

RESOLUTION NO. 434

**AUTHORIZING INCREASE IN MONTHLY BASE RATES, AS WELL AS AN
INCREASE ON EXCESS USAGE**

WHEREAS, the Board of Commissioners has spent considerable time in reviewing and evaluating certain additions and betterment's being proposed in the 1996 Budget, as well as the projected cash reserves anticipated at the end of the 1996 fiscal year, and

WHEREAS, the District has learned that the City of East Wenatchee is carrying through with their plans to upgrade N E 9th Street by widening the Street, as well as making other improvements that have an impact on the Water District's current reserves, which will involve approximately \$190,000 for replacement of the existing water main which has been in existence since approximately 1954, and

WHEREAS, the District received a letter in October of 1995 from the County Engineer directing our attention to problems being incurred to the County Road from Nile Avenue to approximately 2,300 feet East on Grant Road, as several leaks in the existing water main are being incurred, thereby causing a deterioration to the road, which must be addressed in the 1996 Budget, as well, and

WHEREAS, the manager and its' consulting engineer, have compiled a list of Betterment's and Improvements, thereby depleting the District's current reserves to approximately \$250,000, and

WHEREAS, the current water rates appear to be inadequate and need adjusting to bring those reserves to a level so the District would be in a position to meet a financial emergency and maintain the financial integrity for the benefit of it's customers, and

WHEREAS, the amendments to the Safe Water Drinking Act has created an additional expense to the District in order to meet the necessary requirements as directed by both the Department of Health and the Environmental Protection Agency, and

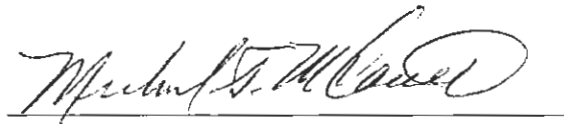
WHEREAS, the District's consulting engineer is finalizing a new six year Comprehensive Plan, which will address a financial, as well as a Capital Improvement Plan, which the District is mandated to comply with, which further supports the need to initiate a rate increase to meet those proposed improvements, and

WHEREAS, the District was informed in September of 1995, by the department of Health, it will be required to implement a Chlorinating Program from our existing wells, or look at other alternatives for 1996, which will be very expensive to our existing customers, therefore creating needs for a larger cash reserve, and

WHEREAS, after much consideration and reviewing the future needs of the District, the Board of Water Commissioners deem it to be in the best interest of the Water District to increase the Base Rate, as well as the Excess Usage, thereby allowing the District to pursue the Betterment's and Improvements that will be identified in the new Comprehensive Plan, as well as raise it's reserves to a level that will enable it to meet most unforeseen emergency that might occur.

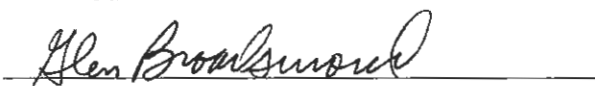
NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Water Commissioners, that effective January 1, 1996, the Base Rate for 1200 cubic feet of water consumed shall be \$26.00 per bimonthly billing and for all Excess Water used above 1200 cubic feet per two months shall be \$.75 cents for each 100 cubic feet.

ADOPTED, this 8th day of January, 1996, by the BOARD OF WATER COMMISSIONERS of the East Wenatchee Water District, Douglas County, Washington at a Special Meeting thereof.



Michael T. McCourt, President

ATTEST:



Glen Broadsword, Secretary/Treasure