

WATER RATES

May 15, 2013



Portland Water Bureau

Budget Overview

- Total Budget = \$203.1 million
 - \$79.2 million Operating
 - Ongoing reduction of \$10.7 million
 - \$123.9 million Capital
- Revenue
 - Rates & Charges = \$140.1 million
 - Retail = \$119.3 million
 - Wholesale = \$15.8 million
 - Other Fees and Charges = \$3.5 million
 - SDCs = \$1.5 million
- FTE = 575.1
 - Reduction of 39.5 FTEs

Primary Rate Drivers for FY 2013-14

(increases and decreases)

- Capital Improvement Plan
 - Reservoirs Projects
 - Interstate Facility
 - Habitat Conservation Plan – Dam 2 Tower, etc
 - Distribution System: pipes, services, hydrants, pump stations
- Economic Factors
 - COLA
 - Low interest earnings
 - Borrowing rates -- benefit
- Deferral of prior year rate increases
- Lower Retail Demand
- Operating Budget Reductions
 - Modified Security function
 - Transferred decorative fountains to parks
 - Reduction in ground maintenance around Bureau facilities
 - Reduction in administrative and support functions
 - Reduction in Customer Services
 - Lower COLA and delayed COLA increase to Non-represented employees
 - PERS Reform

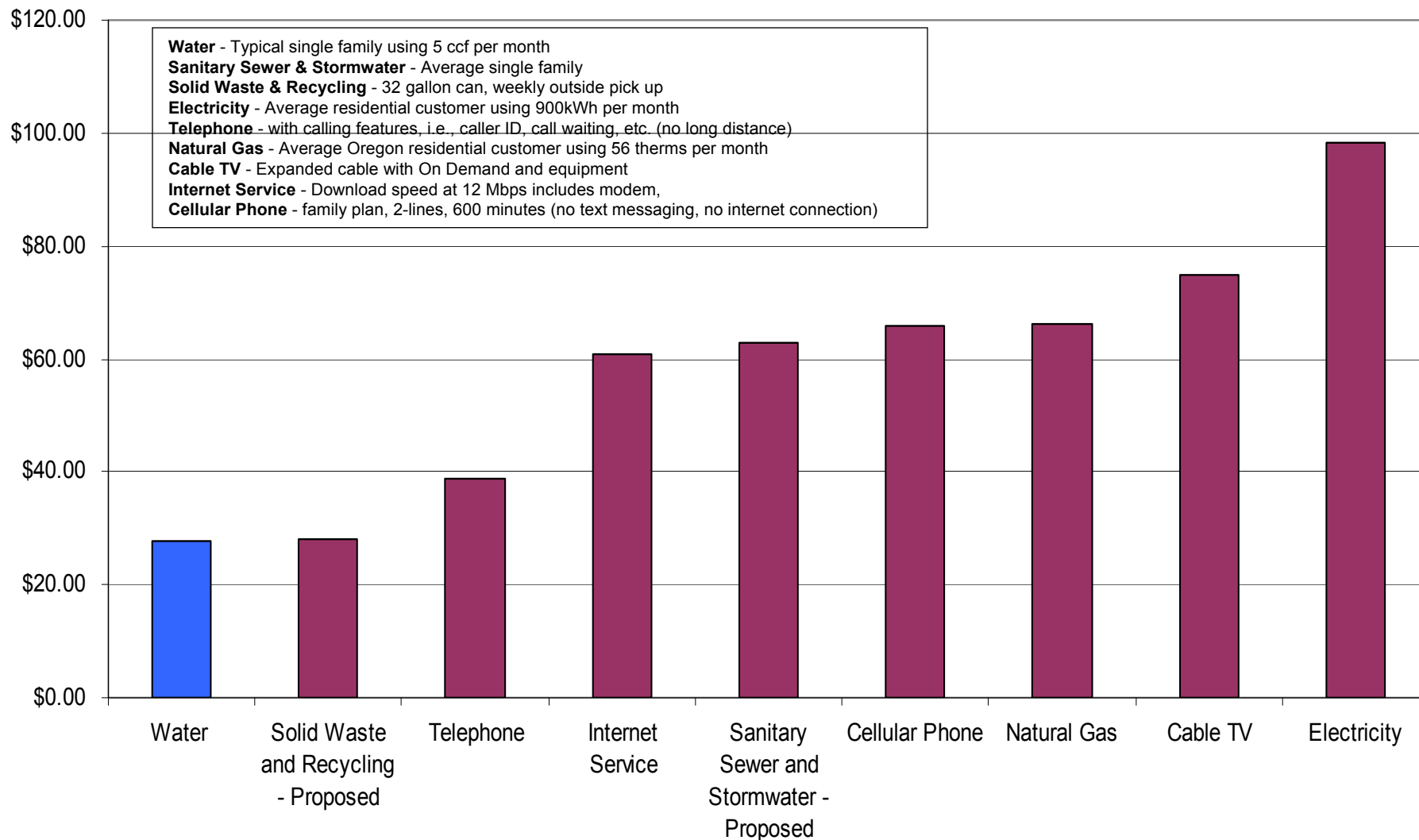
FY 2013-14 Rate Summary

- The retail rate increase is 3.6%.
 - Mayor's Proposed Budget decisions
- System Development Charge (SDC) increase is 20%.
 - Increase due to new capital facilities
 - Basic residential SDC increases from \$1,817 to \$2,183
 - Portland remains well below other regional providers
 - Waivers for affordable housing continue and temporary ADU exemptions
- Fixed charges for services, mains, and other development fees

Water Bills

- Typical residential (5 ccf) monthly bill increases \$0.96, - from \$26.65 to \$27.61.
- Low income residential (5 ccf) monthly bill increases \$0.47, or 3.6% from \$13.33 to \$13.80.
- Medium commercial (100 ccf) monthly bill increases \$13.08 - from \$362.22 to \$375.30.
- Portland water bills represent only about 5% of the average utility services for retail residential customers.

Average Utility Services



The effective date on the proposed rates for Water, Sanitary Sewer & Stormwater, and Solid Waste & Recycling is July 1, 2013.

Comparison of Proposed Typical Monthly Residential Utility Bills

	<u>Water</u>	<u>Sewer</u>	<u>Combined</u>
Rockwood Water District	\$16.82	\$62.74	\$79.56
Tualatin, City of	25.22	44.05	69.27
Clackamas River Water	25.58	46.45	72.03
Tualatin Valley Water District	26.19	44.70	70.89
Portland, City of (Proposed)	27.61	62.74	90.35
Beaverton, City of	31.36	45.37	76.73
Gresham, City of	35.44	36.14	71.58
Tigard, City of	36.41	46.70	83.11
Lake Oswego, City of	42.95	73.55	116.50

* Sewer bills include stormwater charges.

** Based on rates currently in effect except the City's rates are proposed to be effective July 1, 2013.

*** Water and sewer bills are calculate based on individual jurisdictions "typical" usage.

Comparison of Typical Residential System Development Charges

Portland	\$2,183.00
Beaverton	\$3,433.00
Gresham	\$4,153.00
Tigard	\$5,843.00
Tualatin Valley Water District	\$6,052.00



Comparison of Typical Residential System Development Charges

