

Yachats Public Works and Streets Commission

Utility Rate Background Information

Profile:

- There are about 850 Utility Accounts.
- There are about 300 accounts who are year around residents which use an average of 2 to 4 unit a year. (Note: 1 unit equals 100 cubic feet of water)
- There are about 300 accounts which use an average of just 0 to 1 unit a year.
- There are about 100 accounts which use between 80 and 200 units on a yearly average.
- There are about 10 accounts which use about 40% of the total water sold (over 200 units) on a yearly average.
- The object set for Capital Improvements after June 2016 was \$50,000 for water services and \$50,000 for sewer services.
- Projected capital improvements for water projects after FY 2020 over 6 years are over \$4,198,000.
 - Waterlines for 3rd, Blackstone, Radar, and 7th – \$366,500
 - SCADA Upgrades - \$40,000
 - Water Plant repairs - \$10,000
 - Waterlines for King, and finish Blackstone - \$145,000
 - Waterlines for Gender, Windy Way, and E 2nd, \$500,000
 - Projects in URD - \$153,000
 - New Water Plant outside Tsunami Zone - \$750,000
 - Purchase Water Shed - \$600,000
 - Raw Water storage - \$2,000,000
- Projected capital improvements for sewer projects after FY 2020 over 4 years are over \$295,000.
 - Rehab collection basins - \$120,000
 - Eliminate septic systems - \$200,000
 - Partial install of RFID meter reading system - \$30,000
 - Spreader for bio-solids - \$20,000
 - Re-side Public Works building - \$25,000

Proposed Objectives for Utility Rates

- Provide for rate based funding to help offset cost of Capital Improvement Projects.
- Provide for annual adjustment of rates based on a localized inflation value.
- Use the existing CAP information rather than reviewing the existing infrastructure as both Water and Sewer Master Plans are underway.

- It would help to review the current operating expenses for both Water and Sewer operations as a means to insure that the revenue from the Utility Billing system are covering expenses.
- The utility rate structure should insure a balanced and equitable rate structure between smaller users and larger users.
- Insure that Base Rates do more to recover costs required for full service support even if little or no service is used.
- Annual review to insure that the rates are sufficient to cover the operational requirements and provide reserves for future infrastructure needs.
- Provide a means to handle the 10 large users which must balance their overall support to the City General Fund and their consumption of utility services.