

**BEFORE THE NORTH ALBANY COUNTY SERVICE DISTRICT GOVERNING BODY
STATE OF OREGON, COUNTY OF BENTON**

In the Matter of Increasing Water)
Rates, Fees and Charges)
For the North Albany County Service)
District Water Users)

ORDER D2007- 183

The above entitled matter coming now for the consideration of the Governing Body, and

It appearing to the Governing Body;

THAT the Albany City Council approved a rate increase of 2.5 percent on November 5, 2007, to be effective January 1, 2008; and

THAT, the Albany City Council will continue a low-income assistance program for residential customers that is funded by a monthly surcharge on residential customer bills; and

THAT, the Albany City Council adopted a Water Financial Plan in 2004 that requires future fees, charges, and rates to be increased annually using the 12-month change in Engineering-News Record Construction Cost Index (posted in October) plus one percent; and

THAT, the adopted Financial Plan envisions fees, charges, and rates increasing at least two and one-half percent per year but no more than six percent per year; and

THAT based on discussions with a citizens water task force and the North Albany County Service District (NACSD) governing body, the NACSD fees, charges and rates should be adjusted by an amount that matches that used for Albany residents; and

THAT additional funds will need to be dedicated to pipe replacement in the future; and

THAT the City of Albany's modification of the water rates are consistent with the original 1990 Albany/NACSD Sewer and Water Maintenance Transition Plan.

NOW THEREFORE, be it hereby ordered;

That the fees, charges, and rates established by this order shall be effective January 1, 2008, or as established by the City of Albany; and

That the \$15.93 per customer, per month, capital charge will be collected for the Capital Improvement Program. These monies shall be used for replacement of existing water lines and improvements to the water system in the North Albany area. When properties are annexed to the City of Albany, this fee will no longer be in effect; and

That the Bond Assessment for the NACSD's 1979 Farmer's Home Administration (FHA) loan will be collected; which is the District Tax Rate multiplied by each property's value and is in lieu of property tax paid within the District to retire the bond; and

That when the FHA loan is retired, the debt service is no longer collected; and

That the Bond Assessment for the 1984 purchase of the Albany water system will be collected; which is the Water General Obligation Bond Debt Service Tax Rate multiplied by each property's value and is in lieu of property tax paid within the City to retire the bond; and

That when the Bond Assessment for the 1984 water system purchase is retired and the debt service is no longer collected, an additional \$5.00 will be added to the capital charge collected for the Capital Improvement Program; and

That the service meter installation charges, system development charges, deposits, and all other fees or charges including those for late payment, tampering, turn off/turn on, returned checks, fire protection, account transfer, and credits shall be the same as those fees or charges for City of Albany customers; and

That the monthly water service charges will increase by 2.5%, the minimum amount envisioned in the Financial Plan since the actual ENR change was -0.2%. The monthly water service charges are shown in Table 1 and service fees and charges are shown in Table 2; and

That meter readings from meters that measure flow in 1,000 gallon increments shall be converted to hundred cubic foot units prior to applying the appropriate consumption charge for calculating the water bill.

TABLE 1
NACSD SINGLE-FAMILY RESIDENTIAL SERVICE
Water Rates for Cubic Foot Meters

Meter Size	Base Charge (\$/month)	Consumption Level and Rate (hundred cubic feet) ¹	
		Block 1 (First 6 hcf)	Block 2 (Over 6 hcf)
¾ inch or less	\$16.25	\$3.62	\$2.29
1 inch	\$23.73	\$3.62	\$2.29
1½ inch	\$54.09	\$3.62	\$2.29
2 inch	\$86.58	\$3.62	\$2.29

Example calculation:

A typical residential customer has a ¾ inch meter and uses eight hundred cubic feet or 8 units of water or 6000 gallons per month. This customer's monthly water bill would be calculated as follows:

$$\$16.25 \text{ (base charge)} + (\$3.62 * 6 \text{ units of water}) + (\$2.29 * 2 \text{ units of water}) = \$42.55$$

Additional Service Charges or Fees:

Additional service charges or fees for a typical residential customer includes:

<i>Low-Income Assistance Program Surcharge</i>	\$0.35
<i>Capital Charge</i> ²	\$15.93
<i>Debt Rate for NACSD's FHA loan</i> ³	Approx \$0.3052 per \$1000 assessed value
<i>Debt Rate for Albany's GO Bond</i> ³	Approx \$0.2844 per \$1000 assessed value

¹ Some NACSD customers have meters that read in gallons. This consumption is converted to hundred cubic feet to calculate water bills.

² The capital charge is dedicated to replacement of existing water lines and improvements to the water system in the North Albany area.

³ Inside-city customers pay debt through their property tax bill while outside-city customers (NACSD) pay debt through water bill surcharges. Rates shown are from previous year.

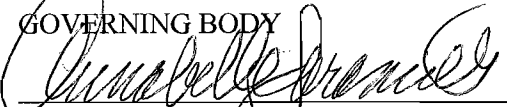
**TABLE 2
SERVICE FEES AND CHARGES**

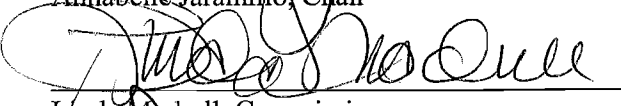
Description	Reference	Charge	
New – Turn Ons (Deposit)	AMC 11.01.040(2a)	Residential	\$80
		Multi-family	Equal to est. 3 months usage
		Non-residential	Equal to est. 3 months usage
New – Account Fees (Activation)	AMC 11.01.040(5)	Normal working hours	\$15
		After hours call-out	\$60
Charge to Restore Service for Past Due Accounts	AMC 11.01.060(5)	Normal working hours	\$25
		After hours call-out	\$60
Non-sufficient Funds Checks	ORS 30.701(5)		\$25
Disconnection Notice Door Hanger	AMC 11.01.060 (3)		\$5 per occurrence
Discontinuance of Service (Meter Removal)	AMC 11.01.080(8)		\$15
Tampering Fees	AMC 11.01.080(9)		\$50
Investigation of Meter Error	AMC 11.01.090(1)(b)(ii)	<u>Meter Size</u>	<u>Service Charge Deposit</u>
		¾"	\$15
		1" to 1½"	\$25
		Larger than 1½"	Actual Cost
Reduction of Meter Size	AMC 11.01.100(5)(b)	<u>Meter Size</u>	<u>Service Charge</u>
		From 1" to ¾"	\$50
		From 2" to 1½"	\$85
		From 2" to ¾" or 1"	\$85
		All Other Sizes	Actual Cost
Unauthorized Use of Fire Hydrant	AMC 11.01.180(4)		\$50
Metered Use of Hydrant	AMC 11.01.180(4)	Refundable Deposit	\$75.00
		Set Up	\$25.00
		Bulk Rate	\$3.03 per 100 cubic feet
		Relocation Rate	\$25.00
		Monthly Base Charge	\$86.58

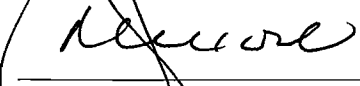
Adopted this 4th day of December, 2007

Signed this 4th day of December, 2007

NORTH ALBANY COUNTY SERVICE DISTRICT
GOVERNING BODY


Amabelle Jaramillo, Chair


Linda Modrell, Commissioner


Jay Dixon, Commissioner