

**RESOLUTION NO. 885**

**A RESOLUTION TO AUTHORIZE A CREDIT FOR SEWER USER FEES TO THE HOLIDAY INN IN THE AMOUNT OF \$7, 212.41.**

WHEREAS, Sewer User Fees for commercial property are based on water consumption; and

WHEREAS, a water leak at the Holiday Inn went undetected from July of 1990 to September of 1991; and

WHEREAS, Sewer User Fees during this period of time were based upon water usage including the water use resulting from the leak; and


WHEREAS, the water leakage had no impact on the City's sewer system.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. A credit in the amount of \$7, 212. 41 be credited against future sewer charges for the Holiday Inn.

2. The credit is based on the difference between the actual sewer charge during from July 1990 through September 1991 less the average sewer charges paid 1987, 1988, and 1989.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 16th day of December, 1991, and filed with the Wilsonville City Recorder this date.



GERALD A. KRUMMEL, Mayor

ATTEST:

*Vera A. Rojas*  
VERA A. ROJAS, CMC, City Recorder

SUMMARY OF VOTES:

Mayor Krummel	<u>AYE</u>
Councilor Chandler	<u>AYE</u>
Councilor Carter	<u>AYE</u>
Councilor Lehan	<u>AYE</u>
Councilor Van Eck	<u>AYE</u>



City of  
**WILSONVILLE**  
in OREGON

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(503) 682-1011

MEMORANDUM

**DATE: DECEMBER 12, 1991**

**TO: ARLENE LOBLE, CITY MANAGER**

**FROM: STEVE STARNER  
COMMUNITY DEVELOPMENT DIRECTOR**

**SUBJECT: HOLIDAY INN - SEWER UTILITY ADJUSTMENT**

As previously indicated to Ray Shorten, I support the sewer credit adjustment requested by the Holiday Inn, in the amount of \$7,212.41. The methodology used in determining the credit amount is equitable and comprehensive in that it encompasses the 3.2 per cent sewer rate increase which occurred in July, 1989.

In the future, in order to handle similar situations where it can be clearly demonstrated that municipal water usage did not correspond to non-residential sanitary sewer usage, I would suggest that an average monthly sewer charge be established based on a three year analysis of actual monthly utility billings. In the event that sufficient data is not available to establish a monthly three year average, the monthly average should be established by totalling actual monthly sewer utility billings and then dividing by the total number of months surveyed.

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HOLIDAY INN, WILSONVILLE  
WATER CONSUMPTION REPORT  
AUDITED OCTOBER 1991

Below is the audited report for the water consumption of the Holiday Inn, Wilsonville. The purpose of the report is to document the water leak which existed from July of 1990 to September of 1991. The intent is to provide the City of Wilsonville with adequate and concise information concerning the water leak, in order to support Holiday Inn's request for a refund/credit of \$7,212.41 for sewer charges paid. Included in the report is the following:

- 1) Background - a brief overview of the water leak.
- 2) Request - the objective, explanation and calculation of the request for a refund/credit.
- 3) History - A summary of past water costs and usage, sewer costs, and occupancy percentages.
- 4) Supporting Documentation - Graphs and contact plumbing letters.

BACKGROUND

In July of 1990 the Holiday Inn had a water leak in the kitchen facilities. This was the second major leak in the past four years. The water problem was not noticed until July 25, 1991 when ACI Mechanical replaced the water boiler. Furthermore, the water leak was not brought to managements attention for several of the following reasons:

- o The leak occurred during the hotel's peak summer season;
- o The hotel staff was at its minimum level, and the maintenance staff could not perform proactive repair checks, and
- o Hotel records were not adequately maintained.

ACI Mechanical was asked to locate and repair the water leak. ACI installed two water flow meters and, when they located and repaired the water leak, it was determined that the leak caused a 70 gallon per minute water loss at its peak. This was further supported when the water bills were audited. Both the plumber's letters and water records are contained in this report.

REQUEST

Holiday Inn is requesting the City of Wilsonville grant the hotel a refund/credit of \$7,212.41 for sewer charges paid during the period covering July of 1990 to September of 1991. This request was sought based on two criteria:

- o ACI Mechanical's letters, stating the condition of the water pipe and leak during the time of repair, and
- o the hotel's past water bills and its average water use for the period covering January 1987 to December 1989.

The hotel understands that it is responsible to pay for its sewer use, however, not all metered water was returned to sewage (due to the water leak). The following table will provide support for the total refund/credit requested:

MONTH	ACTUAL SEWER CHARGE		* AVERAGE SEWER CHARGE		o CREDIT/REFUND REQUESTED
JUL. 90'	\$1,498.19	-	\$1,095.88	=	402.31
AUG.	1,442.89	-	982.43	=	460.46
SEPT.	1,171.29	-	** 979.39	=	191.90
OCT.	1,102.69	-	** 736.84	=	365.85
NOV.	1,127.89	-	718.81	=	409.08
DEC.	1,175.49	-	707.18	=	468.31
JAN. 91'	1,020.09	-	765.95	=	254.14
FEB.	1,086.59	-	619.76	=	466.83
MAR.	1,297.29	-	827.55	=	469.74
APR.	1,336.49	-	832.45	=	504.04
MAY	1,174.09	-	872.81	=	301.28
JUN.	1,381.29	-	1,086.75	=	294.54
JUL.	1,934.99	-	1,095.88	=	839.11
AUG.	2,381.31	-	982.43	=	1,398.88
SEPT.	<u>1,365.33</u>	-	<u>** 979.39</u>	=	<u>385.94</u>
TOTAL	\$20,495.91	-	\$13,283.50	=	\$7,212.41
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Notes:

- \* The average sewer charges were determined by averaging the actual sewer charges for 1987, 1988, and 1989.
- \*\* Due to the water leak in September and October of 1987, the average does not include these two months.
- o This represents the excess of the actual sewer charge over the average sewer charge.

HISTORY

Below is the history of the water cost and usage, sewer cost and the average occupancy for each month. Also, the average for the period covering January of 1987 to December of 1989 is documented at the end of the history.

MONTH	COST	USAGE	SEWER CHARGE	OCCUPANCY
1987				
JAN.	\$1,558.10	1153	\$807.10	54.37
FEB.	1,424.35	1017	609.35	56.39
MAR.	1,559.35	1114	787.50	53.39

MONTH	COST	USAGE	SEWER CHARGE	OCCUPANCY
1987 Continued				
APR.	1,724.35	1245	879.90	59.44
MAY	1,726.85	1280	881.30	53.18
JUN.	2,161.87	1591	1,124.30	56.40
JUL.	2,125.60	1555	1,104.60	60.82
AUG.	2,126.85	1579	897.25	67.49
SEPT.	3,701.85	2839	1,987.30	58.50
OCT.	3,316.85	2531	1,771.70	58.76
NOV.	1,283.85	916	626.95	50.76
DEC.	1,355.60	962	673.40	39.55
1988				
JAN.	1,195.60	834	583.80	44.80
FEB.	1,304.35	920	644.70	54.88
MAR.	1,438.10	1027	719.60	51.94
APR.	1,358.10	964	674.80	59.44
MAY	1,915.00	1247	872.90	61.36
JUN.	2,290.20	1515	1,060.50	68.31
JUL.	2,657.00	1777	1,243.90	78.16
AUG.	2,343.00	1552	1,086.40	81.65
SEPT.	2,295.80	1519	1,063.30	69.14
OCT.	1,621.00	1037	725.90	70.42
NOV.	1,654.60	1054	742.70	59.33
DEC.	1,672.55	1073	774.55	46.44
1989				
JAN.	1,997.35	1316	906.95	48.21
FEB.	1,393.95	885	605.25	53.96
MAR.	2,134.55	1414	975.55	64.15
APR.	2,068.75	1367	942.65	60.80
MAY	1,911.95	885	864.25	59.49
JUN.	2,340.35	1561	1,078.45	73.31
JUL.	2,061.75	1362	939.15	71.01
AUG.	2,110.75	1397	963.65	77.73
SEPT.	1,973.99	1299	895.49	61.14
OCT.	1,678.59	1088	747.79	54.43
NOV.	1,720.59	1119	786.79	50.96
DEC.	1,530.19	982	673.59	40.61
1990				
JAN.	1,299.19	817	558.09	39.66
FEB.	1,469.99	939	643.49	53.77
MAR.	1,747.19	1137	782.09	55.31
APR.	1,775.19	1040	714.19	49.28
MAY	1,611.39	1561	1,078.89	48.85
JUN.	2,340.79	1561	1,498.19	74.62
JUL.	3,179.39	2160	1,078.89	71.03
AUG.	3,068.79	2081	1,442.89	79.95
SEPT.	2,525.89	1693	1,171.29	63.53

MONTH	COST	USAGE	SEWER CHARGE	OCCUPANCY
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1990 Continued

OCT.	2,388.39	1595	1,102.69	57.33
NOV.	2,438.79	1631	1,127.89	43.37
DEC.	2,533.99	1699	1,175.49	41.86

1991

JAN.	2,223.19	1477	1,020.09	46.96
FEB.	2,356.19	1572	1,086.59	55.77
MAR.	2,777.59	1873	1,297.29	60.03
APR.	2,855.99	1929	1,336.49	66.49
MAY	2,531.19	1697	1,174.09	59.37
JUN.	2,945.59	1993	1,281.29	77.99
JUL.	4,052.99	2784	1,934.99	77.89
AUG.	4,880.03	2905	2,381.31	93.74
SEPT.	2,872.85	1666	1,365.33	69.34

The average totals for 1987, 1988, and 1989.

JAN.	1,583.68	1101	765.95	46.78
FEB.	1,374.21	940	619.76	54.75
MAR.	1,710.66	1185	827.55	56.17
APR.	1,717.66	1192	832.45	55.28
MAY	1,851.26	1137	872.81	55.72
JUN.	2,264.14	1555	1,086.75	65.66
JUL.	2,281.45	1564	1,095.88	70.25
AUG.	2,193.53	1509	982.43	76.70
SEPT.	2,134.89	1409	979.39	68.07
OCT.	1,649.79	1062	736.84	60.23
NOV.	1,553.01	1029	718.81	51.10
DEC.	1,519.44	1005	707.18	42.11