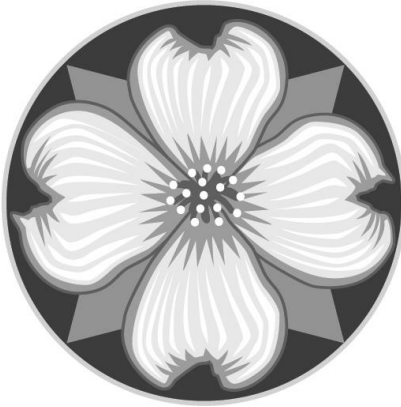




Study Session

SS

Milwaukie City Council

COUNCIL STUDY SESSION

City Hall Conference Room
10722 SE Main Street
www.milwaukieoregon.gov

AGENDA

APRIL 10, 2018

Page #

1. **5:15 p.m. Municipal Court Judge Update**
Staff: Kimberly Graves, Municipal Court Judge, and
Haley Fish, Finance Director
2. **5:45 p.m. Parking Strategy Report** 1
Staff: Leila Aman, Development Manager
- 6:15 p.m.** NOTE: the live online and local broadcast of this Council meeting will end at 6:15 p.m. to allow the Planning Commission meeting broadcast to begin at 6:30 p.m.
3. **6:15 p.m. Citizens Utility Advisory Board (CUAB) Annual Update, Bylaws Review, and Budget Recommendations** 17
Staff: Charles Eaton, Engineering Director
4. **7:00 p.m. Adjourn**

Americans with Disabilities Act (ADA) Notice

The City of Milwaukie is committed to providing equal access to all public meetings and information per the requirements of the ADA and Oregon Revised Statutes (ORS). Milwaukie City Hall is wheelchair accessible and equipped with Assisted Listening Devices; if you require any service that furthers inclusivity please contact the Office of the City Recorder at least 48 hours prior to the meeting by email at ocr@milwaukieoregon.gov or phone at 503-786-7502 or 503-786-7555. Most Council meetings are streamed live on the City's website and cable-cast on Comcast Channel 30 within Milwaukie City Limits.

Executive Sessions

The City Council may meet in Executive Session pursuant to ORS 192.660(2); all discussions are confidential and may not be disclosed; news media representatives may attend but may not disclose any information discussed. Executive Sessions may not be held for the purpose of taking final actions or making final decisions and are closed to the public.

Meeting Information

Times listed for each Agenda Item are approximate; actual times for each item may vary. Council may not take formal action in Study or Work Sessions. Please silence mobile devices during the meeting.



COUNCIL STUDY SESSION

City Hall Conference Room
10722 SE Main Street
www.milwaukieoregon.gov

MINUTES

APRIL 10, 2018

Mayor Mark Gamba called the Council meeting to order at 5:15 p.m.

Present: Council President Lisa Batey; Councilors Angel Falconer, Wilda Parks

Absent: Councilor Shane Abma

Staff: Assistant City Manager Kelly Brooks
City Manager Ann Ober
City Recorder Scott Stauffer
Court Clerk Carla Bantz
Development Manager Leila Aman

Engineering Director Charles Eaton
Finance Director Haley Fish
Municipal Court Judge Kimberly Graves
Public Works Director Peter Passarelli

1. Municipal Court Judge Update

Judge Graves reported that there had been no Attendance Court sessions during the current school year because the North Clackamas School District (NCSD) had been working to revise the program on their end.

It was noted that Council President Batey arrived at 5:16 p.m.

Judge Graves discussed the negative consequences of losing a driver's license because of unpaid traffic tickets. She described driver license amnesty programs that other jurisdictions had created and explained that staff had been looking at whether an amnesty program would work for Milwaukie. **Ms. Bantz** and **Ms. Fish** noted the large number of outstanding cases involving suspended driver licenses. **Ms. Ober** explained that the goal of an amnesty program would be to examine old cases that were becoming punitive to a point that exceeds the original violation. She suggested that if Council was open to the concept, staff would prepare a program for Council to consider.

Judge Graves noted that the State Legislature had clarified sections of the mobile electronic device law related to how and when traffic tickets become misdemeanor offenses. She reported that Oregon Department of Transportation (ODOT) data had shown that traffic-related deaths had gone up for the first time in a decade. The group discussed what causes individuals to drive impaired or distracted. **Mayor Gamba** and **Judge Graves** discussed setbacks for testing drivers under the influence of marijuana.

2. Parking Strategy Report

Ms. Aman introduced Rick Williams, President of Rick Williams Consulting. She discussed how Mr. Williams would be developing a parking strategy and management plan for Downtown Milwaukie.

Mr. Williams reviewed the parking strategy project scope and presented initial observations about parking in Milwaukie, noting that on-street parking was generally underutilized. He commented on the City's highly-visible Code Enforcement team and presented a map of the study area showing the number and type of parking stalls. He reviewed statistics of parking utilization, and noted 2:00 p.m. was the peak hour for on-street parking, and 11:00 a.m. was peak for off-street parking. He discussed how his team would analyze the data to better understand the parking situation in Downtown.

Mr. Williams discussed basic elements of “great” parking management. He noted the importance of managing parking, measuring performance, understanding the economic value of a parking stall, and the importance of clear communications and marketing.

It was noted that the Study Session was no longer being broadcast live as of 6:15 p.m. to allow the Planning Commission broadcast to begin at 6:30 p.m.

Mr. Williams reviewed next steps in drafting the parking strategy, including a review of the Milwaukie Municipal Code (MMC), analyzing the data, and public engagement work. **Mayor Gamba** and **Mr. Williams** remarked on short- and long-term parking standards.

Councilor Falconer asked how the City’s parking situation compared to other cities and **Mr. Williams** commented on parking situations in similar cities.

Council President Batey recommended that the Moda Health building be included in the study and that all Downtown businesses be asked for feedback on parking.

3. Citizens Utility Advisory Board (CUAB) Annual Update, Bylaws Review, and Budget Recommendations

Mr. Eaton and **Vince Alvarez**, CUAB Chair, reviewed the CUAB’s work to analyze the City’s utility rates and prepare Fiscal Year 2019 (FY19) rate recommendations. **Mr. Alvarez** noted that CUAB’s goals were to maintain the utility systems, limit deferment projects, minimize costs, and maintain a rate that was on par with other cities.

Mr. Eaton and **Mr. Alvarez** discussed how the proposed rates had been calculated. They reported that the City was on track to meet previously set rate goals. They remarked on the uncertainty of possible rate changes being made by Clackamas County Water Environment Services (WES). They noted that water and wastewater master planning processes, which identify capital improvement projects and set utility fiscal policies, typically occur every 20 years.

The group discussed the inflow and infiltration (I&I) projects in the City’s Capital Improvement Plan (CIP) and water and wastewater master plans. It was noted that the City checks for I&I issues on a routine basis and after wet weather events. **Mr. Passarelli** and **Mr. Eaton** remarked on the “built-out” status of the City’s infrastructure and noted that most utility projects would be to maintain the existing system. The group remarked on the project growth rate for the City’s population.

Mr. Eaton discussed the CUAB’s recommendation to increase the stormwater rate by 14% for FY19, which was the same increase approved in recent years. He reported that there were stormwater projects in the CIP and noted that stormwater rate increases were scheduled to end by FY22. The group commented the non-CIP projects related to stormwater education and outreach about pesticides and herbicides. Staff noted the City’s work with local watershed councils and partner agencies. The group remarked on the popular use of harmful chemicals for yard maintenance.

Mr. Eaton explained the CUAB’s recommendation to increase the water rate by 3.5% and noted that additional analysis was needed to address the projected negative reserve fund balance. **Ms. Ober** and **Mr. Passarelli** remarked on future water system resiliency projects.

It was noted that Ms. Ober left the meeting at approximately 6:30 p.m.

Mayor Gamba commented on how the City calculated water utility rates and asked that base and usage rate options be presented to Council next year. **Mr. Passarelli** remarked on plans to conduct a cost of service evaluation for different water users to make sure costs are allocated in a way that users pay their fair share. The group discussed the current water rate structure and whether those who use less water pay the same amount as those who use more water. They noted the impacts of climate change and wet and dry years on the water fund reserves balance. **Mr. Eaton** and **Mayor Gamba** commented on the need for future fee structure changes.

Mayor Gamba asked about the City's plans to address water system resiliency issues. **Mr. Passarelli**, **Mr. Eaton**, and **Mr. Alvarez** described planned water projects involving storage facilities, transmission mains, treatment towers, and critical water lines to hospitals and emergency operation centers (EOCs). **Council President Batey** noted regional resources for mobile water facilities and supplies.

Mr. Eaton and **Mr. Passarelli** noted that the CIP and water master plan include historically unfunded water projects.

Council President Batey, **Mr. Eaton**, and **Ms. Fish** discussed residential and business water rates and revenue. They remarked on whether residential users subsidized business users. Staff noted that the planned water master plan review would address concerns about user needs and rates. **Mr. Passarelli** noted that recommendations from a 2004-2005 water utility assessment regarding system security and improvements had not been implemented.

Mr. Eaton presented the CUAB's proposed street rate increases, which had been broken out into sections for the Safe Access for Everyone (SAFE) program and Street Surface Maintenance Program (SSMP). He explained the reasons for the increases, noting rising construction costs, recommendations to align the rate with the Consumer Price Index (CPI), and the need to maintain fund reserves per the master plan policy. **Ms. Fish**, **Mayor Gamba**, and **Mr. Eaton** noted the uncertainty of a county gas tax being implemented and impacting the street utility rates.

Mr. Eaton summarized the CUAB's recommended utility rates for FY19 and provided data comparing the proposed rates with neighboring cities. The group remarked on why the City of Happy Valley's utility rates varied from Milwaukie's. **Mayor Gamba** asked that the City of Gladstone utility data be included in future comparisons.

Mr. Eaton noted that unless Council wished to make any changes, the CUAB recommended rates would be included in the proposed FY19 budget and CIP. The group briefly remarked on the overall reasons the City's utility rates would be increasing. It was Council consensus to accept the CUAB recommended utility rates for FY19.

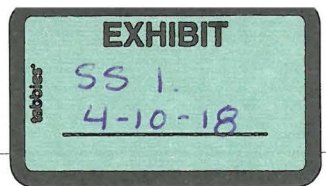
Mayor Gamba adjourned the Study Session at 7:07 p.m.

Respectfully submitted,


Amy Aschenbrenner, Administrative Specialist II


Scott Stauffer, City Recorder

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Issue	Process	Purpose	Result
Attendance Court – Continue discussion with district.	Met with the District on April 6 to discuss their plans for next school year. Next meeting will be in June when they have a structure in place for the “new” attendance court model they would like to implement.	Work with the District to ensure that the Attendance Court program is serving families in the best way possible.	Discussions with the district are on-going. The goal is to have a program in place starting with the 2018-19 school year.
There are a large number of unpaid traffic and code enforcement accounts that are greater than 5 years old. Many of the defendants have their licenses suspended with little hope of getting them back.	An “amnesty” program would allow defendants to pay off their outstanding cases, at a discounted rate, and get their licenses back. The cases could then be closed off of the court books.	A suspended license can greatly limit job and housing opportunities for individuals. Additionally, the number of outstanding cases is cumbersome for the court to manage.	At this point, the court is not clear about what an amnesty program would look like for Milwaukie. We are examining what other courts have done and how many cases they were able to close out through the process. (cases closed should correlate to number of licenses reinstated.)

Training

Municipal Judges Conference took place in March in Bend. (key takeaways)

- Amendments have been made to the Mobile Electronic Device law which has clarified the question of when new citations will count toward a possible misdemeanor conviction.
- Traffic Safety update. Oregon has seen a rise in traffic related deaths after nearly a decade of decline.

Future plans

Continuing to work with the school district and implement a new Attendance Court program for next school year.

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: April 2, 2018

Reviewed: Alma Flores, Community Development Director

From: Leila Aman, Development Manager and Rick Williams, Rick Williams Consulting

Subject: Downtown Parking Management Study and Plan Update

ACTION REQUESTED

This is an informational item. No action is being requested.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

This is a new project and has not been before Council.

ANALYSIS

The City of Milwaukie is working with Rick Williams consulting to develop a comprehensive parking strategy and management plan for downtown. Several new development projects are expected to bring hundreds of new housing units, and thousands of square feet of new commercial space, into the downtown over the next five years. This new development is expected to have a notable impact on parking demands in the downtown and the City seeks to better understand the potential impacts of the anticipated redevelopment, develop meaningful strategies by thoroughly understanding demand/utilization, and thoughtfully engaging with key members of the community and City Council to build support for implementation of a parking management plan for the downtown.

Past Parking Management Plans and Policy

The City has actively monitored and managed parking in the downtown for over a decade. Notable strategies include:

- Annual staff survey – This recurring data collection of parking demand and utilization of both on-street and off-street parking areas happens every year. City staff perform the collection and analysis, resulting in maps showing occupancy levels, parking time stays, and available inventory during point-in-time counts. Records date back to 2007.

- 2003 Downtown Parking and Traffic Management Plan – This plan, completed in June 2003 by Kittelson & Associates and Rick Williams, addresses traffic and parking conditions in downtown Milwaukie. The study included a comprehensive data collection and analysis and the development of guiding principles and the final parking series of parking strategies. Notable recommendations include adoption of parking management zones; creation of a parking permit system; implementation of a parking utilization monitoring program.

- 2006-2007 Parking Research and Draft Implementation Strategy – Rick Williams worked with the City of Milwaukie to implement strategies from the 2003 Downtown Parking and Traffic Management Plan. This work initiated the yearly practice of staff survey of parking inventory and utilization and led to the implementation of the Downtown Parking Permit Program. The Downtown Parking Permit program provides off-street parking permits for purchase for downtown employees. This program diverts all-day parking away from on-street spots in front of commercial buildings, freeing up spaces for customers. Permits can be bought for monthly or quarterly prices and are available for bulk purchase at a discount.

2018 Downtown Parking Management Study and Plan Update

The intent of the 2018 update is to leverage past work, with a focus on implementation strategies to address the impacts of new development to ensure success of the entire downtown. The following outlines the main scope of work for the 2018 update:

Background Review / Code Review

Review past work and review current parking requirements of the Downtown Mixed-Use Zone and impact area.

Existing Conditions

Conduct a full inventory of all on-street and off-street parking stalls within the study area. The inventory includes identification of stalls by type (time stay), number of stalls per block face, and lot and/or lot and driveway locations.

A 10-hour occupancy and utilization study of parking activity within the study area boundary that reflects “typical day” conditions.

Forecasting Future Demand

Working with client, identify comparable development sites in the Metro area and quantify their current parking demand to use as a baseline for anticipated development in downtown Milwaukie.

Develop Initial Strategy

Use data and background information to establish strategies and phasing plan based on existing and project utilization/demand.

Community/Stakeholder Engagement

Conduct a series of focus group outreach sessions with key stakeholders including City Council, City staff, business owners, residents and patrons of the downtown to test and refine strategies.

Parking Management Plan

Develop final parking management plan using information from code analysis, data analysis and stakeholder outreach. Plan can include immediate, interim and long-term strategies to best position Milwaukie's downtown for success.

BUDGET IMPACTS

The budget for this contract is not to exceed \$42,780 and is funded through the Community Development department.

WORKLOAD IMPACTS

The City's Development Manager is serving as the project manager.

COORDINATION, CONCURRENCE, OR DISSENT

The City Manager and Community Development Director concur with this effort.

STAFF RECOMMENDATION

Listen to a presentation from the consultant, and provide input and direction on stakeholders to engage with and strategies to explore.

ALTERNATIVES

No alternatives come to mind.

ATTACHMENTS

1. Contract and Scope of Work
2. Project Area



**PERSONAL SERVICES AGREEMENT
WITH THE CITY OF MILWAUKIE, OREGON
FOR CITY OF MILWAUKIE DOWNTOWN PARKING MANAGEMENT
STUDY AND PLAN**

THIS AGREEMENT made and entered into this 12th day of December, 2017 by and between the City of Milwaukie, a municipal corporation of the State of Oregon, hereinafter called City, and ROP Consulting, Inc. (dba) Rick Williams Consulting hereinafter called Contractor.

RECITALS

WHEREAS City has need for the services of a person or an entity with particular training, ability, knowledge, and experience as possessed by Contractor, and

WHEREAS City has determined that Contractor is qualified and capable of performing the professional services as City does hereinafter require, under those terms and conditions set forth,

THEREFORE the Parties agree as follows:

1. SERVICES TO BE PROVIDED

Contractor shall provide services as specified in the Scope of Work, a copy of which is attached hereto, labeled Exhibit A and hereby incorporated by reference. Contractor shall initiate services immediately upon receipt of City's notice to proceed, together with an executed copy of this Agreement.

2. EFFECTIVE DATE AND DURATION

This Agreement shall become effective upon the date of execution, and shall expire, unless otherwise terminated or extended, by June 29, 2018. All work under this Agreement shall be completed prior to the expiration of this Agreement.

3. COMPENSATION

City agrees to pay Contractor not to exceed forty two thousand seven hundred and eighty dollars (\$42,780) for performance of those services described in the Scope of Work, which payment shall be based upon the following applicable terms:

- A. Payment by City to Contractor for performance of services under this Agreement includes all expenses incurred by Contractor, with the exception of expenses, if any identified in this Agreement as separately reimbursable.
- B. Payment will be made in installments based on Contractor's invoice, subject to the approval of the City Manager, or designee, and not more frequently than monthly. Payment shall be made only for work actually completed as of the date of invoice.
- C. Payment by City shall release City from any further obligation for payment to Contractor, for services performed or expenses incurred as of the date of the invoice. Payment shall not be considered acceptance or approval of any work or waiver of any defects therein.
- D. Where applicable, Contractor must make payment promptly as due to persons supplying Contractor labor or materials for the execution of the work provided by this order. Contractor

must pay all contributions or amounts due from Contractor to the Industrial Accident Fund incurred in the performance of this order. Contractor shall not permit any lien or claim to be filed or prosecuted against City or any subdivision of City on account of any labor or material to be furnished. Contractor further agrees to pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

- E. If Contractor fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person as such claim becomes due, City's Finance Director may pay such claim and charge the amount of the payment against funds due or to become due the Contractor. The payment of the claim in this manner shall not relieve Contractor or their surety from obligation with respect to any unpaid claims.
- F. If labor is performed under this order, then no person shall be employed for more than eight (8) hours in any one day, or forty (40) hours in any one week, except in cases of necessity, or emergency or where the public policy absolutely requires it, and in such cases, except cases of contracts for personal services as defined in ORS 279A.055, the labor shall be paid at least time and a half for all overtime in excess of eight (8) hours a day and for all work performed on Saturday and on any legal holidays as specified in ORS 279B.020. In cases of contracts for personal services as defined in ORS 279A.055, any labor shall be paid at least time and a half for all hours worked in excess of forty (40) hours in any one week, except for those individuals excluded under ORS 653.010 to 653.260 or under 29 USC SS 201-209.
- G. Contractor shall promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention incident to sickness or injury to the employees of Contractor or all sums which Contractor agrees to pay for such services and all moneys and sums which Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.
- H. The City certifies that sufficient funds are available and authorized for expenditure to finance costs of this contract.

4. OWNERSHIP OF WORK PRODUCT

City shall be the owner of and shall be entitled to possession of any and all work products of Contractor which result from this Agreement, including any computations, plans, correspondence or pertinent data and information gathered by or computed by Contractor prior to termination of this Agreement by Contractor or upon completion of the work pursuant to this Agreement.

5. ASSIGNMENT/DELEGATION

Neither party shall assign, sublet or transfer any interest in or duty under this Agreement without the written consent of the other and no assignment shall be of any force or effect whatsoever unless and until the other party has so consented. If City agrees to assignment of tasks to a subcontract, Contractor shall be fully responsible for the acts or omissions of any subcontractors and of all persons employed by them, and neither the approval by City of any subcontractor nor anything contained herein shall be deemed to create any contractual relation between the subcontractor and City.

6. STATUS OF CONTRACTOR AS INDEPENDENT CONTRACTOR

Contractor certifies that:

- A. Contractor acknowledges that for all purposes related to this Agreement, Contractor is and shall be deemed to be an independent contractor as defined by ORS 670.700 and not an employee of City,

shall not be entitled to benefits of any kind to which an employee of City is entitled and shall be solely responsible for all payments and taxes required by law. Furthermore, in the event that Contractor is found by a court of law or any administrative agency to be an employee of City for any purpose, City shall be entitled to offset compensation due, or to demand repayment of any amounts paid to Contractor under the terms of this Agreement, to the full extent of any benefits or other remuneration Contractor receives (from City or third party) as a result of said finding and to the full extent of any payments that City is required to make (to Contractor or to a third party) as a result of said finding.

- B. The undersigned Contractor hereby represents that no employee of the City, or any partnership or corporation in which a City employee has an interest, has or will receive any remuneration of any description from Contractor, either directly or indirectly, in connection with the letting or performance of this Agreement, except as specifically declared in writing.

If this payment is to be charged against Federal funds, Contractor certifies that he/she is not currently employed by the Federal Government and the amount charged does not exceed his or her normal charge for the type of service provided.

Contractor and its employees, if any, are not active members of the Oregon Public Employees Retirement System and are not employed for a total of 600 hours or more in the calendar year by any public employer participating in the Retirement System.

- C. Contractor certifies that it currently has a City business license or will obtain one prior to delivering services under this Agreement.
- D. Contractor is not an officer, employee, or agent of the City as those terms are used in ORS 30.265.

7. INDEMNIFICATION

City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor warrants that all its work will be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of a contractor's work by City shall not operate as a waiver or release.

Contractor agrees to indemnify and defend the City, its officers, agents, employees and volunteers and hold them harmless from any and all liability, causes of action, claims, losses, damages, judgments or other costs or expenses including attorney's fees and witness costs and (at both trial and appeal level, whether or not a trial or appeal ever takes place) that may be asserted by any person or entity which in any way arise from, during or in connection with the performance of the work described in this contract, except to the extent that the liability arises out of the sole negligence of the City and its employees. Such indemnification shall also cover claims brought against the City under state or federal workers' compensation laws. If any aspect of this indemnity shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this indemnification.

8. INSURANCE

Contractor and its subcontractors shall maintain insurance acceptable to City in full force and effect throughout the term of this contract. Such insurance shall cover all activities of the contractor arising directly or indirectly out of Contractor's work performed hereunder, including the operations of its subcontractors of any tier. Such insurance shall be primary and non-contributory.

The policy or policies of insurance maintained by the Contractor and its subcontractor shall provide at least the following limits and coverage:

A. Commercial General Liability Insurance

Contractor shall obtain, at contractor's expense, and keep in effect during the term of this contract, Commercial General Liability Insurance covering Bodily Injury and Property Damage on an "occurrence" form. This coverage shall include Contractual Liability insurance for the indemnity provided under this contract. The following insurance will be carried:

<u>Coverage</u>	<u>Limit</u>
General Aggregate	\$3,000,000
Products-Completed Operations Aggregate	3,000,000
Personal & Advertising Injury	3,000,000
Each Occurrence	2,000,000
Fire Damage (Any one fire)	500,000
Medical Expense (Any one person)	5,000

B. Commercial Automobile Insurance

Contractor shall also obtain, at contractor's expense, and keep in effect during the term of this contract, Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The Combined Single Limit per occurrence shall not be less than \$2,000,000.

C. Workers' Compensation Insurance

The Contractor, its subcontractors, if any, and all employers providing work, labor or materials under this Contract who are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers. Out-of-state employers must provide workers' compensation coverage for their workers that complies with ORS 656.126. Employer's Liability Insurance with coverage limits of not less than \$500,000 each accident shall be included.

D. Additional Insured Provision

The Commercial General Liability Insurance and Commercial Automobile Insurance policies and other policies the City deems necessary shall include the City, its officers, directors, employees and volunteers as additional insureds with respect to this contract.

E. Notice of Cancellation

There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 30 days written notice to the City. Any failure to comply with this provision will not affect the insurance coverage provided to the City. The certificates of insurance provided to the City shall state that the insurer shall endeavor to provide 30 days' notice of cancellation to the City.

F. Insurance Carrier Rating

Coverages provided by the Contractor must be underwritten by an insurance company deemed acceptable by the City. The City reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

G. Certificates of Insurance

As evidence of the insurance coverage required by the contract, the Contractor shall furnish a Certificate of Insurance to the City. No contract shall be effected until the required certificates have been received and approved by the City. The certificate will specify and document all

provisions within this contract. A renewal certificate will be sent to the above address 10 days prior to coverage expiration.

Certificates of Insurance should read "Insurance certificate pertaining to contract for City of Milwaukie Downtown Parking Management Study and Plan. The City of Milwaukie, its officers, directors and employees shall be added as additional insureds with respects to this contract. A notation stating that "Insured coverage is primary" shall appear in the description portion of certificate.

H. Independent Contractor Status

The service or services to be rendered under this contract are those of an independent contractor. Contractor is not an officer, employee or agent of the City as those terms are used in ORS 30.265.

I. Primary Coverage Clarification

The parties agree that Contractor's coverage shall be primary to the extent permitted by law. The parties further agree that other insurance maintained by the City is excess and not contributory insurance with the insurance required in this section.

J. Cross-Liability Clause

A cross-liability clause or separation of insureds clause will be included in the general liability policy.

Contractor's insurance policy shall contain provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days prior notice to City. A copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, or at the discretion of City, in lieu thereof, a certificate in form satisfactory to City certifying to the issuance of such insurance shall be forwarded to:

City of Milwaukie
Attn: Finance
10722 SE Main Street
Milwaukie, Oregon 97222

Business Phone: 503-786-7555
Business Fax: 503-653-2444
Email Address: finance@milwaukieoregon.gov

Such policies or certificates must be delivered prior to commencement of the work.

The procuring of such required insurance shall not be construed to limit contractor's liability hereunder. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

9. **METHOD & PLACE OF SUBMITTING NOTICE, BILLS AND PAYMENTS**

All notices, bills and payments shall be made in writing and may be given by personal delivery, mail, email or by fax. Payments may be made by personal delivery, mail, or electronic transfer. The following addresses shall be used to transmit notices, bills, payments, and other information:

City	Contractor
City of Milwaukie	Company: ROP Consulting, Inc., (dba) Rick Williams Consulting
Attn: Accounts Payable	Attn: Rick Williams
10722 SE Main Street Milwaukie, Oregon 97222	Address: PO Box 12546, Portland OR, 97212
Phone: 503-786-7594	Phone: 503.459.7638
Fax: 503-786-7528	Fax: n/a
Email Address: ap@milwaukieoregon.gov	Email Address: rick@rickwilliamsconsulting.com

And when so addressed, shall be deemed given upon deposit in the United States mail, postage prepaid, or when so faxed, shall be deemed given upon successful fax. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to who notices, bills and payments are to be given by giving written notice pursuant to this paragraph.

10. MERGER

This writing is intended both as a final expression of the Agreement between the parties with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement. No modification of this Agreement shall be effective unless and until it is made in writing and signed by both parties.

11. TERMINATION WITHOUT CAUSE

At any time and without cause, City shall have the right, in its sole discretion, to terminate this Agreement by giving notice to Contractor. If City terminates the contract pursuant to this paragraph, it shall pay Contractor for services rendered to the date of termination.

12. TERMINATION WITH CAUSE

A. City may terminate this Agreement effective upon delivery of written notice to Contractor, or at such later date as may be established by City, under any of the following conditions:

- 1) If City funding from federal, state, local, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services. This Agreement may be modified to accommodate a reduction in funds.
- 2) If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this Agreement.
- 3) If any license or certificate required by law or regulation to be held by Contractor, its subcontractors, agents, and employees to provide the services required by this Agreement is for any reason denied, revoked, or not renewed.
- 4) If Contractor becomes insolvent, if voluntary or involuntary petition in bankruptcy is filed by or against Contractor, if a receiver or trustee is appointed for Contractor, or if there is an assignment for the benefit of creditors of Contractor.

Any such termination of this agreement under paragraph (a) shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

B. City, by written notice of default (including breach of contract) to Contractor, may terminate the whole or any part of this Agreement:

- 1) If Contractor fails to provide services called for by this agreement within the time specified herein or any extension thereof, or
- 2) If Contractor fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after receipt of written notice from City, fails to correct such failures within ten (10) days or such other period as City may authorize.

The rights and remedies of City provided in the above clause related to defaults (including breach of contract) by Contractor shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

If City terminates this Agreement under paragraph (B), Contractor shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred, an amount which bears the same ratio to the total fees specified in this Agreement as the services satisfactorily rendered by Contractor bear to the total services otherwise required to be performed for such total fee; provided, that there shall be deducted from such amount the amount of damages, if any, sustained by City due to breach of contract by Contractor. Damages for breach of contract shall be those allowed by Oregon law, reasonable and necessary attorney fees, and other costs of litigation at trial and upon appeal.

13. ACCESS TO RECORDS

City shall have access to such books, documents, papers and records of Contractor as are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts and transcripts.

14. FORCE MAJEURE

Neither City nor Contractor shall be considered in default because of any delays in completion and responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the parties so disenabled, including but not restricted to, an act of God or of a public enemy, civil unrest, volcano, earthquake, fire, flood, epidemic, quarantine restriction, area-wide strike, freight embargo, unusually severe weather or delay of subcontractor or supplies due to such cause; provided that the parties so disenabled shall within ten (10) days from the beginning of such delay, notify the other party in writing of the cause of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation. Each party shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon cessation of the cause, diligently pursue performance of its obligation under the Agreement.

15. NON-WAIVER

The failure of City to insist upon or enforce strict performance by Contractor of any of the terms of this Agreement or to exercise any rights hereunder should not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon such terms or rights on any future occasion.

16. NON-DISCRIMINATION

Contractor agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations. Contractor also shall comply with the Americans with

Disabilities Act of 1990, ORS 659A.142, and all regulations and administrative rules established pursuant to those laws.

17. ERRORS

Contractor shall perform such additional work as may be necessary to correct errors in the work required under this Agreement without undue delays and without additional cost.

18. EXTRA (CHANGES) WORK

Only the Development Manager, Leila Aman, may authorize extra (and/or change) work. Failure of Contractor to secure authorization for extra work shall constitute a waiver of all right to adjustment in the contract price or contract time due to such unauthorized extra work and Contractor thereafter shall be entitled to no compensation whatsoever for the performance of such work.

19. WARRANTIES

All work shall be guaranteed by Contractor for a period of one year after the date of final acceptance of the work by the owner. Contractor warrants that all practices and procedures, workmanship and materials shall be the best available unless otherwise specified in the profession. Neither acceptance of the work nor payment therefore shall relieve Contractor from liability under warranties contained in or implied by this Agreement.

20. ATTORNEY'S FEES

In case suit or action is instituted to enforce the provisions of this contract, the parties agree that the losing party shall pay such sum as the court may adjudge reasonable attorney fees and court costs, including attorney's fees and court costs on appeal.

21. GOVERNING LAW

The provisions of this Agreement shall be construed in accordance with the provisions of the laws of the State of Oregon. Any action or suits involving any question arising under this Agreement must be brought in the appropriate court of the State of Oregon.

22. COMPLIANCE WITH STATE AND FEDERAL LAWS/RULES

Contractor shall comply with all applicable federal, state and local laws, rules and regulations, including, but not limited to, the requirements concerning working hours, overtime, medical care, workers compensation insurance, health care payments, payments to employees and subcontractors and income tax withholding contained in ORS Chapters 279A and 279B, the provisions of which are hereby made a part of this agreement

23. CONFLICT BETWEEN TERMS

It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument in the proposal of the contract, this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

24. AUDIT

Contractor shall maintain records to assure conformance with the terms and conditions of this Agreement, and to assure adequate performance and accurate expenditures within the contract period. Contractor agrees to permit City, the State of Oregon, the federal government, or their duly authorized representatives to audit all records pertaining to this Agreement to assure the accurate expenditure of funds.

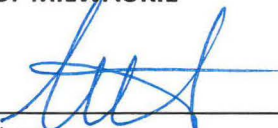
25. SEVERABILITY

In the event any provision or portion of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity of the remaining terms and provisions shall not be affected to the extent that it did not materially affect the intent of the parties when they entered into the agreement.

26. COMPLETE AGREEMENT

This Agreement and attached exhibits constitutes the entire Agreement between the parties. No waiver, consent, modification, or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change if made, shall be effective only in specific instances and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. Contractor, by the signature of its authorized representative, hereby acknowledges that he has read this Agreement, understands it and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, City has caused this Agreement to be executed by its duly authorized undersigned officer and Contractor has executed this Agreement on the date hereinabove first written.

CITY OF MILWAUKIE

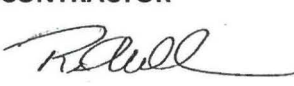
Signature

Ann Ober, City Manager

Printed Name & Title

12-15-17

Date

CONTRACTOR

Signature

Rick Williams, President

Printed Name & Title

December 13, 2017

Date

EXHIBIT A

City of Milwaukie Downtown Parking Management Study and Plan Scope of Work

1. Background Review / Code Review

- 1.1. Review past work and review current parking requirements the Downtown Mixed-Use Zone.
- 1.2. Code standards should be evaluated to ensure that parking requirements are not causing an overbuild of parking but are strategically calibrated to actual demand developed from data assessment.
- 1.3. Review of relevant data and plans including but not limited to:
 - Signed parking with time stays by block face (insert map)
 - City Parking Lot and On Street Parking Permits (monthly). (City can provide number of permits issued and other related data points).
 - Annual staff survey of demand/utilization of both on-street and off-street parking areas – since 2006
 - 2003 Downtown Parking and Traffic Management Plan
 - Data on enforcement
 - Land Use and building level data
 - Urban Renewal Plan
 - Housing Supply analysis
 - Buildable Lands Inventory

2. Existing Conditions

- 2.1. Establish Study Area
- 2.2. Conduct a 10-hour occupancy and utilization study of parking activity within the study area boundary that reflect “typical day” conditions.
- 2.3. Conduct a thorough inventory of the on- and off-street parking supply in the approved study area.
- 2.4. Parking in the study area will be catalogued by block face, stall type, time designation, and/ ownership/management (for off-street stalls). The inventory will take place at a date determined with the City.
- 2.5. Develop and submit parking utilization data collection methodology to City. Outline will be submitted 2 weeks prior to parking utilization and occupancy study.
- 2.6. A “typical weekday” will be selected to conduct a 10 hour survey of use of all on-street stalls located in the study area. On-street data collection will require the collection of license plate data each hour of the survey day, recording of valid permits at on-street locations and occupancy counts. Consultant will work with City to establish the study day.
- 2.7. All off-street facilities in the study area will be surveyed for occupancy every hour over the 10 hour study day. [NOTE: The City may consider a statistically valid sample of off-street lots if the number of lots is deemed too large to cost effectively survey.]
- 2.8. For the on-street inventory, data from the 10 hour survey will be used to generate parking diagnostic indicators (occupancies, average duration, system turnover, violation rates, number of unique vehicles, total vehicle hours parked, etc.).

- 2.9. From the off-street inventory, data from the 10 hour survey will be used to generate occupancies and identification of peak hour use by facility and as a combined system within the study area.
- 2.10. All data analysis will summarize, display and explain data findings that are straightforward and easy to understand. These findings will telegraph what strategies and/or management practices should be used to make the highest and best use of the existing parking supply.
- 2.11. Conduct “nodal” or specific area analyses (at City request) to identify strategic locations in the downtown that could serve as future parking facilities to accommodate anticipated organic growth as well as projects identified by city staff.
- 2.12. Heat maps will be produced displaying hourly occupancy totals for both the on and off-street supplies for each of the ten survey hours.
- 2.13. Conduct a “true parking demand” analysis using actual parking occupancy data correlated to existing building area (land uses) within the study zone.
- 2.14. Use city-provided MetroScope data to assess future land use buildout and its parking impact. [NOTE: City will provide either building area and land use data or access to GIS mapping and MetroScope data.]
- 2.15. Evaluate two (2) local case studies to forecast future parking demand impacts of mixed use developments on the affected neighborhoods. Client will select two future development sites to assess. RWC will create ‘cut sheets’ to profile future parking impacts associated with the developments.

3. Develop Initial Strategies

- 3.1. Use data and background information to develop a comprehensive listing of recommendations and strategies differentiated according to sector – policy level recommendations, system-wide recommendations, on-street system, off-street system, and tiered strategy implementation based on parking demand triggers. A sample of recommendations could include (but not be limited to):
- 3.2. Consideration of alternative modes of access to the downtown (e.g., transit, bike/walk and rideshare) and the relationship of desired/adopted mode split goals and the structuring of parking policies, guidelines and regulation.
- 3.3. Necessary policy and/or code changes to ensure parking is ‘right-sized’ to encourage efficiency and long-term growth.
- 3.4. Immediate, near, mid and long-term strategy/program implementation methods.
- 3.5. Management related changes/solutions that can include demand based decision-making benchmarks (using the 85% Rule), pricing, enforcement, capacity and turnover management techniques, code requirements and alternative mode options.
- 3.6. Strategies to minimize conflicts between user groups including employees and customers/visitors within the parking supply.
- 3.7. Identify true costs associated with suggested management tools and techniques.

4. Community/Stakeholder Engagement

- 4.1. Conduct outreach sessions with key stakeholders including City Council, City staff, business owners, residents and patrons of the downtown to test and refine strategies. Efforts will include establishing

key priorities and project outcomes, review of all data collection analysis and findings and development of strategies designed to address established project priorities, constraints and opportunities and future parking need.

4.2. Public outreach and engagement opportunities could include, but not be limited to:

4.2.1. One-on-one interviews (up to 5 key stakeholders)

4.2.2. Conduct Focus Groups (up to 2)

4.2.3. Participate in 2 work sessions with City Council

4.2.4. Final Presentation to Milwaukie City Council in Regular Session

4.3. The City will provide lead input into identifying and inviting stakeholders for both the interview and Focus Groups. City will also work with consultant to provide meeting venues (if necessary) and notification support.

5. Parking Management Plan

5.1. Develop final parking management plan using information from code analysis, data analysis and stakeholder outreach. Plan will include immediate, interim and long-term strategies to best position Milwaukie's downtown for success.



[Redacted]
[Redacted]
[Redacted]



Main St MAX Station

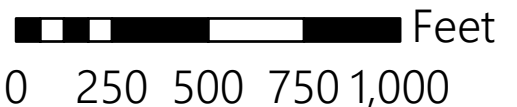


Study Area



MAX Orange Line

SS16



Downtown Parking Management Study and Plan

City Council Briefing

Rick Williams

RICK WILLIAMS CONSULTING
Parking & Transportation

April 10, 2018



Presentation Format

1. Outline of Scope Tasks
2. Initial Overview of Downtown Study Area
3. PARKING 101 – Elements of Great Parking Management
4. Q&A
5. Next steps

Outline of Scope Tasks



1. Background Review / Code Review
 - In process
2. Existing Conditions
 - Inventory Complete (February 5)
 - Data collection complete (March 20)
3. Forecasting Future Demand
 - First run analysis (April 30)
 - Refinement (May)
4. Develop Initial Strategy
 - Update to Council (May 8)
5. Outreach and Public Engagement
 - One on one interviews (April/May)
 - Meeting with DMBA (April)
 - Possible survey partner w/ DMBA (TBD)
6. Parking Management Plan
 - Draft report to Council (June 19)

Initial Observations Downtown Parking (field notes)



On-Street

- Generally underutilized
- Minimal turnover
- Longer-term stays on-street display permits (though hard to see)
- Good & highly-visible enforcement
- Some employees observed moving to evade citations within the on-street system
- Some high school students/staff park on-street all day in adjacent neighborhoods

Off-Street

- Off-street lots within the downtown core are generally well utilized
- Some employees observed moving to evade within timed off-street system
- Informal shared parking agreements are likely occurring (a good thing) – note Pietros Pizza and St. John the Baptist Catholic Church for students
- Off-street parking lots on the fringes are less used depending on land use (e.g., Odd Fellows)

2018 - Study Area

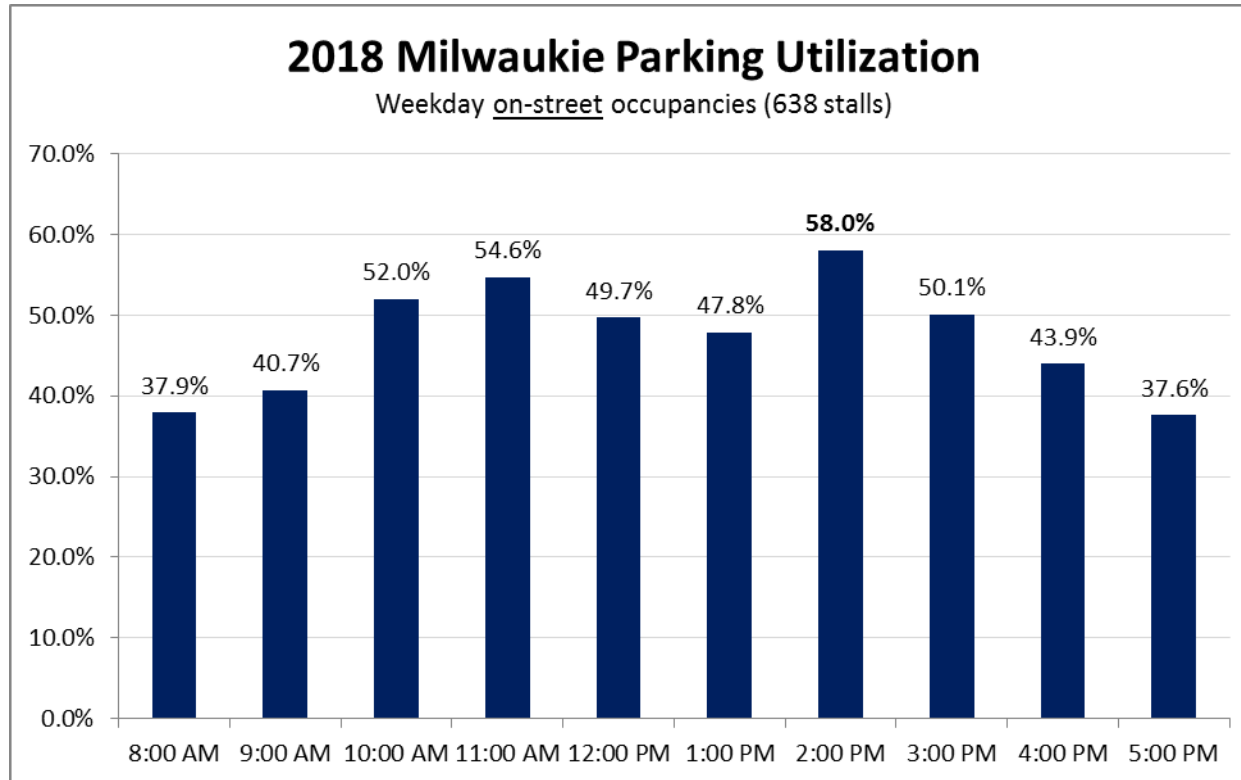


2018 – Inventory of the Parking Supply

Milwaukee Inventory – On-Street and Off-Street		
<i>Use Type</i>	Stalls	% Total
15 Minutes	8	1.3%
30 Minutes	3	0.5%
2 Hours	267	41.8%
4 Hours	74	11.6%
ADA accessible	9	1.4%
No Limit	277	43.4%
<i>On-Street Supply Surveyed</i>	638	100%
<i>Off-Street Supply Surveyed</i> (81 sites)	2,033	88.5%
Off-Street Supply (91 sites)	2,298	100%
<i>Supply Surveyed</i>	2,671	91.0%
Total Supply	2,936	100%

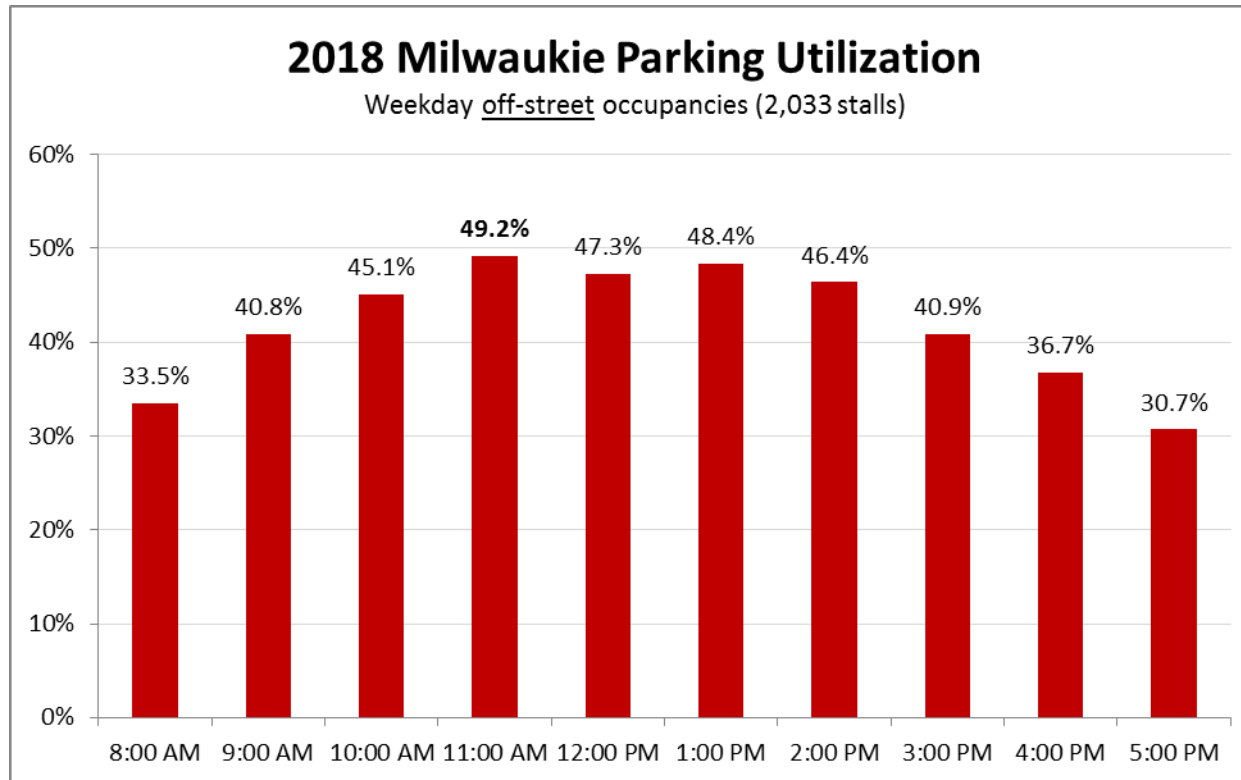
- 2,396 total stalls
 - ✓ 638 on-street
 - ✓ 2,298 on-street (91 sites)
- 100% survey of on-street
- 91% survey of off-street lots (2,033 stalls / 81 sites)

2018 – On Occupancies (Hourly)



- 2:00 PM peak hour (58% occupancy)
- Does not yet include “nodal” sub-area analyses, which will likely demonstrate higher occupancies at block face level.

2018 – Off Street Occupancies (Hourly)



- 11:00 AM Peak Hour (49.2%)
- Does not yet include “nodal” sub-area analyses, which will likely demonstrate higher occupancies by unique lot.

Parking 101

Elements of Great Parking Management



1. Why Manage Parking?
2. Guiding Principles
3. 85% Rule (Measuring Performance)
4. Good Data
5. Understanding the Value of a Parking Stall
6. Great Communications
7. Shared Parking
8. What Successful Cities are Doing

Why Manage Parking?

Why Manage Parking?

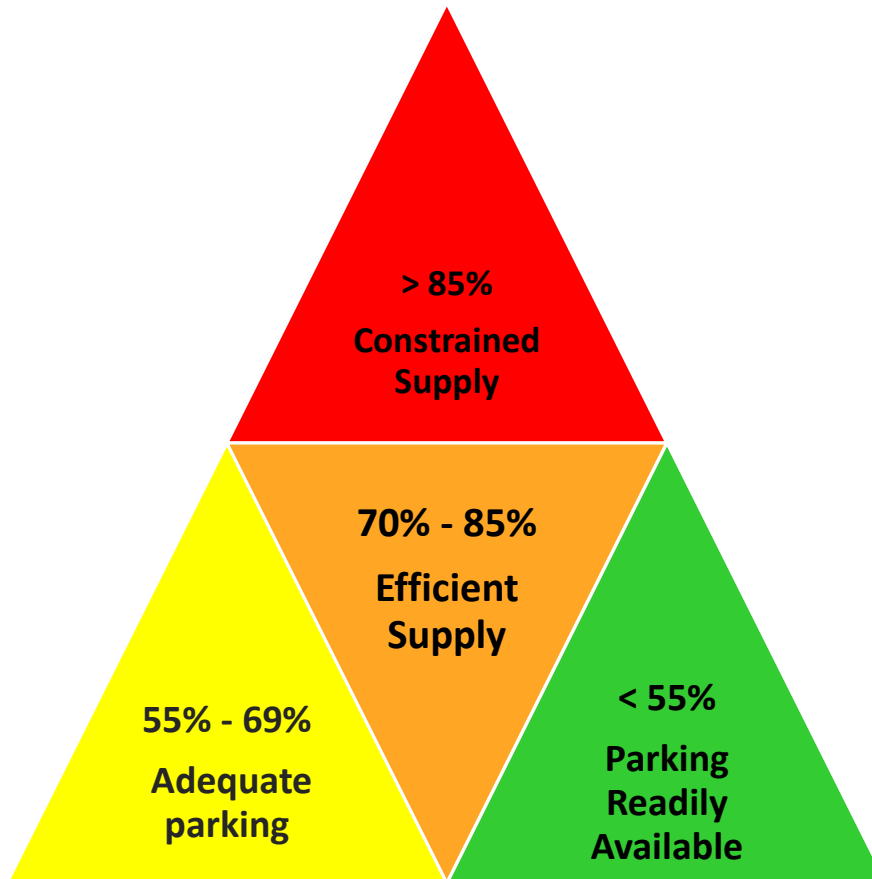
- *Use A Limited Resource Efficiently*
- *A Tool to Enhance Economic Activity*
- *Create Order and Reduce Anxiety*
- *Use Parking As A Tool To Encourage Transportation Options*
- *Maximize/Manage Parking Turnover*
- *Get the Right People In the Right Parking Space*

- On-street parking is finite and highly desired (minimize conflicts).
- Get the right people to park in the right place (on and off-street).
- Customers appreciate it, reduces angst.
- Off-street parking is expensive, so fully maximize what you have.
- A clear sense of movement to parking options
- Ground level businesses want turnover (people spending money).

Guiding Principles

- Clearly stated priorities and outcomes. Get to Yes.
- Is there consensus on priorities?
- Who has priority in the public supply (on-street, off-street)?
- What is the role of the City in parking (as a manager, partner or owner)? The role of the private sector?
- Many cities leap into parking management strategies before their purpose or their appropriateness for the area is clear.
- Any strategy developed should tie directly back to specific Guiding Principle(s) and data.
- *The priority for parking by type of stall needs to be clearly stated, not all parkers can be “priority” parkers.*

85% Rule – Measuring Performance



- Most common approach to managing parking supply.
- If supply is constrained: turnover is affected, access is difficult and customer experience is adversely affected.
- If 70% - 85%: Supply is robust, accessible, and efficient
- < 69%, parking activity is not supportive of active business.

Good Data



Downtown Salem Parking Utilization
Comparison - On-Street Occupancies - Core Zone (494 stalls)



Use Characteristics	2015	2007
Average length of stay per vehicle per occupied stall	1 hr/ 52 min	1 hr/ 57 min
Vehicle trips (unique vehicles)	6,013	7,473
Vehicle hours parked	11,243	14,595
Turnover rate (number of cars to use a single occupied stall over a 12 hour period)	6.42	6.1
% of unique vehicles violating the posted time stay	14.2%	19.9%
Occurrence of license plates moving to evade parking citations.	360 (6.7% of vehicles)	N/A
Actual number of vehicles parked for time stays over 4 hours (% of unique vehicles)	380 (6.3%)	815 (10.9%)

- Separates perception from reality.
- Let data tell a story.
- Local data is unique to Milwaukie and its dynamics.
- Tie solutions to data.
- Consistent / replicable methodology.
- Good data is essential and the more data you have, the better your management decisions will be.

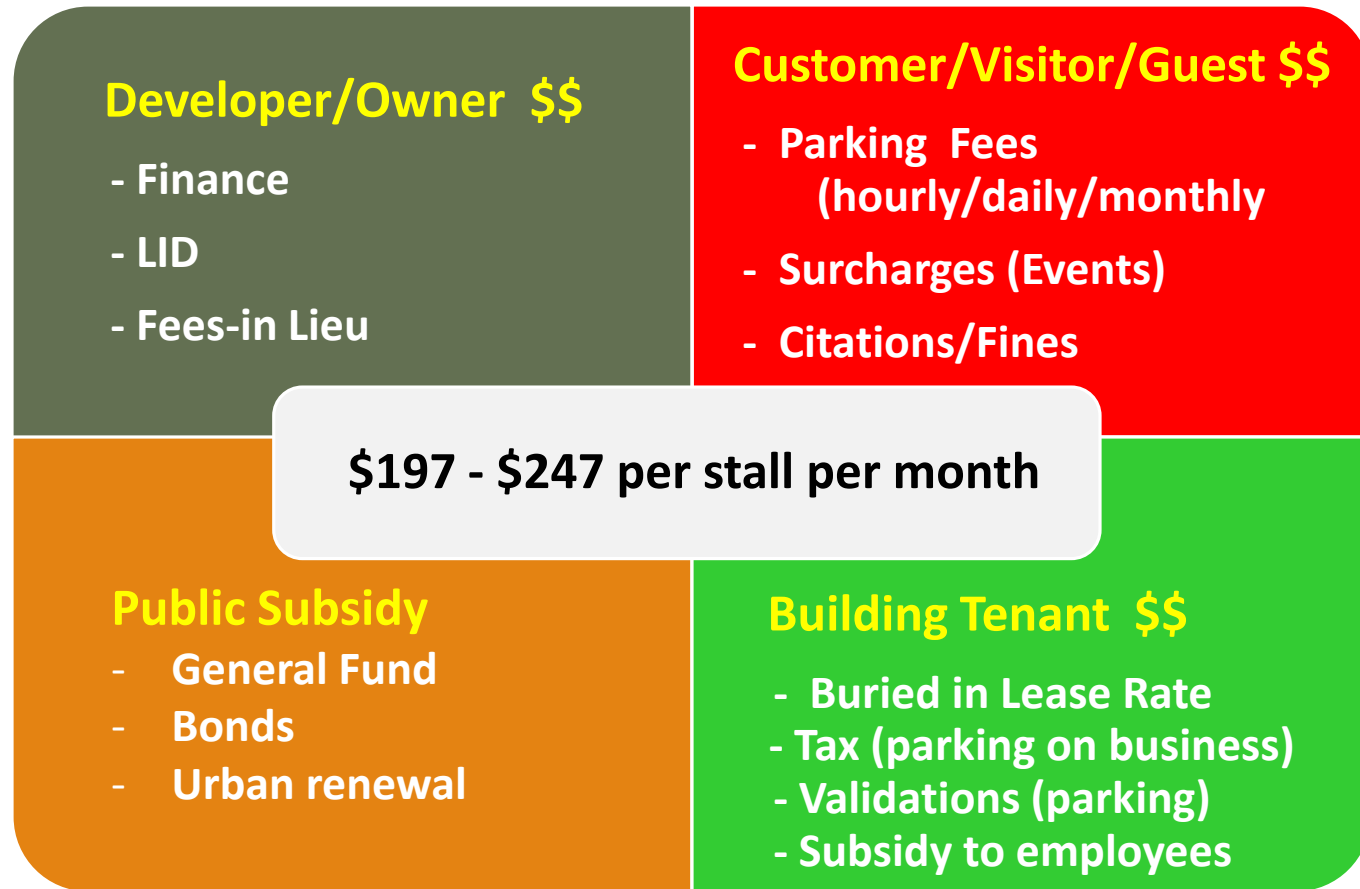
Understanding the Value of a Parking Stall

- Cost to build a structured parking stall: ***\$30 - \$35,000 (per stall)***
- 20 Year cost to finance: ***\$197 - \$240 (per stall/mo.)***

WHO PAYS? / WHO SHOULD PAY?

- Developer
- Building Owner
- City
- Building Tenant (Business)
- User (customer, employee, resident)
- Some or all above

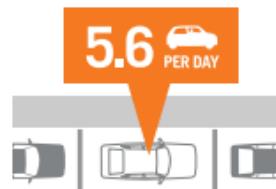
Understanding the Value of a Parking Stall



Understanding the Value of a Parking Stall

Value of on-street parking

AVERAGE DAILY TURNOVER
PER OCCUPIED STALL



AVERAGE RETAIL SALE
PER CUSTOMER TRANSACTION

\$31.55

DAILY POTENTIAL RETAIL SALES
PER OCCUPIED STALL

\$176.68

NUMBER OF SHOPPING DAYS
PER YEAR



ANNUAL POTENTIAL RETAIL SALES
PER OCCUPIED STALL

\$53,534

- Getting the right car to the right space makes economic sense.
- Getting employees off-street or into alternative modes makes economic sense.
- Calibrating turnover maximizes revenue potential.

Great Communications

- Commit to marketing, communicating and branding your public parking system.
- This will establish a recognizable and intuitively understandable parking message.
- Customers and employees want simple and reliable solutions. Communications is the key to activating your strategies.



Shared Parking

Using what we have as well as we can

- In many cities large amounts of parking inventory are in private control/ownership.
- Private control requires private solution (partnership).
- All partners investing in the solution. Solution cannot be solved only in public supply.
- Best carried out through downtown business organization (e.g., peer-to-peer like McMinnville, Gresham, Oregon City).
- 50 unused stalls equals \$1.75 million in new structured parking.



What successful cities are doing

- Clear priorities
- Measurable goals (85% Rule)
- Customer First Programs
- Uniform time stays - on-street
- Common branding and marketing
- Shared use agreements – private lots
- Employees off-street
- Making alternative modes cool

Cities like:

- Bend, OR
- Hood River, OR
- McMinnville, OR
- Oregon City, OR
- Leavenworth, WA
- Redwood City, CA
- San Mateo, CA
- Bozeman, MT



Final thoughts

The operative word in the phrase “parking management plan” is *management*. This implies change and a frame of reference to change the status quo at any point in time.

“If we think we have a parking problem, then the status quo isn’t working. We have to be willing to change things.”



Downtown Parking Study and Plan

Next Steps

1. Finalize Code Review
2. Data Analysis
 - April / May
3. Draft Strategy Considerations
 - Update to Council (May 8)
4. Outreach and Public Engagement
 - April / May
5. Draft Parking Management Plan
 - Draft report to Council (June 19)

Q & A

Thoughts, Ideas, Questions from the Council



COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: Mar. 16, 2018

Reviewed: Peter Passarelli, Public Works Director, and
Haley Fish, Finance Director

From: Charles Eaton, Engineering Director, and
Vince Alvarez, CUAB Chair

Subject: **Utility Rate Review**

ACTION REQUESTED

Review and comment on the Citizen Utility Advisory Boards (CUAB) recommendations on utility rates for FY 2019 and provide direction to staff on rates to be included in the proposed budget and master fee schedule.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The City performs rate reviews of our various utilities every few years and adopt recommended rate increases to accomplish the adopted Capital Improvement Plans (CIP). The Wastewater utility's last formal rate study was completed in 2013. After two beginning rate increases of 10% and 9.2%, the study recommended annual increases of 4.5%. The water utility's rate study was done as part of its Master Plan update and completed in 2012. That rate study recommended rates increases between 9.16% and 14.45% through fiscal year 2017 as the City played catch-up to address infrastructure replacement. The Stormwater rate study was done as part of its Master Plan and completed in 2014. City Council adopted the "proactive" service level. The rate study recommended annual rate increases between 10.7% and 14.1% every year through fiscal year 2022. The newly adopted Transportation utility fees were set up to index yearly in accordance with the Consumer Price Index (CPI).

[May 9, 2017](#) City Council Study Session, CUAB presented the 2018 recommended rates and a discussion on the transportation utility rates. The discussion on transportation utility rates resulted in the recommendation to increase by the CPI and to delay any increase until the City could determine the possibility of receiving additional transportation funding from the State or County. Council directed staff to proceed with the development of a program to accelerate the proposed Safe Access for Everyone (SAFE) program.

Over the course of the year, the Public Safety Advisory Committee (PSAC), CUAB and City staff reviewed the transportation system needs of the City and prioritized programming for the proposed CIP for FY19-24. CUAB met in October, November and December of 2017 to discuss the rates of each of the utilities and the projects identified in the adopted master plans. Public Works has been reviewing the utility master plan projects to determine their need in relationship to other needs and reprioritized the proposed CIP accordingly. Engineering worked with PSAC to prioritize the SAFE program and incorporate the projects identified within the adopted plan into the Transportation CIP.

City staff presented the integrated approach to City Council at the January 9, 2018 work session along with proposals for the acceleration of the SAFE program.

At the March 20, 2018 City Council Regular Session, City Council authorized bonding to expedite transportation projects, specifically related to the SAFE program and other transportation needs that coincide with those projects. The program currently includes identified utility needs to be completed concurrently with the transportation program.

ANALYSIS

As part of the yearlong review of the City's integrated CIP, staff reviewed the scheduled rate plans for each of the utilities and incorporated the integrated CIP into the forecast, which was presented to CUAB at the meeting in March 2018.

The review of the utilities found that previous approved rate increases were less than that recommended by the rate study and left some of the utilities underfunded to meet the scheduled capital needs, specifically in the water utility and transportation utility.

To ensure that future funding requirements for the utilities are levelized to the extent practicable, staff has included Water and Wastewater Master Plan updates in the CIP. In addition, staff has budgeted for water and wastewater cost of service studies to ensure costs are properly allocated among customer classes and to update and improve the methods for determining fair and defensible rates for our utility services. Staff has also included an update to the stormwater capital improvement plan to include water quality needs throughout the City and has included additional transportation planning and design work to refine Master Plan estimates.

Individual utility rate impacts on capital improvements and reserves

Wastewater Utility

With only two major CIP projects remaining, the wastewater utility rate does not require an increase in FY19 to maintain policy reserves. The opportunity exists within the biennium to review the wastewater needs through the previously mentioned master planning effort scheduled for FY20 to reevaluate the need for rate increases within the program.

Stormwater Utility

The stormwater utility is projecting reserves that exceed policy requirements however water quality facility capital improvements are still under development and current multi-million dollar projects under design are anticipated to fully substantiate the need for the scheduled rates as outlined in the master plan. The scheduled rate increases are set to end in FY22 thereby eliminating future increase in FY23 and beyond.

Water Utility

Water rates were projected to be at an average of \$32.30 in FY17 and are currently at \$28.88. Therefore, CUAB has recommended a rate increase to realign rates to where they should be per the adopted plan. If rates are not increased the water utility would be under policy reserves in FY20, and have a projected shortfall of \$4.3 million by FY24. This is in part a result of the need to address the City's water supply needs including improvements to the City wells and storage facilities that have been identified since the adoption of the Master Plan. The proposed increase in FY19 reduces the projected policy shortfall to \$1.6 million in FY24. The current projection includes an additional \$1.6 million of unfunded CIP and without additional future rate increases, the fund reserve is projected to be below policy level in all the forecast years beyond the current biennium. Such a shortfall will result in additional deferred projects. The opportunity exists within the

biennium to review the water needs through the previously mentioned master planning effort scheduled for FY20 to reevaluate the needs of the utility. This is the last scheduled increase in the water utility.

Transportation Utilities

Construction costs rose 7.7% in FY18 and have risen an average of 3.1% annually according to the Construction Cost Index (CCI). In comparison the Consumer Price Index (CPI) was 4.2% during FY18 and has an annual average of 2.4% over the same time period. In response to the transportation utility needs, CUAB has made a multi-year recommendation to correlate with construction costs, which includes an increase in the trip rate of 15 cents for FY19 and then indexes the rate to the CCI rate for the approved bonded program in FY20 and FY21. In addition to the recommended rates, CUAB is recommending the deferral of \$1 million in transportation projects, specifically overlays and slurry seals in the SSMP program. This recommendation does not maintain the current pavement condition index. To maintain the current index an additional \$300,000 per year of SSMP revenue is required. This would translate to an additional one-time rate increase of 17 cents per trip or \$1.65 per single family residential household to maintain the current pavement condition index.

CUAB Recommendation

In response to the water and transportation utility needs, CUAB looked for ways to defer capital improvements and offset the recommended increases. The result was eliminating the scheduled rate increase in wastewater. The final CUAB recommendation is as follows:

- Wastewater Utility – Zero
- Water Utility 11.85%
- Stormwater Utility – 14%
- Transportation - 7-cents per trip for the SAFE program and 8-cents per trip for the SSMP program and future increase to the CCI rate in FY20 and FY21.

The recommended rate increases results in the following average single family residential household in FY19:

	Wastewater Utility	Water Utility	Stormwater Utility	Transportation Utility	Total Cost Per Household
Scheduled	\$2.60	\$3.42	\$3.10	\$0.37	\$9.49
Recommended	\$0.00	\$3.42	\$3.10	\$1.47	\$7.99

Note: The transportation Utility is based per trip and split between the SAFE program and the SSMP program. CUAB is recommending a rate that is \$1.50 less for the average single family residential household than scheduled.

Relief available for low income residents

The City of Milwaukie offers residential customers a Low-Income Utility Assistance Program which provides a reduced monthly charge for Water, Sewer, Storm, and Street utility charges. Currently the city has approximately 7000 utility customers of which approximately 170 are participating in the low-income utility assistance program. The program's reduced rates include:

- A waiver of the established base charge for water service
- One half of the established billing and administration charge, treatment charge, and volume charge for wastewater (sewer)
- One half of the established base charge and volume charge for stormwater charges
- A waiver of the street maintenance fee

The applicant must not exceed the current gross annual household income levels established by the Housing Authority of Clackamas County as that income level qualifying for Section 8 Housing Assistance; current income limits are:

One Person Living Alone:	\$ 26,150/yr or \$ 2,180.00/mo
Two People in One Residence:	\$ 29,900/yr or \$ 2,492.00/mo
Three persons in One Residence:	\$ 33,650/yr or \$ 2,805.00/mo
Four persons in One Residence:	\$ 37,350/yr or \$ 3,113.00/mo

Applications for this low-income utility assistance program are on our website in English, Spanish, Russian and Vietnamese at: <https://www.milwaukieoregon.gov/lowincome>

BUDGET IMPACTS

Recommendation, as adjusted per direction from Council at this meeting, will be incorporated into the proposed budget and draft CIP documents to be considered by the budget committee. Ultimately, the plan will be adopted by Council later this fiscal year for the biennium July 1, 2018 - June 30, 2020.

WORKLOAD IMPACTS

Rate structure proposed by CUAB maintains the current utility service levels and capital projects funded within the proposed CIP have been included within the integrated workplan presented to Council with the SAFE program.

COORDINATION, CONCURRENCE, OR DISSENT

The Finance and Public Works departments were involved in the rate recommendation process and concur with the recommendations provided in this report.

STAFF RECOMMENDATION

Include CUAB's recommended rate increases for FY19 within the Master Fee Schedule and proposed budget documents for Budget Committee consideration and City Council adoption. This recommendation funds the integrated CIP and critical water and storage improvements.

ALTERNATIVES

Reduce rate increases below the recommendation and direct staff to identify improvements, not included in the integrated CIP, to defer.

ATTACHMENTS

1. Wastewater Fund Forecast
2. Water Fund Forecast
3. Stormwater Fund Forecast
4. Transportation Fund Forecast
5. Comparison City Graph (Provided at meeting)

City of Milwaukee

Wastewater Fund

(amounts in thousands)

	ACTUALS			PROJECTED							
	FY15	FY16	FY17	Estimated Current Year	+ 1	+ 2	+ 3	+ 4	+ 5	+ 6	
				FY18	FY19	FY20	FY21	FY22	FY23	FY24	
Resources											
Beginning fund balance	\$ 2,318	\$ 2,717	\$ 3,272	\$ 3,864	\$ 4,378	\$ 3,864	\$ 3,992	\$ 3,864	\$ 3,261	\$ 2,094	
Wastewater charges - base	6,939	7,246	7,661	7,661	7,967	7,967	8,326	7,967	8,326	8,701	0.00%
Wastewater - rate increases	-	-	-	306	-	359	375	359	375	435	Per below
Miscellaneous	14	1	54	55	56	57	58	59	60	61	2.00%
Proceeds from Reimb District	66	43	85	85	85	85	85	85	85	85	0.00%
Transfers from other funds	-	62	-	-	-	-	-	-	-	-	0.00%
Total revenues	7,019	7,352	7,800	8,107	8,108	8,468	8,844	8,470	8,846	9,282	
Total Resources	\$ 9,337	\$ 10,069	\$ 11,072	\$ 11,971	\$ 12,486	\$ 12,332	\$ 12,836	\$ 12,334	\$ 12,107	\$ 11,376	
Requirements											
Personnel services	\$ 414	\$ 428	\$ 410	\$ 390	\$ 445	\$ 481	\$ 497	\$ 530	\$ 550	\$ 575	PS Spreadsheet
Materials & services (base)	107	99	91	208	200	188	188	200	200	200	0.00%
M&S (franchise fee to transportation)	200	213	232	251	232	241	251	199	206	216	Calculated
M&S (Contract treatment costs)	4,261	4,345	4,567	4,724	4,960	5,208	5,469	5,742	6,029	6,331	5.00%
M&S (CCSD #1 SDC's)		30	8	12	85	85	-	-	-	-	Estimated
Debt service	104	104	103	103	102	102	101	101	101	101	Scheduled
Transfers to other funds	885	935	1,070	1,120	1,037	1,125	1,148	1,058	1,079	1,101	2.00%
Capital outlay:											
Scheduled capital projects	649	643	727	725	1,385	735	858	993	1,767	928	Per CIP
Unfunded CIP	-	-	-	-	-	-	-	-	-	-	Per CIP
Maintenance improvements	-	-	-	-	50	50	50	50	50	50	Per CIP
Additions (vehicles & equip)	-	-	-	60	125	125	170	200	31	-	Per CIP
Other	-	-	-	-	-	-	-	-	-	-	Per CIP
Total expenditures	6,620	6,797	7,208	7,593	8,622	8,340	8,731	9,073	10,013	9,502	
Ending fund balance											
Policy requirement (25%)	1,100	1,080	1,080	1,100	1,130	1,150	1,150	1,270	1,300	1,330	
Reserve for vehicle replacement	150	200	250	300	350	400	450	400	450	500	
Over (under) policy/reserves	1,467	1,992	2,534	2,978	2,384	2,442	2,504	1,591	344	44	
Total ending fund balance	2,717	3,272	3,864	4,378	3,864	3,992	4,104	3,261	2,094	1,874	
Total Requirements	\$ 9,337	\$ 10,069	\$ 11,072	\$ 11,971	\$ 12,486	\$ 12,332	\$ 12,836	\$ 12,334	\$ 12,107	\$ 11,376	
Utility Rate Information:											
% Wastewater rate increases	12.8%	5.0%	4.0%	4.0%	0.0%	4.5%	4.5%	4.5%	4.5%	5.0%	CUAB Proposed
	8.0%	7.0%	7.0%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5.0%	Per Master Plan Rate Study
Wastewater portion of average bill		\$53.53	\$55.68	\$57.91	\$57.91	\$60.52	\$63.24	\$66.08	\$69.06	\$72.51	
Incremental increase					\$0.0	\$2.6	\$2.7	\$2.8	\$3.0	\$3.5	

City of Milwaukee

Water Fund
(amounts in thousands)

				Current Year Estimated	+ 1	+ 2	+ 3	+ 4	+ 5	+ 6			
ACTUALS				PROJECTED									
				FY18	FY19	FY20	FY21	FY22	FY23	FY24			
Resources													
Beginning fund balance	\$ 781	\$ 1,700	\$ 3,462	\$ 2,921	\$ 3,748	\$ 2,887	\$ 2,499	\$ 1,024	\$ 581	\$ 543			
Water charges - base	3,629	3,875	3,637	4,006	4,200	4,699	4,699	4,699	4,699	4,699	0.00%		
Water charges - rate increases	-	-	-	194	499	-	-	-	-	-	see below		
Miscellaneous	69	90	110	50	50	50	50	50	50	50	0.00%		
Transfers from other funds	-	284	-	-	-	-	-	-	-	-	0.00%		
Total revenues	3,698	4,249	3,747	4,250	4,749	4,749	4,749	4,749	4,749	4,749			
Total Resources	\$ 4,479	\$ 5,949	\$ 7,209	\$ 7,171	\$ 8,497	\$ 7,636	\$ 7,248	\$ 5,773	\$ 5,330	\$ 5,292			
Personnel services	548	574	701	780	860	941	983	1,035	1,089	1,078	PS Spreadsheet		
Personnel services (temp/seasonal)	27	11	15	50	55	59	62	65	65	65	PS Spreadsheet		
Materials & services (base)	297	283	280	325	364	354	363	372	381	391	2.50%		
M&S (franchise fee to transportation)	290	269	307	336	376	376	376	376	376	376	Calculated		
M&S (electricity costs)	188	186	179	210	200	207	217	228	239	251	5.00%		
Transfers to other funds	915	915	1,140	1,180	1,296	1,363	1,431	1,503	1,578	1,657	5.00%		
Capital outlay													
Scheduled capital projects	514	249	1,666	289	2,414	1,347	2,142	1,858	2,155	953	Per CIP		
Unfunded CIP	-	-	-	-	-	-	-	(360)	(1,268)	-	Per CIP		
Maintenance improvements	-	-	-	-	-	-	190	-	-	30	Per CIP		
Additions (vehicles & equip)	-	-	-	105	45	390	360	15	72	42	Per CIP		
Other	-	-	-	149	-	100	100	100	100	100	Per CIP		
Total expenditures	2,779	2,487	4,288	3,424	5,610	5,137	6,224	5,192	4,787	4,943			
Ending fund balance													
Policy requirement (50%)	1,130	1,120	1,310	1,440	1,480	1,550	1,620	1,690	1,760	1,810			
Reserve for vehicle replacement	100	100	100	100	100	100	100	100	100	100			
Reserves for capital	-	-	-	-	-	-	-	-	-	-			
Over (under) policy/reserves	470	2,242	1,511	2,208	1,307	849	(696)	(1,209)	(1,317)	(1,560)			
Total ending fund balance	1,700	3,462	2,921	3,748	2,887	2,499	1,024	581	543	350			
Total Requirements	\$ 4,479	\$ 5,949	\$ 7,209	7,171	8,497	7,636	\$ 7,248	\$ 5,773	\$ 5,330	\$ 5,292			
Utility Rate Information:													
% water rate increases	12.80%	5.00%	3.50%	5.00%	11.85%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	CUAB Proposed	
	11.21%	10.08%	9.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Per Master Plan	
Target Rate per 2012 Rate Study			\$32.30										
Water portion of average bill		\$26.59	\$27.50	\$28.88	\$32.30	\$32.30	\$32.30	\$32.30	\$32.30	\$32.30	\$32.30		
Incremental Increase					\$3.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		

City of Milwaukee

Stormwater Fund

(amounts in thousands)

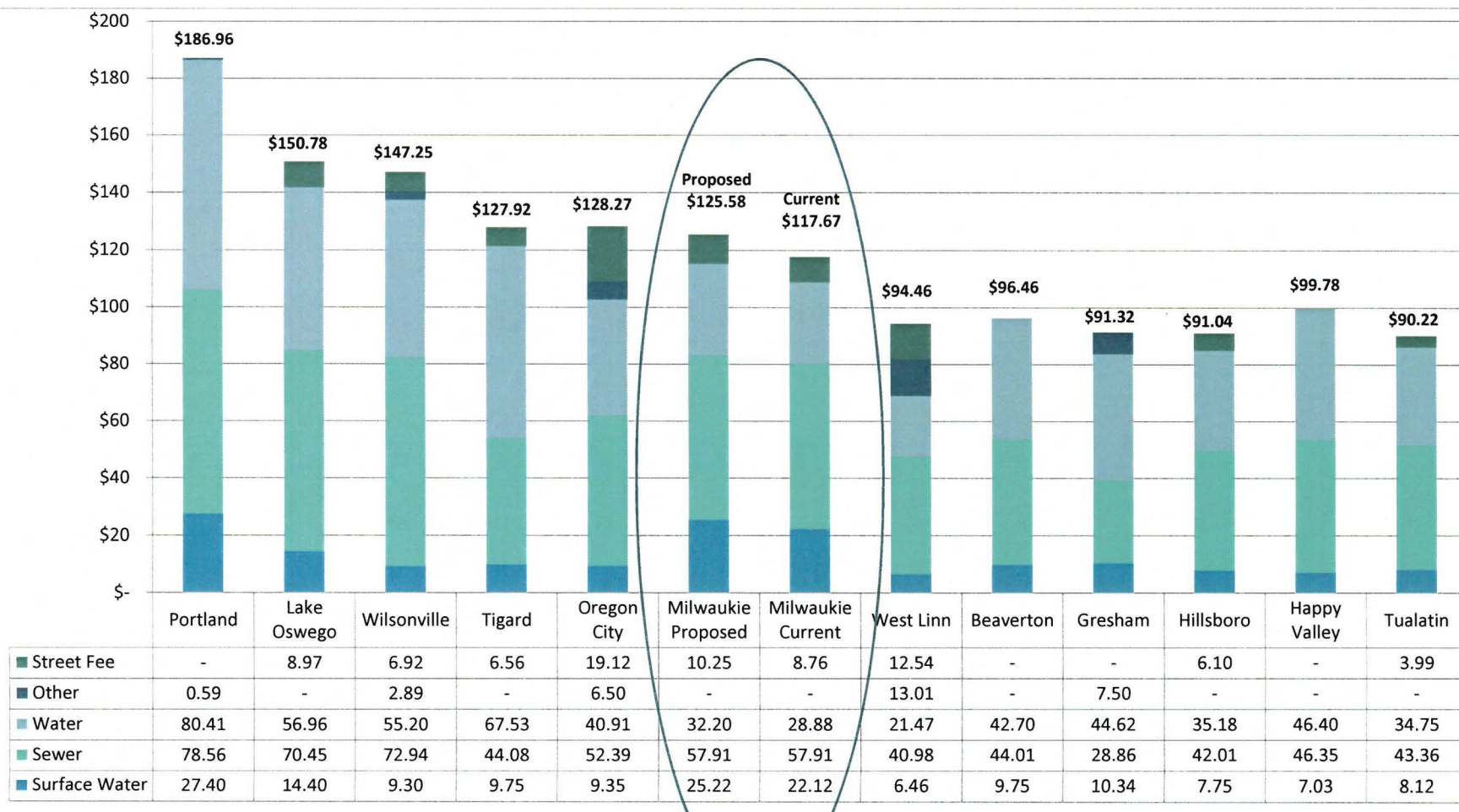
	ACTUALS				Current Year Estimated	+ 1	+ 2	+ 3	+ 4	+ 5	+ 6	
	FY14	FY15	FY16	FY17	FY18	PROJECTED					FY24	
	FY19	FY20	FY21	FY22	FY23							
Resources												
Beginning fund balance	\$ 1,896	\$ 2,528	\$ 3,391	\$ 2,953	\$ 3,774	3,774	\$ 4,349	\$ 1,151	\$ 699	\$ 1,896	\$ 2,204	
Stormwater fee - base	2,206	2,249	2,570	3,357	3,217	3,690	4,160	4,742	5,396	5,973	5,973	0.00%
Stormwater fee - rate increases	-	316	362	-	473	470	582	654	577	-	-	Per Below
Miscellaneous	6	16	14	62	64	65	67	68	70	72	74	2.50%
FILOC	-	-	-	-	-	120	-	-	-	-	-	
Intergovernmental - grants	-	-	16	-	-	-	-	-	-	-	-	0.00%
Debt proceeds	-	-	-	-	-	-	-	-	-	-	-	0.00%
Transfers from other funds	-	-	-	-	-	-	-	-	-	-	-	0.00%
Total revenues	2,212	2,581	2,962	3,419	3,754	4,345	4,809	5,464	6,043	6,045	6,047	
Total Resources	\$ 4,108	\$ 5,109	\$ 6,353	\$ 6,372	\$ 7,528	8,119	\$ 9,158	\$ 6,615	\$ 6,742	\$ 7,941	\$ 8,251	
Requirements												
Personnel Services	\$ 422	\$ 483	\$ 484	\$ 560	\$ 715	755	\$ 820	\$ 860	\$ 915	\$ 961	\$ 1,009	PS Spreadsheet
Materials & services (base)	106	117	139	145	216	241	244	251	259	267	275	3.00%
M&S (Franchise Fee to Streets)	167	206	234	269	300	340	380	440	480	480	480	Calculated
Transfers to other funds	760	905	965	1,020	1,060	1,165	1,182	1,212	1,242	1,273	1,305	2.50%
Capital outlay												
Scheduled capital projects	125	7	1,371	375	2,146	1,241	5,382	3,033	1,890	2,715	988	Per CIP
Unfunded CIP	-	-	-	-	-	-	-	-	-	-	-	Per CIP
Maintenance improvements	-	-	-	-	-	28	-	10	-	10	-	Per CIP
Additions (vehicles & equip)	-	-	207	229	228	-	-	110	60	31	55	Per CIP
Total expenditures	1,580	1,718	3,400	2,598	4,665	3,770	8,008	5,916	4,846	5,737	4,111	
Ending Fund Balance												
Policy requirement (25%)	170	200	210	240	310	330	360	390	410	430	440	
Reserve for vehicle replacement	100	150	200	250	50	300	300	300	300	300	300	
Over (under) policy/reserves	2,258	3,041	2,543	3,284	2,503	3,719	491	9	1,186	1,474	3,400	
Total ending fund balance	2,528	3,391	2,953	3,774	2,863	4,349	1,151	699	1,896	2,204	4,140	
Total Requirements	\$ 4,108	\$ 5,109	\$ 6,353	\$ 6,372	\$ 7,528	8,119	\$ 9,158	\$ 6,615	\$ 6,742	\$ 7,941	\$ 8,251	
#												
Utility Rate Information:												
% stormwater rate increases	0%	14.1%	14.1%	14.1%	14.1%	14.0%	14.0%	13.8%	10.7%	0.0%	0.0%	Per Master Plan Rate Study
Stormwater portion of average bill	\$11.44	\$14.89	\$16.99	\$19.39	\$22.12	\$25.22	\$28.75	\$32.71	\$36.21	\$36.21	\$36.21	
Incremental increase						\$3.10	\$3.53	\$3.97	\$3.50	\$0.00	\$0.00	

City of Milwaukee

Transportation Fund
(amounts in thousands)

					Current Year	+ 1	+ 2	+ 3	+ 4	+ 5	+6					
ACTUALS					Estimated	PROJECTED										
FY14					FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY22	FY23		
Resources																
Beginning fund balance					\$ 1,323	\$ 1,459	\$ 2,016	\$ 2,217	\$ 3,448	\$ 24,578	\$ 15,813	\$ 9,819	\$ 1,527	\$ 1,217	\$ 1,032	
Dedicated revenues														CPI Rate		
SAFE					-	-	-	450	900	1,026	1,058	1,091	1,117	1,144	1,171	Per Below
Street/surface maint program:																
Fees (street maint fee)					617	622	645	633	750	900	928	957	980	1,003	1,027	Per Below
Franchise fees (1.5% tax)					305	315	309	299	311	296	293	290	287	284	282	-1.00%
Intergov! (local gas tax)					166	167	181	170	168	168	166	164	162	160	158	-1.00%
New Gas Tax					-	-	-	-	138	301	349	404	467	542	589	State Projections
					1,088	1,104	1,135	1,102	1,367	1,665	1,736	1,815	1,896	1,989	2,056	
State gas tax					1,172	1,184	1,213	1,227	1,239	1,227	1,243	1,247	1,251	1,238	1,238	-1.00%
Franchise fees (from utilities)					597	700	716	808	887	948	997	1,066	1,055	1,062	1,072	Calculated
Other revenues:																
Fees - other miscellaneous					9	3	15	57	20	20	20	20	20	20	20	
FILOC					8	10	37	-	276	-	-	-	-	-	-	
Intergovernmental - grants					112	655	818	-	150	1,050	-	-	-	-	-	
Intergovernmental - other					116	-	286	181	1,840	130	-	-	-	-	-	
Debt proceeds					-	-	-	-	21,000	-	-	-	-	-	-	
Transfers from other funds					-	-	42	-	-	-	-	-	-	-	-	
Total revenues					3,102	3,656	4,262	3,825	27,679	6,066	5,054	5,239	5,338	5,453	5,557	
Total Resources					\$ 4,425	\$ 5,115	\$ 6,278	\$ 6,042	\$ 31,127	\$ 30,645	\$ 20,867	\$ 15,058	\$ 6,865	\$ 6,670	\$ 6,590	
Requirements																
Personnel services					\$ 365	\$ 389	\$ 414	\$ 375	\$ 515	\$ 531	\$ 577	\$ 598	\$ 647	\$ 664	\$ 697	PS Spreadsheet
Materials & services (base)					105	107	130	216	164	87	94	97	100	103	106	3.00%
M&S (street lights costs)					244	251	239	235	235	235	235	235	235	235	235	0.00%
Debt service					-	-	-	-	-	1,982	2,045	2,098	677	677	677	Estimated
Transfers to other funds					1,040	965	925	1,290	1,200	1,724	1,764	1,808	1,853	1,899	1,946	2.50%
Capital outlay																
SAFE					-	-	-	-	214	3,012	2,150	4,588	895	495	732	
Street/surface maintenance					909	511	1,405	162	1,607	3,267	2,716	2,138	1,581	1,195	1,668	Per CIP
State gas tax capital projects					303	876	900	316	2,009	2,271	1,347	1,805	-	340	-	Per CIP
Unfunded CIP					-	-	-	-	-	-	-	-	(500)	-	(500)	Per CIP
Other capital projects (grant funded)					-	-	-	-	-	1,608	-	-	-	-	-	Per CIP
Additions (vehicles & equip)					-	-	48	-	45	115	120	165	160	31	40	Per CIP
Total expenditures					2,966	3,099	4,061	2,594	5,989	14,832	11,048	13,531	5,648	5,638	5,601	
Ending fund balance																
Policy requirement (17%)					300	290	290	360	360	440	450	470	480	490	510	
Reserves for vehicle replacement					100	150	200	200	200	200	200	200	200	200	200	
Reserves for capital					500	500	500	500	-	450	450	400	400	400	400	
Over (under) policy/reserves					559	1,076	1,227	2,388	24,578	14,723	8,719	457	137	(58)	(121)	
Total ending fund balance					1,459	2,016	2,217	3,448	25,138	15,813	9,819	1,527	1,217	1,032	989	
Total Requirements					\$ 4,425	\$ 5,115	\$ 6,278	\$ 6,042	\$ 31,127	\$ 30,645	\$ 20,867	\$ 15,058	\$ 6,865	\$ 6,670	\$ 6,590	
Utility Rate Information:																
% SAFE rate increases									2.2%	14.0%	3.1%	3.1%	2.4%	2.4%	2.4%	CUAB Proposed
% SSMP rate increases					0%	0.0%	0.0%	0.0%	21.2%	20.0%	3.1%	3.1%	2.4%	2.4%	2.4%	CUAB Proposed
									2.2%	4.2%	2.4%	2.4%	2.4%	2.4%	2.4%	CPI Rate
									2.2%	7.7%	3.1%	3.1%	3.1%	3.1%	3.1%	CCI Rate
SAFE portion of average bill per Trip					\$0.00	\$0.00	\$0.00	\$0.46	\$0.47	\$0.54	\$0.55	\$0.57	\$0.58	\$0.60	\$0.61	
Incremental SAFE increase per Trip										\$0.07	\$0.02	\$0.02	\$0.01	\$0.01	\$0.01	
SSMP portion of average bill per Trip					\$0.35	\$0.35	\$0.35	\$0.35	\$0.42	\$0.50	\$0.52	\$0.53	\$0.55	\$0.56	\$0.57	
Incremental SSMP increase per Trip										\$0.08	\$0.02	\$0.02	\$0.01	\$0.01	\$0.01	
SSMP Target Rate per 2017 Study adjusted for new Sate Gas Tax Revenues								\$0.68	\$0.65	\$0.67	\$0.69	\$0.71	\$0.72	\$0.73	\$0.75	
Additional SSMP revenue needed according to 2017Pavement Condition Report								\$600	\$420	\$310	\$310	\$310	\$310	\$300	\$320	

Comparison Graph of Average Utility Bills of Neighboring Cities (on a monthly basis)
Neighboring Cities as of January 1, 2018



This graph compares the average utility bills for the neighboring cities surrounding Milwaukie. As some cities bill monthly, some bill every two months, and some bill every three months, these amounts are converted to average monthly amounts so they are comparable to Milwaukie. Also, cities increase different rates at different times during they year; therefore, this graph is simply a picture in time reflecting the rates at the time that the survey was conducted. And finally, cities have different average water consumption amounts per household; so for the sake of this comparison, these rates are computed using an average 6ccfs of water used per month to be comparable to Milwaukie's overall average.

Citizen Utility Advisory Board

Utility rate
recommendations



Introduction

- CUAB Considerations
- Individual fund discussions
 - Wastewater
 - Stormwater
 - Water
 - Transportation
- Summary



CUAB Goal

- Continue to keep updating infrastructure to prevent further degradation while continuing to look ahead to keep the existing system maintained.



CUAB Desired Outcomes

- Desire to limit deferment of projects.
- Desire to minimize construction costs which will only increase over time.
- Desire to hold middle ground within each utility between rates and capital investments.



History

- Wastewater Fund
 - (Planned vs Actual/Proposed)

FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
2.0%	6.7%	8.0%	8.0%	8.0%	7.0%	7.0%	4.5%	4.5%	4.5%
								\$57.20	\$59.80
0.0%	0.0%	17.1%	15.0%	12.8%	5.0%	4.0%	4.0%	0.0%	
								\$57.91	

- Additional planned 4.5% thru FY23; 5% thru FY31



History

- Stormwater Fund
 - (Planned vs Actual/Proposed)

FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
0.0%	0.0%	0.0%	14.1%	14.1%	14.1%	14.1%	14.0%	14.0%	14.0%
								\$25.20	\$28.73
0.0%	0.0%	7.5%	0.0%	14.1%	14.1%	14.1%	14.1%	14.0%	
								\$25.22	

- Additional planned FY21 (13.8%); FY22(10.7%)



History

- Water Fund
 - (Planned vs Actual/Proposed)

FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
0.0%	0.0%	14.45%	12.6%	11.21%	10.08%	9.16% \$32.30			
0.0%	0.0%	17.1%	14.6%	12.8%	5.0%	3.5% \$27.50	5.0%	11.85% \$32.30	

- No additional planned



History

- SAFE Fund

- (Planned vs Actual/Proposed)

FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
-	\$0.46	\$0.47	\$0.51 \$5.10	\$0.53	\$0.55	\$0.57	\$0.59	\$0.61	\$0.63
-	\$0.46	\$0.47	\$0.54 \$5.40	\$0.56	\$0.58	\$0.59	\$0.60	\$0.61	\$0.62

- Additional Planned CPI



History

- SSMP Fund
 - (Planned vs Actual/proposed)

FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
\$0.35	\$0.35	\$0.68	\$0.65 \$6.30	\$0.67	\$0.69	\$0.71	\$0.72	\$0.73	\$0.75
\$0.35	\$0.35	\$0.42	\$0.50 \$4.85	\$0.56	\$0.58	\$0.59	\$0.60	\$0.61	\$0.62

- Additional Planned CPI



Summary

- CUAB Recommendation

– Wastewater (zero)	\$0.00	\$57.91
– Stormwater (14.0%)	\$3.42	\$25.22
– Water (11.85%)	\$3.10	\$32.20
– SSMP (\$0.08/trip)	\$0.77	\$4.85
– SAFE (\$0.07/trip)	\$0.70	\$5.40
– Totals (Average SFR)	\$7.99	\$125.58

