



Board of Directors
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Board Chairman
Position 2 - Vacant
Position 3 - Michael Koger

South Suburban Sanitary District
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District Manager/Secretary
Brett Blofsky

ORDINANCE NO. 61 - SEWER FEES AND CHANGE TO PAYMENT STRUCTURE

AN ORDINANCE DECLARING THE INTENTION OF SOUTH SUBURBAN SANITARY DISTRICT OF KLAMATH COUNTY, OREGON, TO ESTABLISH FEES FOR SEWER SERVICE, AND PENALTIES FOR DELINQUENT PAYMENT OF FEES AND TO ESTABLISH THE EFFECTIVE DATE OF THE ORDINANCE.

SOUTH SUBURBAN SANITARY DISTRICT ORDAINS AS FOLLOWS:

Increase in Sewer Fees Assessed by the South Suburban Sanitary District

In March of 2022, the current Board of Directors adopted Ordinance #60 – Sewer Fees. This was necessary because the previous Board of Directors had adopted Resolution #221, which temporarily reduced rates by 10% for FY 2021-2022, which was to expire on June 30, 2022. However, through the passing of Ordinance #60, the current Board of Directors did not permit the resolution to expire due to the high CPI (7.4%) that year because it would have resulted in an approximate 18% increase in sewer rates.

In an attempt to restore the financial position of the District, it is crucial that the District recover the lost revenue from Resolution #221; particularly in advance of the District being required to spend tens of millions of dollars over the next couple of years in upgrades to our treatment plant required to satisfy new permit regulations imposed by Oregon DEQ, it is hereby necessary to restore sewer rates to where they should be, had Resolution #221 been allowed to expired as directed. It is also the desire of the Board of Directors to continue to minimize the future long-term financing costs to District ratepayers by increasing capital reserves.

Rates will increase each year by the December Western Consumer Price Index (CPI). If the CPI is 4% or less, the new sewer rate will also include the remaining half (5%) of the delayed expiration of the 10% reduction enacted by the adoption of Resolution #221, that would have expired In June 2022 without current Board intervention.

On July 1, 2024 there shall be a 8.6% increase (3.6% CPI plus 5% expiration of the 10% temporary reduction in Resolution #221) on all sewer fees, based on the explanation in the paragraph above. Thereafter, all sewer fees shall also be adjusted based on the same explanation in the paragraph above at the beginning of each future fiscal year (July 1st).

This ordinance will be in place for the next five years, unless the CPI goes above 4%, or until the total temporary 10% (or remaining 5%) revenue reduction from Resolution #221 is allowed to expire.

Service Fees Assessed by the District for Fiscal Year 2024-2025

Sewer Service (Base) Rates

Connection Type	FY 24/25
	Monthly
Dumping Stations per unit	\$42.71

Hotel/Motel per unit	\$21.36
Industrial/Commercial Base	\$42.71
Mobile Homes per unit	\$42.71
Multi-Family per unit	\$42.71
Non-Residential Building per unit	\$42.71
Recreational Vehicles in Trailer Parks per unit	\$21.36
Residential – Single Family	\$42.71

Residential sewer fees are due regardless of the occupancy status of the residence.

In addition to the base sewer fee, a water use fee shall be computed based on water consumption for users **other than residential units (Non-Residential)** as illustrated below:

Non-Residential Water Use Fees 2024-2025

First 24,000 CF ¹ /Year	Per 100 CF after 24,000CF/Year
\$0	\$2.49

¹24,000 Cubic Feet = 179,520 Gallons

A non-residential building shall be charged the minimum base sewer fee for each individual occupant regardless of the specific number or location of plumbing facilities. Water usage for each occupant shall be based on water usage for the building divided by the number of occupants. At minimum, a building shall be charged (1) base sewer fee. An occupant is generally defined as a separate business or office space.

For any non-residential building, the water volume used for the calculation of fees shall be reduced by the water volume that can be proven to not enter the District sewer system. Examples would be any water used that meets Oregon Department of Environmental Quality criteria for the direct discharge to the storm drain system or water that is used for irrigation. Flow measuring shall be required in all cases in order to provide the District with evidence that water is not entering the District sewer system.

Any user who **discharges industrial wastewater** shall be charged an initial increase of 7.4%, after which annual increases shall be per the previous December Western Consumer Price Index (CPI) B/C on a basis relating to the existing charges for industrial wastewater previously computed by the District. In general, industrial wastewater is defined as being of significant volume or pollutant concentration over typical domestic or commercial wastewater levels and is typically generated by industry. Industrial users shall be charged according to water volume consumption plus a pollutant related fee to defray costs arising from any waste that may cause increased treatment and/or conveyance costs.

Monthly service fees charged by the District shall be due in by the 25th of each month. Early discounts shall no longer be offered.

A 15% discount shall be applied to those senior citizens that meet all of the following criteria:

- a) Are 65 years of age or older within the fiscal year in which the discount is applied for
- b) Are listed as the owner of their residence
- c) Must occupy their residence for the entire fiscal year (July 1 through June 30)

- d) Have completed a Senior Citizen Sewer Discount application

Delinquent sewer service fees, connection fees and construction fees which are not paid by the delinquent date as shown on the District billing form shall be subject to a penalty of 6% of the delinquent amount, or \$3.00, whichever is greater. In the event that sewer service fees, connection fees or construction fees remain unpaid after the delinquent date as shown on the District billing form, such delinquent accounts may be certified to the Klamath County Tax Assessor for collection (ORS 454.225).

There shall be imposed a penalty upon all delinquent accounts for sewer service fees, System Development fees and construction fees in an additional amount of 18% of the delinquent fees on all accounts which are not paid in full by June 30th. These accounts will be scheduled to be certified to the Tax Assessor of Klamath County, Oregon, for collection by this office. Such penalties shall be a lien upon the property served.

MISCELLANEOUS SEWER FEES

On July 1, 2024 there shall be an 8.6% increase on **Sewer Reconnection** fees. Thereafter, all Sewer Reconnection fees shall be adjusted per the previous December Western Consumer Price Index (CPI) B/C per annum at the beginning of the fiscal year (July 1st).

Sewer Disconnection fee rates shall be evaluated annually based on the current estimated cost to the District and shall be increased, if applicable, at the beginning of the fiscal year (July 1st).

Plan Review fee rates shall be charged at the current actual cost to the District.

Construction or other reimbursable expenses involving **District labor** or **Equipment** shall be charged at the current actual cost to the District time spent by the employee(s) or equipment providing the service.


Fee Type	FY 2024-2025
Employee / Equipment Charge Out	Actual Employee/Equipment Cost to the District
Plan Review Fee	Actual Employee Cost to the District
Sewer Disconnection Fee	\$287.66
Sewer Reconnection Fee	\$13.79/month the service remains disconnected

Provisions detailed in this ordinance cannot be modified in any way except by the adoption of another ordinance. Any change to fees, fee structures or formulas, whether temporary or permanent, are modifications to this ordinance, and can only be enacted by adopting a new ordinance.


Ordinance No. 60 – Sewer Fees, shall be repealed in its entirety.

Adopted this 30th day of May, 2024; shall take effect on the 30th day after the date of its adoption.

ATTEST:


 Brett Blofsky, Secretary


 Joe Spadolini, Chairman


 Michael Koger, Director