlook Intersection -- Cut, dig out and haul away failed asphalt and unsuitable base material, shape, rock 1"-0 crushed aggregate, grade, compact, and pave @ 3" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 420 SF.	LS	$ 4,913.84
		Item 8. 10th and Hanley Intersection -- Dig out and haul away failed asphalt and unsuitable base material, shape, rock 1"-0 crushed aggregate, grade, compact, base in, tack, and overlay @ 2" nominal compacted depth commercial asphalt concrete pavement. Total area (+/-) 1,380 SF.	LS	$ 9,077.85
			Total service charges:	

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QUANTITY	UNIT	ITEM DESCRIPTION	UNIT PRICE	AMOUNT
		General Conditions: All work to be completed during normal (daytime) business hours or additional charges will apply. Work excludes: traffic control, grinding, survey, engineering, pesticides/herbicides, bonds/permits, utility adjustment/capping, temp ac pavement, slurry seal, seal coat, shoulder rock. All work is weather dependent. Dump site not included.		
		Total to be determined per Item(s) chosen.		
			Total service charges:	

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