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## CITY COUNCIL MEMO

*TOPIC: UTILITY RATES*

*DATE: 6/18/2025*

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### **BACKGROUND**

In May 2022, the Council received presentation of a water, sewer, and storm utility rate study performed by Steve Donovan of Donovan Enterprises. The rate study considers the long-range needs of each system; these include the operating budget, growth forecasts, capital improvement plan, cash flow, and debt management.

All three utilities require major capital improvements and expansion to meet the needs of the community. The capital improvement plans are based on the master plans prepared for each utility.

### **DISCUSSION**

Based on comparisons with 11 other area utilities, St. Helens rates are mid-range: Fairview, Forest Grove & Rainier being the lowest rates and Portland, Cornelius & Scappoose having the highest rates.

For the average household, the rate adjustments will be about a \$3.37 per month increase.

We have budgeted for an updated rate study this Fall for implementation in FY2027.

### **RECOMMENDATION**

The rate study recommended increase every year for 5 years. This is the fourth year, and the proposed increase is per the rate study recommendation. The FY2026 budget as approved by the budget committee includes the proposed increase for each utility.

Staff recommends adoption of the proposed utility rates as outlined in the resolution:

"I move to adopt Resolution No. 2045 for utility rate adjustments as recommended by Donovan Enterprises for FY2026 effective on July 15, 2025, billing."

City of St. Helens  
**RESOLUTION NO. 2045**

**A RESOLUTION TO ESTABLISH WATER, SEWER, STORM DRAINAGE  
UTILITY RATES AND CHARGES, AND ADMINISTRATIVE RULES**

**WHEREAS**, St. Helens Municipal Code Chapter 13, Section 02.040 states rates, fees, and other charges for utility services, including, but not limited to, delinquent fees, reinstatement fees, and any other account fees, shall be set or amended by Council in a public forum after considering a staff report to provide an overview and allowing for public comments and testimony. Council shall pass a rate resolution after the forum; and

**WHEREAS**, The St. Helens City Council conducted a work session concerning utility rates and charges on May 4, 2022. At that work session a staff report on utility rates and charges was presented and a quorum of the Council was present and accepted the facts and findings contained in that staff report; and

**WHEREAS**, on June 18, 2025, a public meeting was held by the City Council to consider changes to the current schedule of utilities rates and charges. At that meeting the Council afforded the public time to comment on the proposed utilities rates and charges.; and

**WHEREAS**, the City Council concludes it is appropriate to charge utilities rates, fees, and service charges to fund the operations, maintenance, and capital improvement of the City's municipal utilities systems; and

**WHEREAS**, the City Council has determined the proposed schedule of utilities rates, fees, and service charges hereinafter specified and established are just, reasonable, and necessary.

**NOW, THEREFORE, THE CITY OF ST. HELENS RESOLVES AS FOLLOWS:**

**Section 1: Amendment and updating of utilities rates, fees, and service charges.** In accordance with St. Helens Municipal Code Chapter 13, this Resolution reaffirms the methodology and provides the basis for utilities rates, fees, and service charges.

**Section 2: Scope of amendment and update of utilities rates, fees, and service charges.** The utilities rates, fees, and service charges established by this Resolution are separate from, and in addition to, any other applicable taxes, fees, assessments, or charges, including but not limited to system development charges, which are required by the City of St. Helens or represent a condition of a land use or development approval.

**Section 3: Effective date.** This Resolution shall become effective upon its adoption by the St. Helens City Council.

**Section 4: Review.** This Resolution may be reviewed at the pleasure of the City Council, and the rates may be amended as appropriate.

**Section 5: Repeal of prior resolution.** Resolution No. 2012 (June 5, 2024) is hereby rescinded and replaced with new rates, fees, and service charges effective immediately.

**Section 6: Schedule of new rates.** Itemized in the following Exhibits is the schedule of utilities rates, fees, and service charges effective for the first full billing cycle beginning on or after July 15, 2025.

**APPROVED AND ADOPTED** by the City Council this 18<sup>th</sup> day of June 2025, by the following vote:

Ayes:

Nays:

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Jennifer Massey, Mayor

ATTEST:

\_\_\_\_\_  
Kathy Payne, City Recorder

**City of St. Helens  
Utility Billing Administrative Rules  
Approved by City Council as of June 18,  
2025**

**Rates to be applied for the first full billing cycle beginning on or after July 15, 2025**

**1. NEW ACCOUNTS AND DEPOSITS**

To begin service, a Utility Account Application must be filled out and turned into the Utility Billing office. The application is available at the office and online. There is no deposit required to start service. Water service will not be turned on until an application is reviewed and approved by the Utility Billing staff. A renter is required to receive a signature from the property owner/property manager approving the renter to begin service. With the owner's signature, the owner is acknowledging responsibility for any unpaid bill that is remaining on the account when service ends.

Water Service can be turned on/off by Public Works employees from Monday through Friday 9 AM – 4 PM for no charge. Outside of those hours, water service can be turned on/off by request for a flat fee of \$100. The \$100 will be placed as a charge on the account.

When a customer is new, any old account at the service address must be paid in full before a new account is started and the water service is turned on. In the case of renters, an old account bill responsibility will fall to the homeowner to be paid before a new renter's service will be turned on. It is the owner/renter's responsibility to notify the utility billing department when a renter is moving out so that a final bill can be processed.

**2. UTILITY ASSISTANCE PROGRAM**

The Utility Assistance Program, formally known as the Senior Citizen Discount, was permanently discontinued in December 2013. Customers who were previously qualified and were receiving assistance prior to December 2013 will continue to receive a fixed discount of \$10 per month as long as they continue to meet the following criteria each year:

1. Account holder is age 65 or older
2. Currently resides in the residence that receives the Utility Assistance Program
3. Residence is within city limits
4. Provides proof of residency at property (i.e., Electric bill, tax form, etc.)

Failure to show proof of this criteria will result in a loss of the Utility Assistance Program without the option of reapplying. A review of the Utility Assistance Program and participants may be done periodically by City staff as directed by the Finance Director, City Administrator, or City Council.

**3. MONTHLY BILLING**

Monthly billings are due on the 10<sup>th</sup> of every month. Payments can be made by cash, check, money order, credit/debit card, online, and by our automated phone payment system. Payments over the phone are not allowed to be taken by staff but can be forwarded to our automated phone payment system. Payments made online are posted to our accounting system daily.

#### **4. BILLING ADJUSTMENTS**

##### Misread Meters

If a meter is misread, the City will refund any/all late fees and re-read the meter and adjust the bill accordingly for that period.

##### Leak Adjustments

- a) The water leak adjustment form is available on the City's website and at the Utility Billing counter. This form must be completed within 45 days of the billing date in question.
- b) The water leak adjustment form must be accompanied by a 3<sup>rd</sup> party statement (plumbing service, etc.) that says a leak was present and repaired and/or receipts for leak repair materials if completed by the homeowner.
- c) If the water leak adjustment is not approved by Utility Billing staff, Finance Director, or City Administrator, the customer will receive notification from the City with a specific reason why from the Finance Director. A customer can request an appeal process with City Council during a public meeting. If the water leak is approved, the City will use the customer's average seasonal usage for the previous 3 years as a base for consumption. If the customer does not have enough history to complete this, the City will use the previous one to three consecutive months of consumption to calculate the leak and volume adjustment amount. Once approved, the leak adjustment amount will be credited back to the customer's account and the customer will be notified by the City.
- e) The minimum credit issued will be \$15.00.

#### **5. DELINQUENT ACCOUNTS**

##### Late Fee Assessment

A \$25 late fee is assessed on the 21<sup>st</sup> of every month. Customers who carryover a balance of equal or less than \$25 will not be charged a late fee or shut off during the billing process.

##### Shut-Off Procedure

General Process for Shut-off account status:

- 1) Official due date of billing > 10<sup>th</sup> of every month (or next available business day)
- 2) Late Fee Assessed > 21<sup>st</sup> of every month (or next available business day)
- 3) Shut-Off Process > Begins on the 1st of every month for the previous billing cycle

On the actual shut-off day, if an account is still in shut-off status, an additional \$75 disconnection fee is placed onto the account and the account must be paid in full by cash, debit, money order, cashier's check, or credit card. Payments via check at this time will not be accepted. Payments made online during shut-off may be required to wait until the next business day and posting of the payment is made by Utility Billing staff before service is restored.

Utility Workers are not allowed to accept any form of payment. Account "past due" amounts must be paid before the meter and water service is turned back on.

Once an account has their water service shut-off, all past due amounts and fees must be paid for service to be turned back on. Once water service has been shut off for one week or more, Utility Billing will notify the City Building Official to begin a notice to vacate the property.

**6. FINAL BILLING**

The City requires that all homeowners and/or tenants give the City at least a one-day notice prior to moving out of the intent to vacate a property to prepare a final bill and close the account. A forwarding address is required for the final bill to be mailed. Final billings, if not paid by the scheduled due date, will be sent to a collection agency for processing and a utility lien is placed on the property for outstanding payments.

**7. TEMPORARY SERVICES FOR NEW CONSTRUCTION**

The City allows temporary service during construction of a new structure needing water, sewer, and storm drainage. The contractor will be required to complete an application just like a new customer. All of the Administration Rules contained herein remain in effect. A \$25.00 non-refundable deposit is required.

**8. NSF PAYMENTS**

Accounts will only be allowed two NSF (non-sufficient funds) before a note is placed on the account to no longer accept checks as payment. If the City receives an NSF notice for a utility payment, the payment is immediately reversed, and the account is charged a \$25 processing fee. A notice will go out to the owner/renter and payment must be made within three business days of notification or water service will be shut off until full payment is received.

**9. TAMPERING WITH METERS & BLOCKING METER ACCESS**

It is illegal to tamper with City meters. This includes turning on/off your meter. City staff should be the only people addressing meters on site. If tampering is found to have happened on a meter, the homeowner is ultimately responsible and will be charged a minimum of \$50 up to and possibly including the cost of the meter and labor time.

If a customer is currently on the City's shut-off list and it is found that the water meter was turned on illegally after City staff turned the service off for non-payment, the account will be charged a minimum of \$100 up to and possibly including the cost of the meter plus labor time if it needs to be replaced. The \$100 fee will be placed on the account and must be paid immediately before service will be restored.

If a customer's meter is currently on "lock" status by City staff and it is found that the meter and/or shut-off attachment has been tampered in any way to turn water service on illegally, the account will be charged a minimum of \$200 and potentially the cost of replacing the meter, labor time and potentially including a ticket from the Police Department for tampering which will include a separate fee amount and an appearance day in Municipal Court.

If an account is in shut-off status and the meter is blocked, a fee up to \$75 will be assessed in addition to potential towing/moving costs, if necessary, that will be the responsibility of the registered owner of the property moved.

**City of St. Helens**  
**Water Utility Rates and Charges Amended June 18, 2025**  
**Rates to be applied for the first full billing cycle beginning on or after July 15, 2025**

Billings for customers includes two components: Fixed rate and a volume charge for the amount consumed. The two components are added together to compute an invoice for each customer.

Fixed rates include the price the customer pays as a base charge to help cover fixed costs associated with maintaining existing infrastructure, repaying debt used to build that infrastructure, the costs associated with maintaining/reading meters, and the costs associated with billing. Fixed rates are charged for the connections to the water system and are applied based on combination of connection and Equivalent Dwelling Units (EDU) associated to the water connection. Volume rates are based on the customer class for each 100 cubic feet (CCF) of water. The following table lists rates for customers within the City of St. Helens, retail customers outside the City of St. Helens, and wholesale customers.

City of St. Helens rates and charges are effective for billing cycles starting on or after dates shown above. Rates and charges shall be applied to all accounts on a monthly or bi-monthly basis.

<b>WATER UTILITY RATE COMPONENTS</b>	<b>INSIDE CITY LIMITS</b>	<b>OUTSIDE CITY LIMITS</b>
Fixed Rate		
Residential	12.40	24.80
Multifamily	12.40 multiplied by number of Equivalent Dwelling Units (EDU)	24.80 multiplied by number of Equivalent Dwelling Units (EDU)
Commercial / industrial	12.40	24.80
Wholesale		24.80
Volume Rate		
Residential	6.17	12.34
Multifamily:		
Duplex	5.96	11.92
Apartments	5.84	11.68
Commercial / Industrial	5.01	10.01
Wholesale		3.73

Outside the City limits of the City of St. Helens

Except as indicated in the Enterprise Zone Ordinance No. 2500, all properties outside the city limits shall be charged rates identified above.

Application for new service connection outside the city limits for surplus City water shall be reviewed by the Public Works Director and the City Council for facilities planning. Such an application shall not be approved by the City Council unless the necessary size of the main line is extended to serve anticipated growth in the relevant area of the City's Urban Growth Boundary.

No Connection for new service outside the city limits for City water shall be installed unless a consent to annex is submitted to the Planning Department and an outside City water user agreement is signed and received by the City Administrator.

#### Hydrant Meter

Any customer who receives a permit for a hydrant meter shall pay a deposit of \$200 and shall pay Commercial/Industrial rates for such water usage. Such customers also pay a monthly rental fee for the meter of \$25 per month, or portion thereof. Meters must be returned every 12 months for assessment of condition, meter readings, and billings of usage.

#### Meter Testing

A customer may request the meter providing water service to their property be tested for accuracy. The test will require the following deposits to be collected before testing:

<b>METER SIZE</b>	<b>DEPOSIT</b>
One inch or less	\$100
> One inch and < One and a half inches	\$150
> One and a half inches	\$200

If testing results show the meter was faulty, the deposits will be refunded; if not, then no refund will be given. Adjustments will be governed by the Utility Billing Administrative Rules.



**City of St. Helens**  
**Sewer Utility Rates and Charges Amended June 18, 2025**  
**Rates to be applied for the first full billing cycle beginning on or after July 15, 2025**

Billings for customers include two components: Fixed rate and a volume charge for the amount consumed. The two components are added together to compute an invoice for each customer. Fixed rates include the price the customer pays as a base charge to help cover fixed costs associated with maintaining existing infrastructure, repaying debt used to build that infrastructure, the costs associated with maintaining/reading meters, and the costs associated with billing. Fixed rates are charged for the connections to the sewer system and are applied based on combination of connection and Equivalent Dwelling Units associated to the sewer connection.

Volume rates are based on the customer class for each 100 cubic feet (CCF) of water. The following table lists rates for customers within the City of St. Helens, retail customers outside the City of St. Helens, and wholesale customers.

City of St. Helens rates and charges are effective for billing cycles starting on or after dates shown above. Rates and charges shall be applied to all accounts on a monthly or bi-monthly basis. Certain designated accounts that may be deemed “Large Volume” accounts are billed monthly.

<b>SEWER UTILITY RATE COMPONENTS</b>	<b>INSIDE CITY LIMITS</b>	<b>OUTSIDE CITY LIMITS</b>
Fixed Rate		
Residential (SFR)	21.73	27.16
Multifamily	21.73 multiplied by number of Equivalent Dwelling Units (EDU)	21.73 multiplied by number of Equivalent Dwelling Units (EDU)
Commercial	21.73	27.16
Wholesale	21.73	27.16
Volume Rate		
Residential (SFR)	8.49	10.43
Multifamily		
Duplex	6.66	8.32
Apartments	6.40	8.02
Commercial		
Low Strength	7.49	8.93
Medium Strength	9.47	11.84
High Strength	13.18	16.46
Wholesale		2.54

### Residential Sewer Accounts – Winter Averaging

Volume will be based on a 2-month winter averaging of water consumption. The winter average period will be defined as the 2-month period starting with the first full billing cycle starting on or after January 15 of each year.

Accounts with an average usage of less than one CCF of water consumption are automatically assessed at the 5.50 CCF average.

Customers may request in writing to have the sewer based on actual usage if the property is vacant or consistently averages below one CCF per billing cycle over a 12-month period.

The assigned average for water consumption may be appealed to the Finance Director and could be modified pending a review of the account and findings thereof.

Table Utilized to Define Commercial Strengths

<b>Strength Classification</b>	<b>BOD (mg/l)</b>	<b>TSS (mg/l)</b>
Low	0-250	0-300
Medium	251-500	301-600
High	501-1,000	601-1,200
Special	1,001+	1,201+

The responsible person for paying the sewer charge may appeal the strength classification made by the City. Such an appeal shall be made in writing to the Finance Director. The person appealing must provide sufficient information as to the strength of the sewer discharge created by their use so that the Finance Director or designee may evaluate the evidence and determine the proper strength of the waste generated.

### Outside City Limit Customers

Except as indicated in the Enterprise Zone Ordinance No. 2500, all properties outside the city limits shall be charged rates identified above or designated specifically by address in Exhibit 5 of this resolution.

Application for new service connection outside the city limits for City sewer shall be reviewed by the Public Works Director and the City Council for facilities planning. Such an application shall not be approved by the City Council unless the necessary size of the main line is extended to serve anticipated growth in the relevant area of the City's Urban Growth Boundary.

No connection for new service outside the city limits for City sewer shall be installed unless a consent to an annex is submitted to Planning Department and an outside City sewer user agreement is signed and received by the Utility Billing Department.

### Dormant Sewer Lines

Testing of a dormant existing sewer line connected to an old building or to be reused for a new building will be at a cost of time and materials.

### Surcharges – Special Strength

All surcharges shall be based on total metered water supply into the premises for flow and customers will provide to the City regular testing results of samples. A sewer flow meter and alternative sampling or re-sampling at customer expense may be approved by the Water Quality Manager. The concentration

of each pollutant that is above the limits shall be used to determine the monthly surcharge for the period throughout the time interval between sample periods.

The concentration shall be the average value of five consecutive daily tests taken over a period of five days, except when another period is specified by the Water Quality Manager. Samples shall be taken at an approved manhole or other location determined by the Water Quality Manager to be suitable so that samples will be representative.

**Surcharges – Special Strength charges are as follows:**

<u>BOD (mg/l)</u>	<u>TSS (mg/l)</u>	<u>Rate per ccf of Usage</u>
1,001-2,000	1,201-2,400	\$16.98
2,001-4,000	2,401-4,800	\$26.32
4,001-8,000	4,801-9,600	\$43.44
8,001-16,000	9,601-19,200	\$75.97
16,001-32,000	19,201-38,400	\$140.49

Acceptance and pricing for loads above the amounts in the table above will be at the discretion of the Water Quality Manager.

**City of St. Helens**  
**Storm Utility Rates and Charges Amended June 18, 2025**  
**Rates to be applied for the first full billing cycle beginning on or after July 15, 2025**

Billings for customers are based upon either measured impervious surface or number of Drainage Residential Units (DRU) for a property. The measurements are broken down into components of single-family units or equivalent residential units.

Rates and charges shall be applied to all accounts monthly.

<b>STORM DRAINAGE UTILITY RATES</b>	<b>MONTHLY Fixed charge*</b>
Residential	17.16
Single Family Home (1 DRUs)	17.16
Duplex (2 DRUs)	17.16 multiplied by number of Equivalent Dwelling Units (EDU)
Triplex (3 DRUs)	
Fourplex (4 DRUs)	
Five or more (Based on Impervious surface)	
Commercial (Based on impervious surface)	17.16
Industrial (Based on impervious surface)	17.16
All other Users (Based on impervious surface)	17.16

\*Fixed charge represents one DRU or 2,500 sq. ft. of impervious surface. As dwelling units or impervious surface measurements increase the fixed charge increases accordingly.

**City of St. Helens**  
**McNulty PUD Water Users – Sewage Charges by City of St. Helens Amended June 18, 2025**  
**Rates to be applied for the first full billing cycle beginning on or after July 15, 2025**

The City of St. Helens is establishing Sewage rates for customers that have locations outside of city limits that are receiving water from McNulty PUD. Volume rates are based on each 100 cubic feet (CCF) of water averaged over a calendar's previous year.

Estimated Schedule of Utility Rates:

McNulty Usage Reports on Volume from previous calendar year cycle will determine Sewage rates to be effective July 15, 2025.

The following table lists rates for customers outside the city limits of St. Helens receiving water from McNulty PUD:

<b>LOCATION OF CUSTOMER</b>	<b>CITY SEWAGE RATE</b>
35369 Millard Road	123.20
58581 Columbia River Highway	130.41
58606 Kavanagh Avenue	55.10
58563 Columbia River Highway	34.36
35531 Firway Lane	42.75
35031 Millard Road	48.74
58209 Columbia River Highway	82.85
35285 Millard Road	35.93
34950 Pittsburg Road	196.97
35092 Pittsburg Road	27.16