

ENVIRONMENTAL SERVICES WORKING FOR CLEAN RIVERS



PROPOSED SEWER AND STORMWATER RATES FY 2013-14

May 15, 2013



ENVIRONMENTAL SERVICES
CITY OF PORTLAND

Proposed rates will fund operation and maintenance of the sewer and stormwater collection and treatment systems, protection of surface and ground waters, and restoration and preservation of Portland's watersheds, including:

- Pumping and treatment costs
- Stormwater management and protection of watershed health
- Maintenance and reconstruction of the sewer system
- Continued funding of City's role in the Portland Harbor Remedial Investigation and Feasibility Study



Capital Improvements

Total of \$119 million includes:

- Maintaining the collection system - \$72 million
- Improvements to pumping and treatment systems - \$22 million
- Maintaining and improving watersheds and constructing green infrastructure - \$20 million
- Extending sewer service - \$5 million

Over 1,600 jobs supported by capital improvement expenditures



Revenue Requirements

Revenue requirements from rates of \$276 million include:

- Debt service and cash financing of capital construction - \$172 million
- Operations and maintenance - \$119 million, including:
 - Wastewater treatment and collection system maintenance
 - Watershed protection and restoration
 - Pollution prevention activities and services
- Fund transfers, offset by non-rate revenues



Summary of Budget Decisions

- Five decision packages totaling \$11.7 million in add backs
- Mayor's Proposed Budget includes adds of \$5.1 million
- Reduction of 18 FTEs
- Reduced/delayed COLA, PERS reform savings passed along to ratepayers
- Required bill increase reduced from 7.85% to 5.32%, or from \$4.68 to \$3.17 per month



Bill Impacts of Proposed Rates

Average single family residential monthly sewer and stormwater bill increases by 5.32%, from \$59.57 to \$62.74

- Sanitary sewer increases from \$34.88 to \$37.29 per month
- Stormwater increases from \$23.90 to \$24.87 per month
- Portland Harbor Superfund charge decreases from \$0.79 to \$0.58 per month



Other Current and Proposed Rates

Residential Rates	Current	Proposed	Change	
			\$	%
Sanitary Sewage Volume (per hundred cubic feet)	\$8.14	\$8.70	\$0.56	6.9%
Stormwater Management (per thousand square feet of impervious area)	\$9.96	\$10.36	\$0.40	4.0%
Low Income Discount	\$27.70	\$28.08	\$0.38	1.4%
Commercial Rates				
Sanitary Sewage Volume (per hundred cubic feet)	\$8.122	\$8.685	\$0.563	6.9%
Stormwater Management (per thousand square feet of impervious area)	\$10.55	\$10.97	\$0.42	4.0%
Industrial Extra Strength Rates (per				
Biochemical Oxygen Demand	\$0.574	\$0.601	\$0.027	4.7%
Suspended Solids	\$0.696	\$0.744	\$0.048	6.9%
Portland Harbor Superfund				
Sanitary Sewage Volume (per hundred cubic feet)	\$0.06	\$0.05	(\$0.010)	-16.7%
Impervious Area (per thousand square feet)	\$0.22	\$0.15	(\$0.070)	-31.8%
Typical monthly residential bill	\$59.57	\$62.74	\$3.17	5.3%



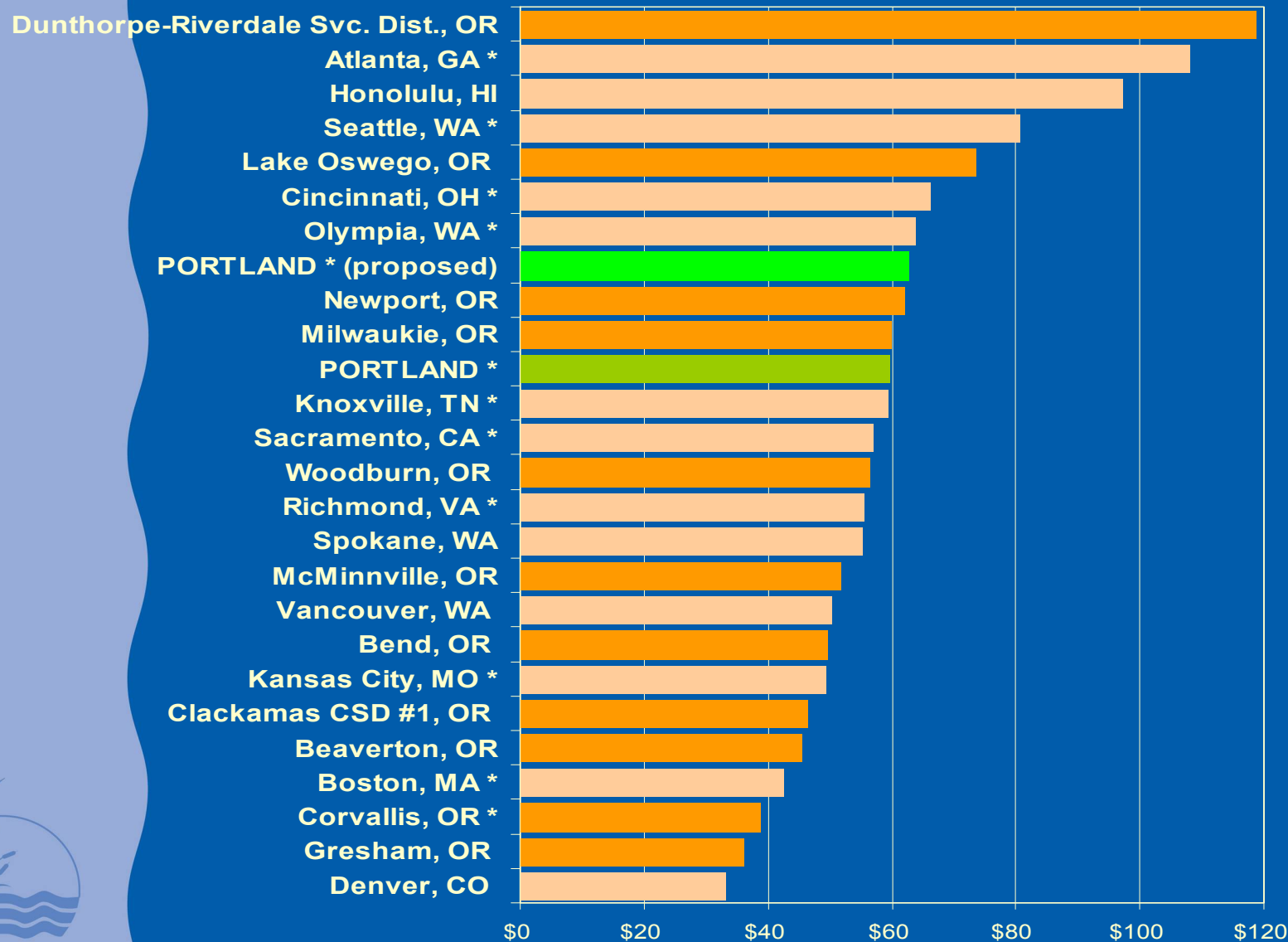
Other Charges

- Sanitary system development charges increase by 4.98%, to \$4,551 per EDU
- Stormwater system development charges increase by an average of 5.2%
- Plan check/Land use review fees increase between 9 and 20%, moving closer to cost recovery
- All of these charges were frozen last year



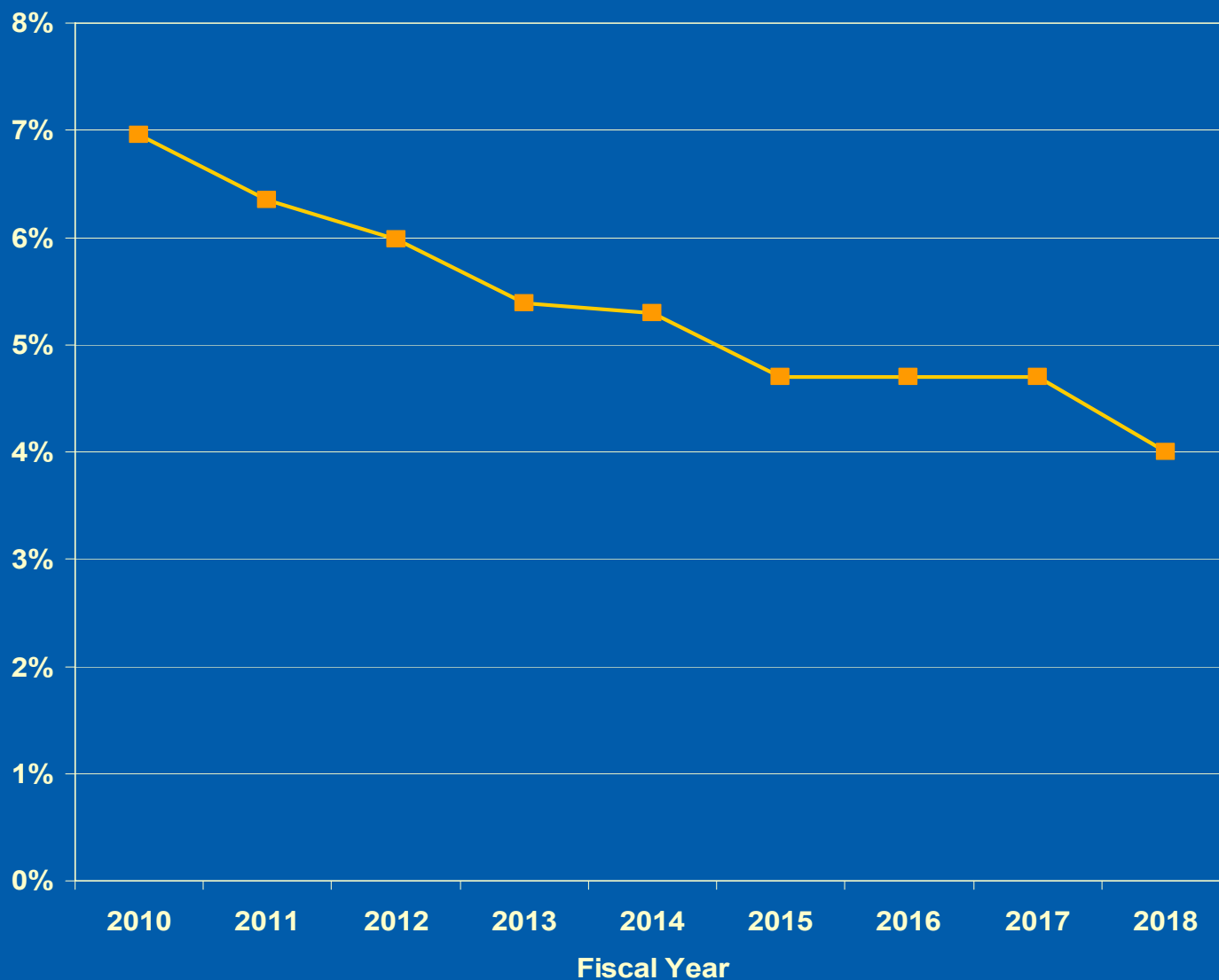
Monthly Sewer and Stormwater Bills

Average Single Family Residential Customer



Past and Projected Bill Increases

Percentage Increases in Average Monthly Residential Bills



Sanitary System Development Charges

Dollars Per Equivalent Dwelling Unit

