

# Council Business Meeting

October 5, 2021

<b>Agenda Item</b>	Talent Irrigation District Fees	
<b>From</b>	Gary Milliman	City Manager Pro Tem
<b>Contact</b>	<a href="mailto:Gary.milliman@ashland.or.us">Gary.milliman@ashland.or.us</a> 541-813-9267	

## SUMMARY

Talent Irrigation District fees are now being billed by the City of Ashland and staff is receiving requests for fee reductions from some customers due to the shortened irrigation season.

## POLICIES, PLANS & GOALS SUPPORTED

It has been past practice to “pass through” the cost of the annual fee the City pays for access to the Talent Irrigation District (TID) for irrigation water to Ashland customers who have a connection to the irrigation canal.

## PREVIOUS COUNCIL ACTION

Adopted Resolution 2019-10 setting water rates including TID fees.

## BACKGROUND AND ADDITIONAL INFORMATION

The Talent Irrigation District (TID) provides irrigation water to 190 private property customers in the City of Ashland. The TID billed the City \$57,205 in FY 2021 for the City’s water right and operation/maintenance cost associated with water delivered through the TID system. The City, in turn, bills the property owners who utilize TID water. Customarily, the City pays the fee to TID prior to the beginning of the irrigation season and bills customers in September, the end of the season. The fee is a flat rate of \$241 annually for each acre or portion thereof that is being irrigated. The fee is for a right to use irrigation water, and not a fee for a specific amount of water delivered or used.

During drought conditions, TID has had to shorten the overall irrigation season, with later starts and earlier stops. A typical irrigation season starts in May and extends to some point in September. This year, TID water was curtailed much earlier than as in the past. The season started May 26 and ended on July 19. TID does not notify the City in advance of the irrigation season length as there are many variables at the beginning of the season (they did advise the City that it might be a “short season” this year in April), and TID users typically only learn of the season length through the media or when the canal runs dry. The City posts information on the start and end of the season on its website but does not notify individual customers. Staff also apprised the City Council of the water supply year at the May 3 Study Session.

In 2014 and 2015 due to low snowpack levels in the Ashland Watershed Public Works made the recommendation to the City Council to maximize the ability to use the TID raw water source for additional supply to protect the Reeder Reservoir supply for as long as possible during the summer/irrigation season. The Council approved this recommendation and this required “shutting off” about 80 customers (aka “backside users”). Since that decision was made to cutoff users to the system the decision was also made to not charge the backside users the annual fee. **However, these are not the same circumstances as the current curtailment, which was not at the request of the City.**

The City has received several “appeals” this year from irrigation water customers seeking a reduction in the annual fee paid to the City. The process is for appeals to be heard by the City Manager. However, the TID fee is set by City Council Resolution and is being administered in accordance with current City policy, so the City Manager Pro Tem does not believe he has the authority to reduce rates and does not recommend doing so. TID is not providing a fee reduction to the City. If the City reduces the fee, then other ratepayers will, essentially, be subsidizing the irrigation water customers.

Those customers who have contacted the City concerning a rate reduction indicate that had they known that the season could be short, they may have elected to discontinue their TID connection this year rather than pay the flat fee. It is important to note that the City is simply “passing through” the fee that it pays to TID. Some years ago the City elected not to increase the amount of the fee to cover all costs (water right and maintenance) as the City Council determined that there is a benefit to the whole community by having large irrigation water users use TID water rather than City-produced water and a portion of the irrigation rights are used for domestic water production during drought years.

According to staff research, no other irrigation water use agency is offering a rate reduction this year.

In the future, the City will bill TID water users in the spring prior to the irrigation season start and after at the same time the City pays the annual invoice from TID. The City will notify customers by mail in the future of potential curtailment when the City is notified by TID.

### **FISCAL IMPACTS**

Any rate reduction would decrease the amount of revenue received by the City’s water enterprise fund.

### **STAFF RECOMMENDATION**

Direct staff to implement the TID irrigation rate as approved by Council Resolution

### **ACTIONS, OPTIONS & POTENTIAL MOTIONS**

Motion to continue with the current rate policy with respect to TID irrigation users as adopted by City Council Resolution.

### **REFERENCES & ATTACHMENTS**

Resolution 2019-10.

**RESOLUTION NO. 2019-10**

**A RESOLUTION REVISING RATES FOR WATER SERVICE PURSUANT  
TO ASHLAND MUNICIPAL CODE SECTION 14.04.030 AND  
REPEALING RESOLUTION 2018-12.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The "Water Rate Schedule" marked as "Exhibit A" and attached to this Resolution, shall be effective for actual or estimated consumption on or after July 1, 2019.

Prorated calculations are permitted for any bills prepared for a partial month or billing period that overlaps the effective date of this Resolution.

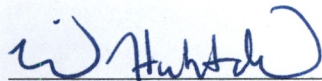
Miscellaneous Charges and Connection Fees established by previous resolutions remain in effect until revised by separate Council Action.

SECTION 2. Copies of this resolution shall be maintained in the Office of the City Recorder.

SECTION 3. Classification of the fee. The fees specified in Section 1 and Section 2 of this resolution are classified as not subject to the limits of Section 11b of Article XI of the Oregon Constitution (Ballot Measure 5).

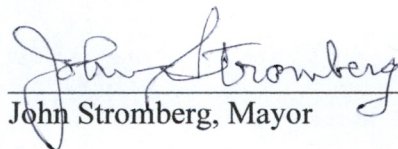
SECTION 4. Resolution 2018-12 is repealed.

This resolution was duly PASSED and ADOPTED this 4<sup>th</sup> day of June, 2019, and the effective date is July 1, 2019, upon signing by the Mayor.

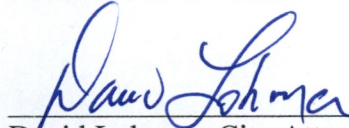


Melissa Huhtala, City Recorder

SIGNED and APPROVED this 5th day of June, 2019.

  
John Stromberg, Mayor

Reviewed as to form:



David Lohman, City Attorney

**City of Ashland, Oregon**  
**WATER RATE SCHEDULE**



All water service provided by the City of Ashland shall be in accordance with Chapter 14.04 of the Ashland Municipal Code.

**Billing:**

The minimum monthly charge shall be the sum of the Customer Charge; Meter Charge; plus Quantity Charge, if applicable; and Miscellaneous Charges, if applicable. Billing shall occur monthly with charges due and payable upon receipt.

**Customer Charge:**

A single customer charge is applied to each water account regardless of the number of metered water services.

Customer Charge, per account	July 2018	July 2019
Per month	\$ 12.82	\$ 13.33

**Meter Charge:**

The meter charge applies to all metered water services and does not include any water consumption.

Meter Charge, per meter	July 2018	July 2019
0.75" and Fire Guard meters	\$ 15.02	\$ 15.62
1" meter	\$ 15.66	\$ 16.29
1.5" meter	\$ 71.65	\$ 74.52
2" meter	\$ 113.86	\$ 118.41
3" meter	\$ 228.32	\$ 237.45
4" meter	\$ 362.11	\$ 376.59
6" meter	\$ 712.51	\$ 741.01
8" meter	\$ 1,129.57	\$ 1,174.75

**Quantity Charge:**

All customers will be charged the following rates per cubic foot of water used.

Residential, per dwelling unit	July 2018	July 2019
October - May		
0-300 cf per cycle	\$ 0.0269	\$ 0.0280
301 to 1,000 cf per cycle	\$ 0.0335	\$ 0.0348
1,001 to 2,500 cf per cycle	\$ 0.0454	\$ 0.0472
Over 2,500 cf per cycle	\$ 0.0586	\$ 0.0609
Residential, per dwelling unit		
June - September		
0-300 cf per cycle	\$ 0.0269	\$ 0.0280
301 to 1,000 cf per cycle	\$ 0.0335	\$ 0.0348
1,001 to 2,500 cf per cycle	\$ 0.0454	\$ 0.0472
2,501 to 3,600 cf per cycle	\$ 0.0586	\$ 0.0609
Over 3,600 cf per cycle	\$ 0.0754	\$ 0.0784

Residential Irrigation	July 2018	July 2019
October - May		
0-1000 cf per cycle	\$ 0.0335	\$ 0.0348
1,001-2500 cf per cycle	\$ 0.0454	\$ 0.0472
over 2,500 cf per cycle	\$ 0.0586	\$ 0.0609
Residential Irrigation		
June - September		
0 to 1,000 cf per cycle	\$ 0.0335	\$ 0.0348
1,001 to 2,500 cf per cycle	\$ 0.0454	\$ 0.0472
2,501 to 3,600 cf per cycle	\$ 0.0586	\$ 0.0609
Over 3,600 cf per cycle	\$ 0.0754	\$ 0.0784

**City of Ashland, Oregon**  
**WATER RATE SCHEDULE**

**CITY OF**  
**ASHLAND**

Commercial, less than 2" meter	July 2018	July 2019
0-2,500 cf per cycle	\$ 0.0335	\$ 0.0348
> 2,500 cf per cycle	\$ 0.0454	\$ 0.0472
Commercial, 2" or larger meter		
0-15,000 cf per cycle	\$ 0.0335	\$ 0.0348
> 15,000 cf per cycle	\$ 0.0454	\$ 0.0472

Institutional (governmental and municipal)	July 2018	July 2019
Per cubic foot	\$ 0.0321	\$ 0.0334

Commercial and Institutional Irrigation	July 2018	July 2019
October to May	\$ 0.0362	\$ 0.0376
June to September	\$ 0.0490	\$ 0.0510

**Miscellaneous Charges:**

**TID Irrigation:**

TID, unmetered service	July 2018	July 2019
Per season, per acre or portion of acre	\$ 211.81	\$ 241.18
TID, metered service		
Meter Replacement Charge*, by meter size		
0.75" meter	\$ 1.29	\$ 1.34
1" meter	\$ 1.93	\$ 2.01
1.5" meter	\$ 3.05	\$ 3.17
2" meter	\$ 4.11	\$ 4.27
3" meter	\$ 8.80	\$ 9.15
4" meter	\$ 19.12	\$ 19.88
6" meter	\$ 26.51	\$ 27.57
8" meter	\$ 31.97	\$ 33.25
Quantity Charge	\$ 0.0024	\$ 0.0025

*\*Meter replacement charge is assessed each month, regardless of consumption.*

**Fire Protection Service:**

Fire Protection Service	July 2018	July 2019
Customer Charge, if applicable	\$ 12.82	\$ 13.33
Meter Replacement Charge	\$ 1.29	\$ 1.34
Meter Charge	\$ 15.02	\$ 15.62
Quantity Charge	\$ 0.0369	\$ 0.0384
Unmetered Fire Protection Service	\$ 15.02	\$ 15.62

**Bulk Water:**

For water provided on a temporary basis through a bulk meter on a fire hydrant, the following charges apply:

Bulk Water	July 2018	July 2019
Deposit*	\$ 2,030.38	\$ 2,111.60
Basic Fee	\$ 256.37	\$ 266.62
Quantity Charge	\$ 0.0369	\$ 0.0384

*\*Deposit is refundable less basic fee, quantity charge, and any damage to the city meter, valve, wrench, and/or hydrant.*

**Outside City Limits:**

All rates and charges for water service provided outside the city limits will be 1.5 times the rates for water service provided within the city limits.

