

ORDINANCE NO. 185269

Authorize a contract with Gary Fiske & Associates to complete a Retail Rate Structure Review (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland changed its water rate structure in 2007 from an increasing block rate structure to a uniform volume rate structure at the request of the Office of Management and Finance.
2. This change in structure is generally considered to be to a less conservation-oriented rate structure than the one previously in place.
3. The City was required to submit a Water Management and Conservation Plan to the Oregon Water Resources Department (OWRD) in 2010. The OWRD expressed concern that the new rate structure may not have met the state requirements for a metered, conservation encouraging rate structure.
4. The OWRD approved the City's Water Management and Conservation Plan when the City included a commitment to review its rate structure and either move to a more conservation-encouraging structure or state that the existing structure accomplishes the objectives of encouraging water conservation in compliance with state requirements.
5. Gary Fiske & Associates will perform a study reviewing the retail water rate structure with respect to its conservation impacts and incentives for all retail customers. The study will examine the current uniform volume rate structure and evaluate the conservation effectiveness of the current structure, consider the feasibility of alternative rate structures, and evaluate the impacts on water demand that those alternative structures might have compared to the existing structure.
6. The estimated cost for the work under this contract is \$150,000. Funding is available in the FY 2011-12 Budget and will be requested in the FY 2012-13 Budget.

NOW, THEREFORE, the Council directs:

- a. That the Commissioner-in-Charge and Auditor are authorized to execute on behalf of the City a contract with Gary Fisk & Associates in a form substantially in accordance with the contract attached as Exhibit A.
- b. The Mayor and Auditor are hereby authorized to draw and deliver checks chargeable to the Water Fund when demand is presented and approved by the proper authorities.

- c. The results of this study shall be presented to the Council upon completion of the Contract and prior to any proposal to the Council to modify the existing water rate structure.

[Handwritten signature]

Passed by the Council, APR 18 2012

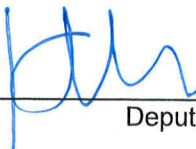

Commissioner Leonard
David Hasson
March 16, 2012

LaVonne Griffin-Valade
Auditor of the City of Portland

By *[Handwritten signature: Susan Parsons]*
Deputy

Agenda No. **185269**
ORDINANCE NO.
Title

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INTRODUCED BY Commissioner/Auditor: Commissioner Leonard	CLERK USE: DATE FILED <u>APR 06 2012</u>
COMMISSIONER APPROVAL	<p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u></u> Deputy</p> <p>ACTION TAKEN:</p> <p>APR 11 2012 PASSED TO SECOND READING APR 18 2012 9:30 A.M.</p>
Mayor—Finance and Administration - Adams	
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Leonard <u>David Leonard AD</u>	
BUREAU APPROVAL	
Bureau: Water Bureau Head: David G. Shaff <u></u>	
Prepared by: David Hasson Date Prepared: March 16, 2012	
Financial Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date April 11, 2012	
<input checked="" type="checkbox"/> City Attorney Approval	

AGENDA

TIME CERTAIN
Start time: _____

Total amount of time needed: _____
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: 10 min
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	_____	
3. Saltzman	_____	
4. Leonard	✓	
Adams	✓	