

**CITY OF BROOKINGS
STATE OF OREGON**

RESOLUTION 16-R-1090

A RESOLUTION OF THE CITY OF BROOKINGS ADOPTING THE NEW RATE SCHEDULE FOR THE HARBOR SANITARY DISTRICT AND DIRECTING THE CITY MANAGER TO NOTIFY THE DISTRICT OF THE CHANGES.

WHEREAS, the City of Brookings has amended the rate schedule for the Harbor Sanitary District attached herein as Attachment A; and

WHEREAS, the changes will become effective September 1, 2016; and

WHEREAS, it is the intention of the City of Brookings to notify Harbor Sanitary District of the changes in a proper and timely manner.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Brookings, Curry County, Oregon, that the new Harbor Sanitary District rate schedule is hereby adopted and that the City Manager is directed to provide proper and timely notification to Harbor Sanitary District of the changes.

BE IT FURTHER RESOLVED that

Passed by the City Council August 8, 2016 ; effective September 1, 2016.



Mayor Ron Hedenskog

Attest:



City Recorder Teri Davis

Attachment "A"

Harbor Sanitary District Rate Schedule Effective September 1, 2016

Proportionate Share. The District shall pay to the City its proportionate share of the annual cost of the City's operation and maintenance expenses for the treatment of the sewage discharged by the District to the City's Wastewater Treatment Plant. The proportionate share of the District's annual operation and maintenance cost payable to City shall be determined as follows:

- a. **ACTUAL COSTS.** Operating and maintenance expenses shall be defined as actual costs to the City for the treatment of sewage. Annual operation and maintenance expenses shall also include a portion, to be annually determined, of the City's annual administrative budget. The City's annual administrative budget shall be defined as the reasonable expenses of operating City offices or agencies that indirectly service, or otherwise have a relationship to, the City's Wastewater Treatment Plant.
- b. **MONTHLY PAYMENTS.** The District shall make twelve (12) monthly payments during each fiscal year for operating and maintenance expenses the District's share of the total operation and maintenance expenses for the City's Wastewater Treatment Plant shall be determined by the District's proportion of the total sewage received by the Wastewater Treatment Plan based solely upon actual flow using a 12-month running average.

Other Costs. Annual operation and maintenance expenses as defined above, including administrative costs, shall not include costs to either party of keeping track of, billing, and collecting sewer charges from customers, the charges so made, and said costs are to be the sole responsibility of each party within its respective boundaries.

Billing Statements. The City will mail or email a billing statement to the District, to be posted no later than the 5th working day of each month, for the monthly amount due City from District for the operation and maintenance expense for the City's Wastewater Treatment Plant (sample bill attached). The District shall pay the amount due the City for operation and maintenance expense upon receipt of City's monthly billing for these expenses, but, in any event, no later than the 25th day for each month a billing from the City is received. Payment after the 25th day of each month will be made in accordance with the delinquent and late fees established by the City of Brookings. Payment will be made by cash or check of readily available funds to the City of Brookings at City Hall, 898 Elk Drive, Brookings, Oregon 97415.

Annual Reconciliation. After the City is in receipt of the District's payment for May usage, the City shall pre-reconcile actual payments from the District against what the actual annual expenses are for the period ending May 31st. If there is a credit due, it will be applied against the July payment for June. If there are additional monies due, the difference will be included on the July invoice for June. No later than September 1st of each year the final reconciliation for the prior fiscal year's actual payments from the District will be reconciled against what the actual annual operation and maintenance expenses were for the previous fiscal year. If there is a credit due, it will be applied against the upcoming estimated annual payment. If there are additional monies due, the balance will be due to the City on a date to be negotiated between

the District and the City, so as to provide the City with the additional funds in a timely manner while still providing the District sufficient time to fund any deficit.

Accounting. All sums received from the District and from its patrons and transmitted by the District to the City for operation and maintenance expenses shall be accounted for in a manner acceptable to both parties and used solely for Waste Water Treatment Plant/Outfall System operation, maintenance and replacement.

Direct Payment of SDC's to the City. When the District receives an application for a new connection to the District's sewer system, the District shall refer the applicant to the City for direct payment to the City for the City's current System Development Charge. The City will provide each applicant with a receipt for payment of the City's System Development Charge for presentation to the District. The District agrees not to permit any new connection to the District's sewer system until it has verified that the applicant has paid the City the System Development Charge as established by City Ordinance. The SDC per EDU rate shall be increased or decreased annually on July 1, in accordance with the ratio of the Engineering News Record (ENR) Construction cost index for the month of May of that year with respect to the May ENR index of previous year.

District Credit. The City shall credit each SDC payment it receives from an applicant for a new sewer connection within District only to those capital improvement expenses for the City's Wastewater Treatment plant eligible for payment by SDC monies. System Development Charges collected by City pursuant to this agreement shall then be accounted for in an SDC Treatment Fund. Proposed appropriations from this Fund shall be reviewed as a part of the annual budget process.

CAPITAL IMPROVEMENTS TO WASTEWATER TREATMENT PLANT

Capital Improvements. The District shall pay its proportionate share of the cost of capital improvements to the sewage treatment plant, transmission facilities and outfall system ("Capital Improvement Costs") as provided herein. The amount due the City shall be based on the actual cost of any capital improvement, including pre-design, engineering, project management costs and debt service, not the budgeted cost. "Debt service" shall include principle, interest and fees related to financing capital improvements.

Proportionate Share. The District's proportionate share of Capital Improvement Costs for City's Wastewater Treatment Plant that District shall pay to City shall be determined as follows:

- a. The District shall pay 30 percent of the Capital Improvement Costs for the replacement and repair of structures, components, facilities and equipment which together constitute the Wastewater Treatment Plant as constructed prior to the effective date of this Agreement.
- b. District's proportionate share of the Capital Improvement Costs for new structures, components, facilities and equipment to expand the capacity of or to comply with State-mandated regulations associated with the operation of the City's Wastewater Treatment Plant shall be determined by the proportion of the District sewage treated in the City's Wastewater Treatment Plant to the total sewage treated therein during the previous 12- month period, July 1 to June 30 of each year. The District's percentage contribution of sewage treated by the Wastewater Treatment Plant shall be determined by calculating the District's contribution of total flow.

Use of Payments. All sums received from the District by the City for capital improvements to the City's Wastewater Treatment Plant, shall be used by the City solely for Capital Improvements.

Billing. Billing for Capital Improvements shall be as follows:

- a. For amounts due pursuant to (a) above, District shall pay 30 per cent of annual debt service costs in 12 equal monthly payments.
- b. For amounts due pursuant to (b) above, District shall pay in accordance with the operation and maintenance cost provision above.

INTERCEPTOR LINE

Annual Fee. District shall pay to City an annual fee for the maintenance and operation of the interceptor line which is used to transmit sewage delivered from the District sewage collection system to the City collection system. Said fee shall be based upon 66 per cent of the lineal feet of the subject interceptor in proration to the total lineal feet of the City's collections system. As of September 1, 2016, this percentage is 1.62 per cent.