

**CANBY UTILITY**  
**REGULAR BOARD MEETING**  
**OCTOBER 13, 2020**  
**7:00 P.M.**

**AGENDA**

*Due to COVID-19 Pandemic, the Board of Directors and staff will be attending the meeting virtually. The public is invited to attend the meeting virtually or in person at Canby Utility's office, with measures in place to comply with the Governor's Executive Order regarding social distancing.*

I. CALL TO ORDER

II. AGENDA

- Additions, Deletions or Corrections to the Meeting Agenda

III. CONSENT AGENDA

- Approval of Agenda
- Approval of Regular Board Meeting Minutes of September 8, 2020 (pp. 1-3)
- Approval of Write-Offs
- Approval of Payment of Water and Electric Bills

IV. CITIZEN INPUT ON NON-AGENDA ITEMS

V. PUBLIC HEARING: Water Rate Proposal (pp. 4-10)

VI. RESOLUTION NO. 305 Adjusting Canby Utility's Water Rate Schedules – Carol Sullivan, Finance Manager (pp. 11-14)

VII. BOARD REPORT

- Chairman Comments
- Board Member Comments

VIII. STAFF REPORTS

Operations Manager:

- Quarterly Reliability Report (pp. 15-16)

Finance Manager:

- Fourth Quarter Financial Report (pp. 17-20)

Customer Service Supervisor:

- COVID-19 Utility Billing Comparison (pp. 21-22)

Board Secretary:

- Employee Recognition Event Update

General Manager Updates

IX. ADJOURN

# **CANBY UTILITY REGULAR BOARD MEETING MINUTES SEPTEMBER 8, 2020**

*Due to COVID-19 Pandemic, the Board of Directors and staff attended the meeting virtually. The public was invited to attend the meeting in person at Canby Utility's office, with measures in place to comply with the Governor's Executive Order regarding social distancing.*

**Board Present:** Chairman Hill; Members Brito and Horrax

**Board Absent:** Members Wagner and Thompson

**Staff Present:** Daniel P. Murphy, General Manager; Barbara Benson, Board Secretary; Carol Sullivan, Finance Manager; Dee Anne Wunder, Customer Service Supervisor; and Doug Erkson, Operations Manager

**Others Present:** Tim Dale, City Council Liaison, and Steven Schuback, Labor Attorney, Peck, Rubanoff & Hatfield

Chairman Hill called the Regular Board Meeting to order at 7:07 p.m.

Chairman Hill presented the meeting agenda for consideration. He asked for any additions, deletions, or corrections to the meeting agenda, and there were none.

Chairman Hill presented the consent agenda for approval. Member Brito made the \*MOTION to approve the consent agenda, consisting of the meeting agenda, regular meeting minutes of August 11, 2020, and payment of the electric and water department bills in the amount of \$1,051,390.34. Member Horrax seconded, and the motion passed unanimously.

Chairman Hill asked for citizen input on non-agenda items, and there was none.

Finance Manager Carol Sullivan recommended the Board consider setting a water rate hearing to increase water rates. Management developed three water rate charge options. The first option, Option A, would keep rates the same. This option would result in reserve funds dropping below the \$2 million minimum balance. The second option, Option B, would be an overall rate increase of 3.97%, which would result in the residential customer's monthly bill increasing \$1.55 for 700 cubic feet of water usage. This increase would be applied to the base charge only. Although this option would cover a deficit of \$132,000 and maintain the reserves at the \$2 million minimum balance threshold, it would not help to increase the reserves for future water supply projects. Sullivan stated that the third option, Option C, is management's recommendation. This option would be an overall rate increase of 9.53%, which would result in the residential customer monthly bill increasing \$2.74 for 700 cubic feet of water usage. This increase would be applied to the base and consumption charges. Sullivan explained that the base charge adjustment would

**Canby Utility  
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cover the deficit, and the consumption charge would build back up reserves \$184,000 to fund future water projects. Member Horrax commented that the Canby Utility's rates would remain in the middle using a comparison of rates to several neighboring cities. General Manager Dan Murphy said that it had been four years since Canby Utility adjusted the water rates. Member Brito made the \*MOTION that the proposed water rate hearing for rates effective November 1, 2020, be scheduled for October 13, 2020, using Option C, an overall rate increase of 9.53%. Member Horrax seconded the motion, and the roll call ballot was as follows: Member Brito, aye; Member Horrax aye; and Chairman Hill, aye. The motion passed 3 to 0. The water rate hearing will be held during the regular board meeting next month.

Chairman Hill reported that the Board would begin Dan Murphy's annual evaluation next month. Board members will receive the evaluation forms and have an executive session in October to start the process.

Customer Service Supervisor Dee Anne Wunder reported on the monthly COVID-19 utility billing impacts. Wunder stated that the amount and number of payments have increased. Staff continues to work with customers that call in for assistance.

Murphy gave an update on the summer water demand. Our peak demand day in August was 4.362 million gallons per day (mgd). Murphy shared comparison data for water usage for August 2020 compared to August 2019. The average daily use for August was 3.602 mgd. There were 11 times during the month where the water demand exceeded 4 mgd, which is typical for August. The water treatment plant can treat up to 8 mgd. The historical peak is about 6 mgd, which leaves 2 mgd of excess capacity.

Murphy reported he had a kick-off meeting with GSI Water Solutions, the Water Management and Conservation Plan update consultant. GSI was previously hired to complete Canby Utility's groundwater assessment several years ago, which helped guide us to the Willamette River as its best future water supply choice over groundwater. Murphy said the Water Management and Conservation Plan is a requirement by the State of Oregon and must be updated every 10 years. The draft update should be submitted to the state later this month, and the final plan update complete by January 1. Murphy said that we are on target to be in full compliance with the state's requirement.

Murphy reported on the property swap with the City of Canby. The property swap is complete and closed on August 10. We have received the recorded title to the five-acre future water treatment plant site on August 25. Murphy said that all required easements are secured. Murphy expressed his appreciation for the city staff's cooperation to make this transaction a reality.

Murphy also reported on the status of phase two construction of the combined service center. Murphy and Mackenzie Architects will have their kick-off meeting with Essex Construction on September 14. This meeting will provide an opportunity to become acquainted with Essex and hear about their planned construction schedule.

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Murphy reported that we hired Daniel Bush to fill the electric working foreman position. Bush moved here from Hibbing, Minnesota. Murphy briefly shared the experience Bush brings to Canby Utility. Bush is originally from Mulino, Oregon. Operations Manager Doug Erkson talked about the leadership skills Bush has demonstrated and feels he will be a great addition to the team.

Murphy will be on vacation on October 15 through 27.

Member Brito made the \*MOTION to go into Executive Session according to ORS 192.660(2)(d) to discuss labor negotiations. Member Horrax seconded, and the motion passed unanimously.

The regular meeting recessed at 7:27 p.m.

The regular meeting then reconvened at 7:52 p.m.

Member Brito made the \*MOTION to adjourn the meeting. Member Horrax seconded, and the motion passed unanimously.

There being no further business, the meeting adjourned at 7:52 p.m.

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Robert Hill, Chairman

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David Horrax, Member

Absent 9/8/20

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Jack Brito, Member

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Melody Thompson, Member

Absent 9/8/20

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Todd Wagner, Member

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Barbara Benson, Board Secretary



## MEMORANDUM

October 7, 2020

TO: Chairman Hill, Member Brito, Member Wagner, Member Horrax, and Member Thompson

FROM: Carol Sullivan, Finance Manager

SUBJECT: Water Rate Proposal to be Effective November 1, 2020

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The Canby Utility Board proposes to increase overall water revenues by 9.53% effective November 1, 2020. The additional revenues will provide necessary funding to cover increased general operating expenses, including labor costs and materials used in water line repairs. The additional revenue generated will also provide funding for future water master plan projects that are identified and scheduled to be constructed when expected growth dictates. These future master plan projects include the replacement of old water mains and construction of a new water treatment plant that will produce drinking water from the Willamette River.

Attached to this memo, to be part of the public record:

- The flyer mailed to all customers announcing the public hearing - *Public Hearing on Water Rates Adjustment Set for October 13, 2020*.
- A staff memo dated September 1, 2020, presented to the Board on September 8, 2020, outlining three revenue options. The recommendation was option C; to propose a 9.53% rate revenue increase that would apply to the base and consumption charges and set the water rate hearing date.
- A comparison to other local water providers of monthly residential water charges.

The Board will invite comments from the public on the proposal during Tuesday's public rate hearing. After closing the public testimony, the Board will deliberate on the information and input received.

Under separate cover, I have provided a draft resolution to aid in the Board's deliberation on the water rate proposal. The Board may accept, modify, or reject the resolution for the proposed water rates based on the discussion, information, and public testimony heard during the hearing. The Board may direct staff to modify the draft resolution and either adopt the resolution that same meeting or, if necessary, schedule a subsequent meeting to review staff's work on those modifications.

I will be available to answer questions the Board may have.



## Public Hearing on Water Rate Adjustment Set for October 13, 2020

The Canby Utility Board of Directors has scheduled a public hearing for citizen input regarding a proposed water rate adjustment that will take effect November 1, 2020. The public hearing for this proposed rate adjustment will be held on Tuesday, October 13, 2020 at 7:00 p.m. in the board room located at 1265 SE 3<sup>rd</sup> Avenue in Canby. Written testimony will be accepted until 3:00 p.m. the day of the hearing.

The proposed rate adjustment will increase water rate revenues approximately 9.53 percent. This increase in revenues will provide necessary funding to cover increases in general operating expenses including increases in labor costs and materials used in water line repairs. Additional revenue generated is also to provide funding of future water master plan projects that are identified and scheduled to be constructed when expected growth dictates. These future master plan projects include replacement of old water mains and construction of a new water treatment plant that will produce drinking water from the Willamette River.

All Canby residents are invited to attend this public hearing and voice concerns or present testimony regarding this proposed water rate adjustment. For more information call (503) 266-1156.

*Due to COVID-19 Pandemic, the Board of Directors and staff will be attending the meeting virtually. The public is invited to attend the meeting in person at Canby Utility's office, with measures in place to comply with the Governor's Executive Order regarding social distancing.*

Example Water Bill	Single Family		Multi - Family		Commercial		Irrigation		General	
	at usage 700 cf		Tri-plex at usage 2,100 cf		at usage 2,000 cf		at usage 10,000 cf		at usage 10,000 cf	
Meter Size	Present	Nov 2020	Present	Nov 2020	Present	Nov 2020	Present	Nov 2020	Present	Nov 2020
5/8" x 3/4"	\$ 31.36	\$ 34.10	\$ 67.41	\$ 73.48	\$ 59.56	\$ 65.35	\$ 271.61	\$ 298.55	\$ 170.61	\$ 217.55
1"	\$ 40.10	\$ 43.52	\$ 68.94	\$ 75.26	\$ 67.68	\$ 74.18	\$ 287.36	\$ 315.78	\$ 186.36	\$ 234.78
1 1/2"			\$ 70.48	\$ 77.06	\$ 85.76	\$ 93.91	\$ 307.96	\$ 338.31	\$ 206.96	\$ 257.31
2"			\$ 74.69	\$ 81.96	\$ 155.56	\$ 170.28	\$ 377.76	\$ 414.68	\$ 276.76	\$ 333.68
3"			\$ 105.73	\$ 118.12	\$ 236.82	\$ 259.17	\$ 459.02	\$ 503.57	\$ 358.02	\$ 422.57
4"			\$ 117.23	\$ 131.52	\$ 325.03	\$ 355.68	\$ 547.23	\$ 600.08	\$ 446.23	\$ 519.08

### ??? HOW WILL WE COMPARE ???

#### New Rates Effective November 1, 2020

#### Monthly Bill for RESIDENTIAL 5/8" X 3/4" METER

City	Meter Charge	Volume Rate Per 100 cubic ft. (CCF)	Apples-to-Apples (Total Bill for 700 cf)
West Linn	\$24.85	\$2.86	\$24.85
Woodburn	\$16.12	\$1.95 / \$2.52 / \$3.44	\$29.77
<b>Canby</b>	<b>\$21.36</b>	<b>\$1.82 / \$2.28 / \$3.18</b>	<b>\$34.10</b>
Molalla	\$13.82	\$3.03	\$35.03
Oregon City	\$17.04	\$2.92	\$37.48
Wilsonville	\$16.59	\$4.23 / \$6.13	\$37.74
Aurora	\$15.13	\$7.00 / \$7.50 / \$8.00	\$64.13



## MEMORANDUM

September 1, 2020

TO: Chairman Hill, Member Brito, Member Wagner, Member Horrax, and Member Thompson

FROM: Carol Sullivan, Finance Manager

SUBJECT: Set Proposed Water Rate Hearing for Rates Effective November 1, 2020.

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***Suggested Motion: Motion that the Proposed Water Rate Hearing for Rates Effective November 1, 2020 be scheduled for October 13, 2020 using option C, an overall rate increase of 9.53%.***

**Recommendation:** Management recommends option C. This option will increase the base rate to cover the current operating deficit and increase the consumption charge to build a revenue stream to replenish reserves. The rate increase to the base rate will guarantee the deficit to be covered. The residential base increase will cover 65 % of the deficit because 65% of our budgeted revenues are from the residential customer class. Multi-family will cover 18% of the deficit and Commercial/Irrigation/General will cover 17% also based on their current budgeted revenues. The rate increase in the consumption does not guarantee full funding but will at least start a revenue stream for replenishing the reserves. The rational being if consumption is reduced the future water projects reserve will be needed further in the future.

**Background:** Staff has worked through three options for water rate charges. These options are for a two-year period at which time the rate charges will be reviewed again. Below are the options and their financial impacts:

**Option A - Overall rate increase 0.00%, 7ccf residential bill remains at \$31.36**

- Revenues remain as budgeted, rates remain unchanged
- Reserve balances go below the minimum \$2M

**Option B – Overall rate increase 3.97%, 7ccf residential monthly bill increases \$1.55**

- Revenues increase 3.97% through base charge, \$132K
- Reserve balances maintained at minimum \$2M

**Option C – Overall rate increase 9.53%, 7ccf residential monthly bill increases \$2.74**

- Revenues increase 9.53% through base and consumption charges, \$317K
- Reserve balances begin to build back up, \$184K

**Canby Utility**  
**Option A - 0%**  
**Effective November 1, 2020**

Change in Revenue		
Existing Revenue Budget FY21	\$	3,322,002
Proposed Revenue		3,322,002
Additional Funds From Rate Adjustment	\$	-
<b>Overall Rate Increase</b>		<b>0.00%</b>

Fixed Charge						
Meter Size	Single Family		Multi Family		Commercial/Irrigation/General	
	Current	0.0% Proposed	Current	0.0% Proposed	Current	0.0% Proposed
5/8" x 3/4"	\$ 19.81	\$ 19.81	\$ 8.43	\$ 8.43	\$ 20.61	\$ 20.61
1"	28.55	28.55	9.96	\$ 9.96	36.36	36.36
1 1/2"			11.50	\$ 11.50	56.96	56.96
2"			15.71	\$ 15.71	126.76	126.76
3"			46.75	\$ 46.75	208.02	208.02
4"			58.25	\$ 58.25	296.23	296.23
			<b>Per Dwelling Unit</b>			
			\$ 9.00	\$ 9.00		

Volume Rate						
Class	Rates			Thresholds per DUE (CCF)		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
<b>Single Family</b>						
Existing	\$ 1.65	\$ 2.07	\$ 2.89			
<b>Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
<b>Proposed</b>	\$ 1.65	\$ 2.07	\$ 2.89	7	12	Over 12
<b>Multi-Family</b>						
Existing	\$ 1.42	\$ 1.78	\$ 2.48			
<b>Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
<b>Proposed</b>	\$ 1.42	\$ 1.78	\$ 2.48	5	8	Over 8
<b>Commercial</b>						
Existing	\$ 1.44	\$ 1.80	\$ 2.53			
<b>Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
<b>Proposed</b>	\$ 1.44	\$ 1.80	\$ 2.53	6	13	Over 13
<b>Irrigation</b>						
Existing	\$ 2.51	Note: all consumption is billed at one rate.				
<b>Increase</b>	<b>0%</b>					
<b>Proposed</b>	\$ 2.51					
<b>General</b>						
Existing	\$ 1.50	Note: all consumption is billed at one rate.				
<b>Increase</b>	<b>0%</b>					
<b>Proposed</b>	\$ 1.50					



**Canby Utility**  
**Option B - Base to cover deficit**  
**Effective November 1, 2020**

Change in Revenue		
Existing Revenue Budget FY21	\$	3,322,002
Proposed Revenue		3,454,042
Additional Funds From Rate Adjustment	\$	132,040
<b>Overall Rate Increase</b>		<b>3.97%</b>

Fixed Charge						
Meter Size	Single Family		Multi Family		Commercial/Irrigation/General	
	Current	7.8% Proposed	Current	16.5% Proposed	Current	9.4% Proposed
5/8" x 3/4"	\$ 19.81	\$ 21.36	\$ 8.43	\$ 9.82	\$ 20.61	\$ 22.55
1"	28.55	30.78	9.96	11.60	36.36	39.78
1 1/2"			11.50	13.40	56.96	62.31
2"			15.71	18.30	126.76	138.68
3"			46.75	54.46	208.02	227.57
4"			58.25	67.86	296.23	324.08
			<b>Per Dwelling Unit</b>			
			\$ 9.00	\$ 9.50		

Volume Rate						
Class	Rates			Thresholds per DUE (CCF)		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
<b>Single Family</b>						
Existing	\$ 1.65	\$ 2.07	\$ 2.89			
<b>Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
<b>Proposed</b>	\$ 1.65	\$ 2.07	\$ 2.89	7	12	Over 12
<b>Multi-Family</b>						
Existing	\$ 1.42	\$ 1.78	\$ 2.48			
<b>Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
<b>Proposed</b>	\$ 1.42	\$ 1.78	\$ 2.48	5	8	Over 8
<b>Commercial</b>						
Existing	\$ 1.44	\$ 1.80	\$ 2.53			
<b>Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
<b>Proposed</b>	\$ 1.44	\$ 1.80	\$ 2.53	6	13	Over 13
<b>Irrigation</b>						
Existing	\$ 2.51	Note: all consumption is billed at one rate.				
<b>Increase</b>	<b>0%</b>					
<b>Proposed</b>	\$ 2.51					
<b>General</b>						
Existing	\$ 1.50	Note: all consumption is billed at one rate.				
<b>Increase</b>	<b>0%</b>					
<b>Proposed</b>	\$ 1.50					

**Canby Utility**  
**Option C - Base & Tier to cover deficit add \$184K to Reserves**  
**Effective November 1, 2020**

Change in Revenues		
Existing Revenue Budget FY21	\$	3,322,001
Proposed Revenue		3,638,517
Additional Funds From Rate Adjustment	\$	316,515
<b>Overall Rate Increase</b>		<b>9.53%</b>

Fixed Charge						
Meter Size	Single Family		Multi Family		Commercial/Irrigation/General	
	Current	7.8% Proposed	Current	16.5% Proposed	Current	9.4% Proposed
5/8" x 3/4"	\$ 19.81	\$ 21.36	\$ 8.43	\$ 9.82	\$ 20.61	\$ 22.55
1"	28.55	30.78	9.96	11.60	36.36	39.78
1 1/2"			11.50	13.40	56.96	62.31
2"			15.71	18.30	126.76	138.68
3"			46.75	54.46	208.02	227.57
4"			58.25	67.86	296.23	324.08
			<b>Per Dwelling Unit</b>			
			\$ 9.00	\$ 9.50		

Volume Rate						
Class	Rates			Thresholds per DUE (CCF)		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
<b>Single Family</b>						
Existing	\$ 1.65	\$ 2.07	\$ 2.89			
<b>Increase</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>			
<b>Proposed</b>	\$ 1.82	\$ 2.28	\$ 3.18	7	12	Over 12
<b>Multi-Family</b>						
Existing	\$ 1.42	\$ 1.78	\$ 2.48			
<b>Increase</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>			
<b>Proposed</b>	\$ 1.56	\$ 1.96	\$ 2.73	5	8	Over 8
<b>Commercial</b>						
Existing	\$ 1.44	\$ 1.80	\$ 2.53			
<b>Increase</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>			
<b>Proposed</b>	\$ 1.58	\$ 1.98	\$ 2.78	6	13	Over 13
<b>Irrigation</b>						
Existing	\$ 2.51	Note: all consumption is billed at one rate.				
<b>Increase</b>	<b>10%</b>					
<b>Proposed</b>	\$ 2.76					
<b>General</b>						
Existing	\$ 1.50	Note: all consumption is billed at one rate.				
<b>Increase</b>	<b>30%</b>					
<b>Proposed</b>	\$ 1.95					

**MONTHLY CHARGE FOR RESIDENTIAL 5/8" X 3/4" METER**

**AS OF August 26, 2020**

**Residential 700 cubic feet (cf)**

<u>City</u>	<u>Meter Charge</u>	<u>Volume Rate Per 100 cubic ft. (CCF)</u>	<u>Apples-to-Apples (Meter + 7CCF)</u>
West Linn**	\$24.85 Above 701 \$2.86	700 cf included in base rate	\$ 24.85
Woodburn**	\$16.12 0-700 \$1.95 / 701-1800 \$2.52 / 1801 & above \$3.44	\$ 1.95	\$ 29.77
<b>Canby Present**</b>	<b>\$19.81</b> 0-700 \$1.65 / 701-1200 \$2.07 / 1201 & above \$2.89	<b>\$ 1.65</b>	<b>\$ 31.36</b>
<b>Canby Proposed New**</b>	<b>\$21.36</b> 0-700 \$1.82 / 701-1200 \$2.28 / 1201 & above \$3.18	<b>\$ 1.82</b>	<b>\$ 34.10</b>
Molalla	\$13.82	\$ 3.03	\$ 35.03
Oregon City	\$17.04	\$ 2.92	\$ 37.48
Wilsonville**	\$16.59 Base rate includes 200 cf / 201-800 \$4.23 / 801 & above \$6.13	\$ 4.23	\$ 37.74
Aurora**	\$15.13 0 to 1,200 \$7.00 / 1201-1800 \$7.50 / 1801 & above \$8.00	\$ 7.00	\$ 64.13

\*\*indicates a tier rate plan



## MEMORANDUM

October 7, 2020

TO: Chairman Hill, Member Brito, Member Wagner, Member Horrax, and Member Thompson

FROM: Carol Sullivan, Finance Manager

SUBJECT: Draft Resolution Adopting Proposed Water Rates Schedule

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***Suggested Motion: Adopt Resolution number 305, adjusting Canby Utility's water rates through the base and consumption charges, Option C, for an overall rate increase of 9.53% to be effective November 1, 2020.***

***Recommendation:*** Management is recommending an overall rate increase of 9.53% through both the base and consumption charge of the water rates.

***Background:*** It has been four years since the Board has adjusted water rates. The 2016 overall rate increase was 9.53% through the consumption charge. In 2015 the overall rate increase was 8% through the base charge only and in 2013 the overall rate increase was 9.95% through the base charge only.

Attached is a draft resolution to aid the Board's deliberation on the water rate proposal.

The Board may accept, modify, or reject the resolution for the proposed water rates based on the discussion, information, and public testimony heard during the hearing. The Board may direct staff to modify the draft resolution and either adopt the resolution that same meeting or, if necessary, schedule a subsequent meeting to review staff's work on those modifications.

I will be available to answer questions the Board may have.

**RESOLUTION NO. 305**

**A RESOLUTION OF THE CANBY UTILITY BOARD RELATED TO WATER RATES.**

**WHEREAS**, the City of Canby delegated by intergovernmental agreement to Canby Utility Board the authority to maintain the continuing operation and management of the water department which includes the responsibility to set rates sufficient to pay all costs of the utility; and

**WHEREAS**, the Board was presented with evidence demonstrating a need to increase revenues by 9.53 percent that will provide the necessary funding to cover increases in general operating expenses and to provide funding of future water master plan projects that are identified and scheduled to be constructed when expected growth dictates. These costs exceed the revenue generated by current rates.

**NOW, THEREFORE**, the Canby Utility Board Resolves as follows:

Section 1. Resolution No. 284 is repealed.

Section 2. Monthly Water Rates.

A. The applicable monthly water rates are attached to this resolution as Exhibit A, incorporated herein by reference.

B. The base and consumption charges for all customer classifications will change.

Section 3. This Resolution is effective on November 1, 2020.

THIS RESOLUTION IS ADOPTED BY THE CANBY UTILITY BOARD THIS \_\_\_\_ DAY OF October, 2020.

\_\_\_\_\_  
Robert Hill, Chair

\_\_\_\_\_  
David Horrax, Member

\_\_\_\_\_  
Jack Brito, Member

\_\_\_\_\_  
Melody Thompson, Member

\_\_\_\_\_  
Todd Wagner, Member

\_\_\_\_\_  
Barbara Benson, Board Secretary

# EXHIBIT A

## Canby Utility Board Water Rates Schedule November 1, 2020

### Residential

Applicable to single-family dwellings.

METER SIZE	BASE CHARGE	VOLUME CHARGE					
		PER 100 CUBIC FEET (CCF)					
		Tier 1	Tier 1	Tier 2	Tier 2	Tier 3	Tier 3
		Rate	Threshold	Rate	Threshold	Rate	Threshold
5/8" - 3/4"	\$ 21.36	\$ 1.82	Up to 7 CCF	\$ 2.28	7 to 12 CCF	\$ 3.18	Over 12 CCF
1"	\$ 30.78	\$ 1.82	Up to 11 CCF	\$ 2.28	11 to 19 CCF	\$ 3.18	Over 19 CCF

### MULTI-FAMILY RESIDENTIAL

Applicable to duplexes, triples, apartment houses/complexes, small lot mobile home parks and PUDs meeting three requirements: 1) Single-family residential property in a approved PUD; 2) Zone R-2 High Density by the City of Canby (per Chapter 16.20 of the City of Canby Municipal Code); and 3) Property has a separate Irrigation meter for which an SDC was paid to the Utility.

METER SIZE	BASE CHARGE	DWELLING UNIT CHARGE	VOLUME CHARGE		
			PER 100 CUBIC FEET (CCF)		
			Tier 1	Tier 2	Tier 3
			Up to 5 CCF	5 to 8 CCF	Over 8 CCF
5/8" - 3/4"	\$ 9.82	\$ 9.50	\$ 1.56	\$ 1.96	\$ 2.73
1"	\$ 11.60	\$ 9.50	\$ 1.56	\$ 1.96	\$ 2.73
1-1/2"	\$ 13.40	\$ 9.50	\$ 1.56	\$ 1.96	\$ 2.73
2"	\$ 18.30	\$ 9.50	\$ 1.56	\$ 1.96	\$ 2.73
3"	\$ 54.46	\$ 9.50	\$ 1.56	\$ 1.96	\$ 2.73
4"	\$ 67.86	\$ 9.50	\$ 1.56	\$ 1.96	\$ 2.73

Please note that the dwelling unit charge did increase. Use the number of dwelling units times the Dwelling Unit Charge to calculate that increase. Then use the number of dwelling units times the Threshold CCF numbers in the table above to determine the CCF Thresholds. Thus, if there are two Multi-Family Residential Dwelling Units, the Dwelling Unit Charge will be \$19.00 (\$9.50 x 2). The Tier 1 CCF will become 10 CCF (5 CCF x 2), Tier 2 CCF will become 16 CCF (8 CCF x 2) and Tier 3 CCF will be all volume Over 16 CCF.

### COMMERCIAL

Applicable to all service deemed not to be Residential, Multi-Family Residential, Industrial, Municipal or Irrigation.

METER SIZE	BASE CHARGE	VOLUME CHARGE					
		PER 100 CUBIC FEET (CCF)					
		Tier 1	Tier 1	Tier 2	Tier 2	Tier 3	Tier 3
		Rate	Threshold	Rate	Threshold	Rate	Threshold
5/8" - 3/4"	\$ 22.55	\$ 1.58	Up to 6 CCF	\$ 1.98	6 to 13 CCF	\$ 2.78	Over 13 CCF
1"	\$ 39.78	\$ 1.58	Up to 13 CCF	\$ 1.98	13 to 27 CCF	\$ 2.78	Over 27 CCF
1-1/2"	\$ 62.31	\$ 1.58	Up to 21 CCF	\$ 1.98	21 to 46 CCF	\$ 2.78	Over 46 CCF
2"	\$ 138.68	\$ 1.58	Up to 51 CCF	\$ 1.98	51 to 111 CCF	\$ 2.78	Over 111 CCF
3"	\$ 227.57	\$ 1.58	Up to 76 CCF	\$ 1.98	76 to 164 CCF	\$ 2.78	Over 164 CCF
4"	\$ 324.08	\$ 1.58	Up to 111 CCF	\$ 1.98	111 to 241 CCF	\$ 2.78	Over 241 CCF

# EXHIBIT A

## Canby Utility Board Water Rates Schedule November 1, 2020

### GENERAL SERVICE

Applicable to all service deemed not to be Residential, Multi-Family Residential, Commercial or Irrigation.

METER SIZE	BASE CHARGE	VOLUME CHARGE PER 100 CUBIC FEET (CCF)
5/8" - 3/4"	\$ 22.55	\$1.95
1"	\$ 39.78	\$1.95
1-1/2"	\$ 62.31	\$1.95
2"	\$ 138.68	\$1.95
3"	\$ 227.57	\$1.95
4"	\$ 324.08	\$1.95

### IRRIGATION

Applicable to service for Irrigation only.

METER SIZE	BASE CHARGE	VOLUME CHARGE PER 100 CUBIC FEET (CCF)
5/8" - 3/4"	\$ 22.55	\$2.76
1"	\$ 39.78	\$2.76
1-1/2"	\$ 62.31	\$2.76
2"	\$ 138.68	\$2.76
3"	\$ 227.57	\$2.76
4"	\$ 324.08	\$2.76

## OUTAGE AVERAGES Oct 2019 THROUGH Sep 2020

MONTH	YEAR	NUMBER OF OUTAGES	NUMBER OF CUSTOMERS AFFECTED	TOTAL CUSTOMER MINUTES OFF	MONTHLY NUMBER OF CUSTOMERS IN THE SYSTEM	NUMBER OF MOMENTARY INTERRUPTIONS
Oct	2019	1	25	2050	7551	3
Nov	2019	1	25	500	7570	1
Dec	2019	0	0	0	7597	0
Jan	2020	0	0	0	7600	0
Feb	2020	1	12	972	7620	1
March	2020	0	0	0	7630	0
April	2020	0	0	0	7635	0
May	2020	0	0	0	7660	1
June	2020	3	229	5965	7663	3
July	2020	0	0	0	7678	1
Aug	2020	3	166	14283	7684	4
Sep	2020	3	79	7478	7692	4
<b>12 MONTH TOTALS</b>		<b>12</b>	<b>536</b>	<b>31,248</b>	<b>91,580</b>	<b>18</b>
<b>12 MONTH AVERAGE</b>		<b>1.00</b>	<b>45</b>	<b>2,604</b>	<b>7,632</b>	<b>1.5</b>

			<u>C.U.</u>	<u>Industry Typical Value</u>
SAIDI =	$\frac{\text{Sum of all customer interruption minutes}}{\text{Total number of customers}}$	=	$\frac{31,248}{7,632} = 4.0945$	$\frac{87.0}{1} = 87.0$
SAIFI =	$\frac{\text{Total number of customer interruptions}}{\text{Total number of customers}}$	=	$\frac{536}{7,632} = 0.07$	$\frac{0.93}{1} = 0.93$
MAIFI =	$\frac{\text{Total number of cust. momentary interruptions}}{\text{Total number of customers}}$	=	$\frac{18}{7,632} = 0.002$	$\frac{0.96}{1} = 0.96$
CAIDI =	$\frac{\text{Total interruption minutes for 12 months}}{\text{Total number of interruptions}}$	=	$\frac{58}{12} = 5$	$\frac{107.25}{1} = 107.25$



## **System Average Interruption Duration Index (SAIDI)**

SAIDI indicates the total sustained interruption duration for the average customer during a predefined period of time. It is commonly measured in minutes or hours of interruption.

## **System Average Interruption Frequency Index (SAIFI)**

SAIFI indicates how often the average customer experiences a sustained interruption during a predefined period of time.

## **Momentary Average Interruption Frequency Index (MAIFI)**

MAIFI is a reliability indicator used by electric power utilities. MAIFI is the average number of momentary interruptions that a customer would experience during a given period (typically a year).

## **Customer Average Interruption Duration Index (CAIDI)**

CAIDI gives the average outage duration that any given customer would experience. CAIDI can also be viewed as the average restoration time.



## Memorandum

October 5, 2020

**To:** Chairman Hill, Member Brito, Member Wagner, Member Horrax, and Member Thompson

**From:** Carol Sullivan, Finance Manager

**Subject:** Quarterly Financial Update as of June 30, 2020 Fiscal Year 2020

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Please find attached the Executive Financial Summary through June 30, 2020, the Utility's whole fiscal year 2020. This report does not include the adjustment for the Governmental Accounting Standards Board Statement 68 and 75, accounting and financial reporting for pensions and postemployment benefits other than pensions, when included it will change expenses and the comparison to budget will be distorted. The report is cumulative to date and gives a quick overview of profit and loss resulting from operations and capital contributions, a comparison to budget with notes, and cash reserves compared to the budget target and minimum. For monthly information refer to the financial packet sent via e-mail.

I will present these at the next board meeting and will be available for comments or to answer any questions.

**Canby Utility Executive Financial Summary**  
**Profit (Loss) Resulting From Operations and Capital Contributions\*\*\***  
**Year To Date (YTD) Twelve Months Ending June 30, 2020**

Legend	
	= Electric
	=Water

**Electric**

**Profit (Loss) From Operations**

	Revenue	Expense	Operating Profit (Loss)
\$	13,690,701	\$ 12,841,914	\$ 848,787

**Operations And Capital Contributions\*\*\***

	Operating Profit (Loss)	Capital Contributions	Net Income (Loss)
\$	848,787	\$ 1,167,759	\$ 2,016,546

**Water**

**Profit (Loss) From Operations**

	Revenue	Expense	Operating Profit (Loss)
\$	3,552,597	\$ 3,390,860	\$ 161,737

**Operations And Capital Contributions \*\*\***

	Operating Profit (Loss)	Capital Contributions	Net Income (Loss)
\$	161,737	\$ 1,829,324	\$ 1,991,061

\*\*\***Capital Contributions** are contributions of capital, in the form of money or assets/infrastructure to Canby Utility from a customer or a vendor.

**Canby Utility Executive Financial Summary**  
**Profit (Loss) Resulting From Operations With Capital Contributions Compared To Budget**  
**Year To Date (YTD) Twelve Months Ending June 30, 2020**

**Electric**

Net Income (Loss)	Budget	Over (Under) Budget
\$ 2,016,546	\$ 1,092,880	\$ 923,666

**Notes :** YTD total operating revenue is 0.29% or \$38,180 over budget mainly due to higher small commercial sales.

YTD operating expenses are 2.37% or \$307,178 under budget mainly due to more labor capitalized and a vacant position.

YTD Capital contributions are 120.29% or \$637,659 over budget mainly due to more hook-up fees than budgeted for.

YTD Change in Net Assets is 84.52% or \$923,666 over budget mainly due to capital contributions.

**Water**

Net Income (Loss)	Budget	Over (Under) Budget
\$ 1,991,061	\$ 2,007,526	\$ (16,465)

**Notes :** YTD operating revenue is 2.28% or \$74,249 over budget mainly due to higher commercial sales.

YTD Operating expenses are 7.41% or \$255,798 under budget mainly due to more labor being capitalized.

YTD Capital contributions are 13.24% or \$279,130 under budget mainly due to the timing of contributions by others/developers subdivisions being received.

YTD Change in Net Assets is 0.82% or \$16,465 under budget mainly due to capital contributions and decreased expenditures.

**Canby Utility Executive Financial Summary**  
**Cash Reserves**  
**Year To Date (YTD) Twelve Months Ending June 30, 2020**

**Electric**

<u>Budget Target 6/30/20</u>	<b>Current Cash Reserves</b>		<b>FYE 2020 Target</b>		<b>Over (Under) Target</b>
	\$	10,292,270	\$	10,238,041	\$ 54,229

<u>MINIMUM</u>	<b>Current Cash Reserves</b>		<b>Minimum</b>		<b>Over (Under) Minimum</b>
	\$	10,292,270	\$	4,000,000	\$ 6,292,270

**Water**

<u>Budget Target 6/30/20</u>	<b>Current Cash Reserves</b>		<b>FYE 2020 Target</b>		<b>Over (Under) Target</b>
	\$	5,425,643	\$	4,795,916	\$ 629,727

<u>MINIMUM</u>	<b>Current Cash Reserves</b>		<b>Minimum</b>		<b>Over (Under) Minimum</b>
	\$	5,425,643	\$	2,000,000	\$ 3,425,643



**MEMORANDUM**

October 6, 2020

**TO:** Chairman Hill, Member Brito, Member Wagner, Member Horrax, and Member Thompson

**FROM:** Dee Anne Wunder, Customer Service Supervisor

**SUBJECT: COVID-19 Utility Billing Comparison**

The attached report compares activity of payments and delinquencies for the months of July, August, and September 2019 to the same months in 2020. I will update the comparisons monthly to monitor impacts from the COVID-19 pandemic.

I will be available to answer questions during the Board Meeting.

**Canby Utility**  
**COVID Utility Billing Comparison 2019 & 2020**  
**October 6, 2020**

	July-2019	July-2020	August-2019	August-2020	Sept. 2019	Sept. 2020
<b>Statements Mailed</b>	7,986	8,140	7,997	8,170	7,998	8,162
<b>Delinquent Notices</b>	1,189	1,241	1,187	1,170	1,157	1,373
<b>Delinquent Accounts</b>	\$ 168,386	\$ 256,132	\$ 200,739	\$ 260,631	\$ 230,059	\$ 301,548
<b>Average Delinquent Amount</b>	\$ 142	\$ 206	\$ 169	\$ 223	\$ 199	\$ 220
<b>Percentage of Delinquencies From Prior Month Billing</b>	15%	15%	15%	14%	14%	17%
<b>Bank Deposits, SDC's, and Misc Payments</b>	\$ 1,516,389	\$ 1,487,245	\$ 1,482,377	\$ 1,613,751	\$ 1,482,377	\$ 1,994,567
<b>Number of Payments</b>	8,361	7,127	6,996	7,746	6,996	7,955