

IMPACT STATEMENT

Legislation title: Revise sewer and stormwater rates, charges and fees in accordance with the FY 2021-22 Sewer User Rate Study (Ordinance)

Contact name: Ken Bartocci

Contact phone: (503) 823-6022

Presenter name: Michael Jordan and Farshad Allahdadi

Purpose of proposed legislation and background information:

This annual ordinance establishes rates, charges and fees to generate sufficient revenue for projected expenditures in FY 2021-2022. Under these proposed rates, the typical single-family residential bill is expected to increase by \$2.45 per month. Increases to each individual customer and other customer classes may vary based on actual usage and circumstances. The proposed rate ordinance will enable the Bureau to continue collecting and treating wastewater from residences and businesses; managing stormwater to prevent erosion, flooding and water quality problems; operating the combined sewer overflow (CSO) system to prevent sewage overflows into the Willamette River and Columbia Slough; and repairing and replacing inadequate public sewer lines that cause sewage overflows and basement backups.

Financial and budgetary impacts:

This rate ordinance is expected to generate approximately \$400 million in operating revenue to support the Mayor's FY 2021-2022 Proposed budget for the Bureau of Environmental Services. Approximately \$352 million of this estimate is from billed retail revenues for sanitary and stormwater services.

The rate ordinance does not create costs or expenses to the City.

This legislation does not specifically create or eliminate positions in future years. Future position decisions will be made by the Council within the annual budget process.

Community impacts and community involvement:

The Portland Utility Board (PUB) began meeting on September 1, 2015 and has held public meetings at least monthly thereafter until the recent COVID-19 emergency. Among the PUB's responsibilities is acting as the bureau's Budget Advisory Committee by reviewing the bureau's operating and capital programs and budgets, the FY 2021-2022 Requested Budget and the financial impact to ratepayers of the Requested Budget. Additionally, the bureau has received input throughout the budget and ratemaking process from the Citizens' Utility Board. Should this rate ordinance pass, the typical residential monthly bill for sewer and stormwater will increase by \$2.45 or 3.15%.

