



Investment in West Linn's Water System

Water Main Breaks, How to Pay, and Conservation Pricing Options

May 24, 2010

Water Break – May 17, 2010 on Broadway Street



City Crews Worked Round the Clock to Patch



Water System Investment

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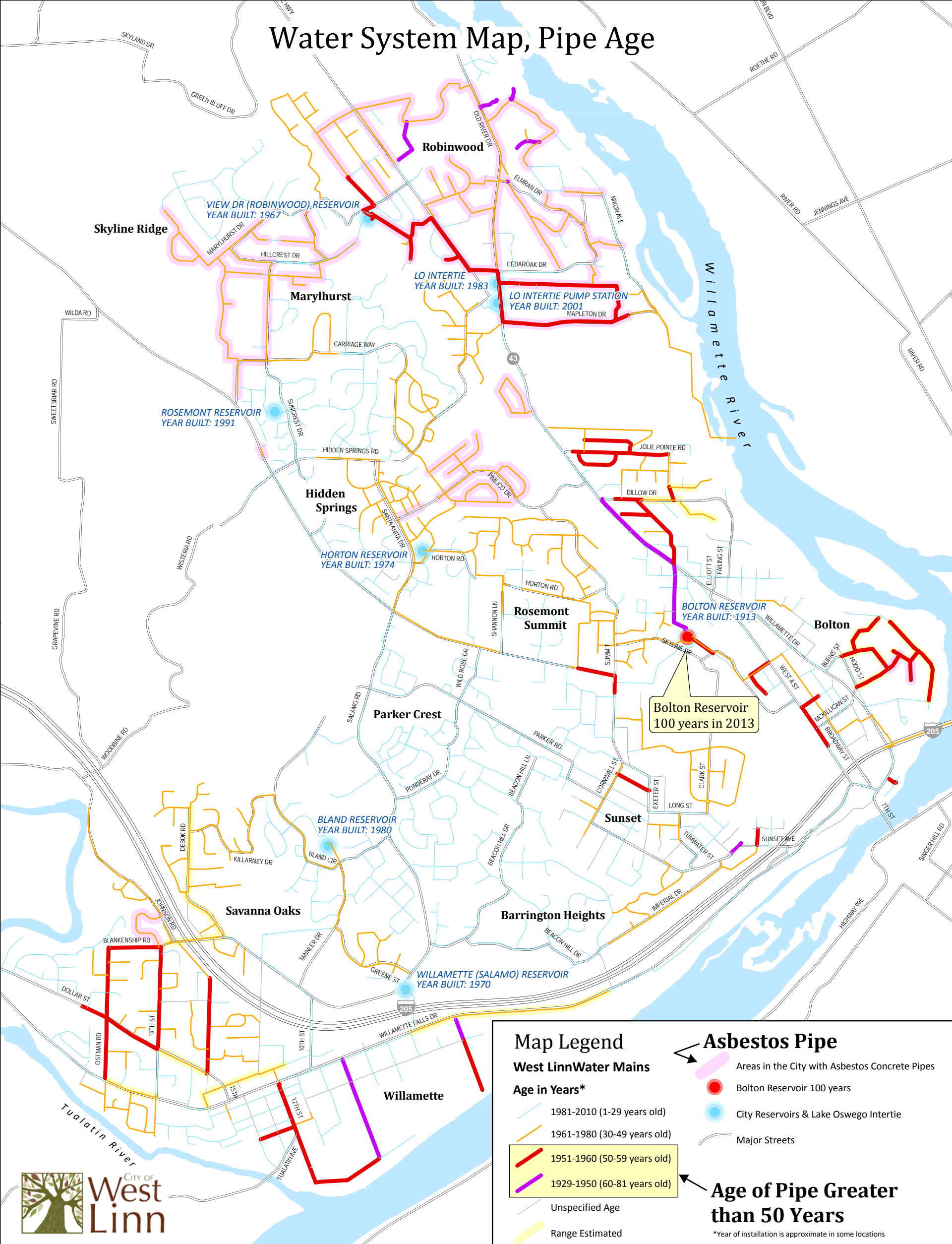
Water Break – December 2, 2009 on Skyline Circle



Water System Investment

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Water System Map, Pipe Age



Map Legend

West LinnWater Mains

Age in Years*

- 1981-2010 (1-29 years old)
- 1961-1980 (30-49 years old)
- 1951-1960 (50-59 years old)
- 1929-1950 (60-81 years old)
- Unspecified Age
- Range Estimated

Asbestos Pipe

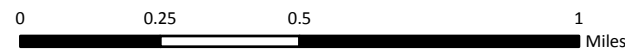
- Areas in the City with Asbestos Concrete Pipes
- Bolton Reservoir 100 years
- City Reservoirs & Lake Oswego Intertie
- Major Streets

Age of Pipe Greater than 50 Years

*Year of installation is approximate in some locations



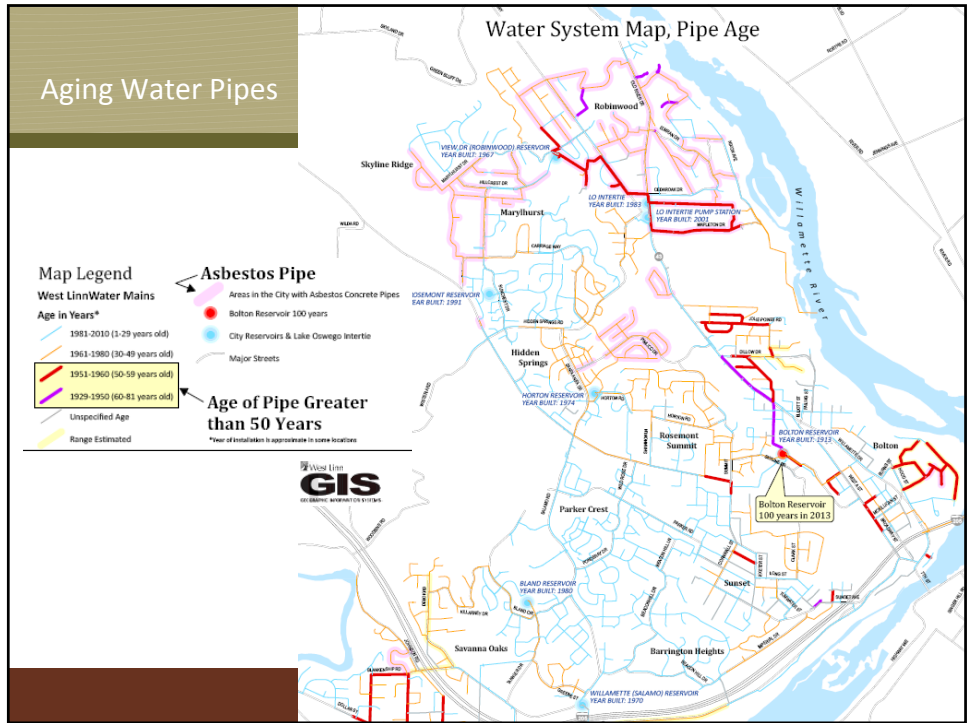
MAP PUBLICATION DATE: MAY 2010



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How to Best Pay for our Water System Investment?

- ◆ Starts with identifying all necessary project costs
- ◆ Review of current water rates and rate structure
- ◆ Propose Increasing rates to fund project costs
- ◆ Propose conservation pricing options
- ◆ Next steps
 - Role of the Utility Advisory Board
 - Involving the community, gaining feedback
 - Place question on ballot for voter's to consider

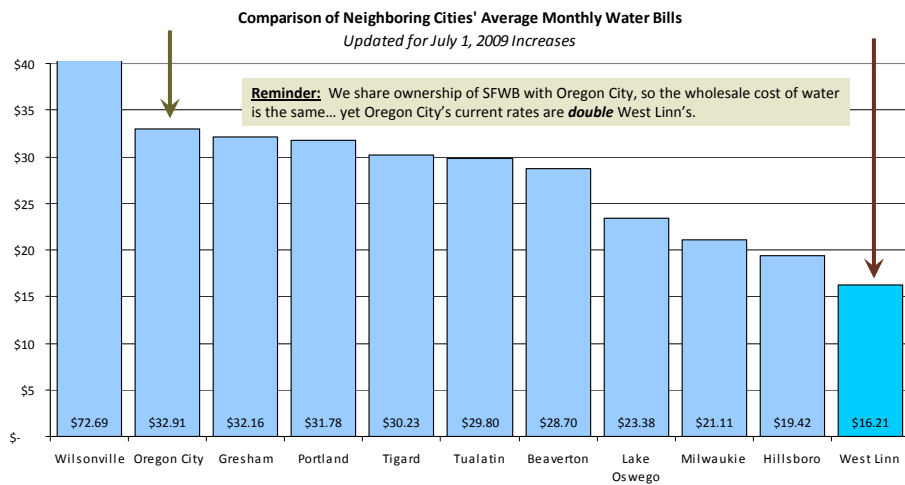
Water System Investment 6

Project Costs



- ◆ Water Master Plan adopted in 2008
- ◆ Master Plan estimates needed projects 20 years into the future
- ◆ Master Plan was the result of significant public involvement
 - Master Plan estimates \$33 million for projects through 2038 (2008 dollars)
 - Existing needs (maintenance) = \$21 million
 - Future needs (improvement) = \$12 million
- ◆ Master Plan **only** includes projects for current West Linn boundaries inside the **current** Urban Growth Boundary

West Linn Water Rates Lowest in Region



Current Rate Structure and Conservation Pricing Options



◆ Current West Linn Pricing

- Base charge per meter size of \$14.54 (2009)
- First 7 units of water used is included in base charge
- Additional consumption charged at a one-tier rate of \$1.67 (2009) per unit
- 1 unit = One hundred cubic feet (ccf) = 748 gallons = \$1.67

◆ “Conservation Pricing” Options

- Options increase all water rates to cover Master Plan project costs
- Conserving water becomes more of an incentive at all usage levels
- Policy questions for Council consideration:
 - *One tier or three tiers?*
 - *Increase at one time or phase-in increase?*

Impact on Various Customer Groups



◆ 3 Units of Water Used – 18% of users

- 3 units is the “breakeven” use amount – where the rate increases will not affect customers who use this amount or less
- This group consists predominately of senior citizens and small families

◆ 7 Units of Water Used – 52% of users

- Used throughout this presentation, this is the median use category for West Linn water customers
- Approximately 4,436 users use 7 units of water or less

◆ 10 Units of Water Used – 68% of users

- 2/3 of West Linn residents are using 10 units of water or less

Proposed One-Tier Rate Structure



No Phase

\$10.06 base rate in FY 2011 (proposed)

\$2.56 for each unit used (proposed)

Average 7 Unit Water User:

Under current structure = \$16.03

FY 2011 monthly bill = \$27.98

FY 2012 monthly bill = \$29.39

FY 2013 monthly bill = \$30.83

FY 2014 monthly bill = \$32.04

FY 2015 monthly bill = \$33.02

75%, \$12

5%, \$2

5%, \$2

4%, \$2

3%, \$1

Phased Over Three Years

\$10.06 base rate in FY 2011

\$2.56 for each unit used (three year phase-in)

Average 7 Unit Water User:

Under current structure = \$16.03

FY 2011 monthly bill = \$22.94

FY 2012 monthly bill = \$26.59

FY 2013 monthly bill = \$30.83

FY 2014 monthly bill = \$32.04

FY 2015 monthly bill = \$33.02

43%, \$7

16%, \$4

16%, \$4

4%, \$2

3%, \$1

Proposed Three-Tier Rate Structure



No Phase

\$10.06 base rate in FY 2011 (proposed)

\$2.00 for 0-10 units, (proposed)

\$2.55 for 11-30 units, (proposed)

\$4.12 for 30+ units (proposed)

Average 7 Unit Water User:

Under current structure = \$16.03

FY 2011 monthly bill = \$24.06

FY 2012 monthly bill = \$25.26

FY 2013 monthly bill = \$26.56

FY 2014 monthly bill = \$27.63

FY 2015 monthly bill = \$28.47

50%, \$8

5%, \$1

5%, \$1

4%, \$1

3%, \$1

Phased Over Three Years

\$10.06 base rate in FY 2011

\$2.00 for 0-10 units,

\$2.55 for 11-30 units,

\$4.12 for 30+ units

(three year phase-in)

Average 7 Unit Water User:

Under current structure = \$16.03

FY 2011 monthly bill = \$20.98

FY 2012 monthly bill = \$23.55

FY 2013 monthly bill = \$26.56

FY 2014 monthly bill = \$27.63

FY 2015 monthly bill = \$28.47

31%, \$5

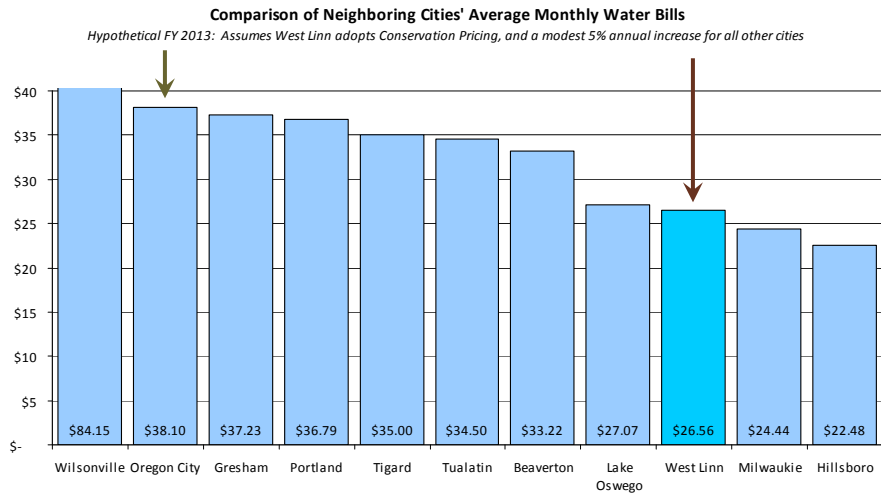
12%, \$3

13%, \$3

4%, \$1

3%, \$1

Still one of the Lowest Water Bills after Proposed Increases



Water System Investment

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Next Steps



Utility Advisory Board

- Host three “Town Hall” meetings in June for public comment on rate proposal

Community Involvement

- **Next 30 days: Encourage dialogue** on a pending Council decision to place a water rate increase on the September 2010 ballot;
- **Next 100 days: Educate and inform** West Linn residents on the need for a water rate increase to support infrastructure investment.

Tentative Calendar

- Public comment on May 24, June 14, June 28
- Various communications tools: newspaper, web, printed materials
- Council decision to place on September 2010 ballot at June 28 Council meeting

Water System Investment

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City of West Linn

Water System

Project List

City of West Linn
 Water and Streets SDC Update Study -- Debt Out
 Water SDC Project List

FINAL

Table 4

Project #	Project Source (1)	Project Title (1)	Eligible Capacity Increasing % (1)	Serving Existing Deficiency	2008 Project Cost	Current Project Cost (2)	SDC Eligible Cost
Capital Maintenance Program							
1	2008 WMP	Distribution System -- AC Pipe Replacement	16.0%	84.0%	\$ 6,900,000	\$ 7,078,466	\$ 1,130,656
2	2008 WMP	Distribution System -- Galvanized Pipe Replacement	16.0%	84.0%	750,000	769,398	122,897
3	2008 WMP	Distribution System -- Pressure Reducing Valve Vault Improvements	16.0%	84.0%	100,000	102,586	16,386
4	2008 WMP	Reservoir Improvements -- Reservoir Seismic Assessment and Improvements	16.0%	84.0%	390,000	400,087	63,907
5	2008 WMP	Reservoir Improvements -- Reservoir Coating Maintenance and Replacement	16.0%	84.0%	360,000	369,311	58,991
6	2008 WMP	General System Improvements -- Willamette Pump Station Motor Control Center Assessment and Upgrades	16.0%	84.0%	120,000	123,104	19,664
7	2008 WMP	General System Improvements -- Demolish Abandoned View Drive Site Facilities	16.0%	84.0%	75,000	76,940	12,290
8	2008 WMP	General System Improvements -- SCADA System Upgrades	16.0%	84.0%	150,000	153,880	24,579
9	Storage and Pumping Facilities						
10	2008 WMP	Bolton Pressure Zone -- Bolton Reservoir Replacement -- 4.0 MG	30.0%	70.0%	8,000,000	8,206,917	2,462,075
11	2008 WMP	Bland Pressure Zone -- Bland Reservoir No. 2 -- 0.3 MG	33.0%	67.0%	525,000	538,579	177,731
12	2008 WMP	Emergency Intertie Pump Station Expansion	16.0%	84.0%	75,000	76,940	12,290
13	2008 WMP	3rd Rosemont Pressure Zone Supply PS -- Bland Reservoir Site (Intertie Supply to Rosemont)	100.0%	0.0%	1,250,000	1,282,331	1,282,331
Distribution System Piping							
1	2008 WMP	Willamette -- Willamette Falls Dr. from PRV to Pump Station	75.0%	25.0%	1,187,200	1,217,906	913,430
2	2008 WMP	Willamette -- Willamette Falls Dr. from Britton to Ostman	56.0%	44.0%	311,910	319,977	179,187
3	2008 WMP	Willamette -- Dollar St. from 16th to Fields Dr.	56.0%	44.0%	505,605	518,682	290,462
4	2008 WMP	Willamette -- 16th St & 8th Ave. to 10th St.	100.0%	0.0%	351,125	360,207	360,207
5	2008 WMP	Willamette -- 12th St. from Tualatin Ave. to Volpp St. on to 9th St. up to 5th Ave.	0.0%	100.0%	355,625	364,823	-
6	2008 WMP	Willamette -- 10th St. from 5th Ave. to Leslie Way	0.0%	100.0%	84,750	86,942	-
7	2008 WMP	Willamette -- 19th St. from Dollar St. to Blankenship Rd.	100.0%	0.0%	244,750	251,080	251,080
8	2008 WMP	Willamette -- Ostman Rd. from Dollar St. to Blankenship Rd.	100.0%	0.0%	170,625	175,038	175,038
9	2008 WMP	Willamette -- Michael Dr.	0.0%	100.0%	92,875	95,277	-
10	2008 WMP	Willamette -- Blankenship Rd. from Ostman Rd. to 19th	100.0%	0.0%	122,500	125,668	125,668
11	2008 WMP	Willamette -- 19th St. from Blankenship Rd. to Johnson Rd	100.0%	0.0%	176,500	181,065	181,065
12	2008 WMP	Willamette -- Blankenship Rd. from 19th to Willamette Terrace Apartments	100.0%	0.0%	47,250	48,472	48,472
12	2008 WMP	Willamette -- Blankenship Rd. from 19th to Willamette Terrace Apartments	100.0%	0.0%	99,665	102,243	102,243
13	2008 WMP	Willamette -- Johnson Rd. from Blankenship Rd. to Willamette River	100.0%	0.0%	518,375	531,783	531,783
14	2008 WMP	Willamette -- Ostman Rd. & Dollar St. to Rancho Lobo Ln & Swiftshore Dr	100.0%	0.0%	320,625	328,918	328,918
15	2008 WMP	Willamette -- South of Willamette Falls Dr. & 19th to Swiftshore Dr.	0.0%	100.0%	90,000	92,328	-
16	2008 WMP	Willamette -- Swiftshore Dr.	0.0%	100.0%	109,250	112,076	-
16	2008 WMP	Willamette -- Swiftshore Dr.	0.0%	100.0%	62,900	64,527	-
17	2008 WMP	Willamette -- Evah Ln	0.0%	100.0%	63,375	65,014	-
18	2008 WMP	Willamette -- From Willamette Falls Dr. to Dollar St.	100.0%	0.0%	224,750	230,563	230,563
20	2008 WMP	Willamette -- Debok Rd. from Blankenship Rd. to Margery St	36.0%	64.0%	196,540	201,623	72,584

#	Project Source (1)	Project Title (1)	Eligible Capacity Increasing % (1)	Serving Existing Deficiency	2008 Project Cost	Current Project Cost (2)	SDC Eligible Cost
21	2008 WMP	Willamette -- Village Park Pl.	0.0%	100.0%	66,500	68,220	-
23	2008 WMP	Willamette -- Debok Rd. from Village Park Pl. to Tamarisk Dr	36.0%	64.0%	250,170	256,641	92,391
24	2008 WMP	Willamette -- Farrvista Dr. & Debok Rd. to Farrvista Ct.	0.0%	100.0%	74,625	76,555	-
24	2008 WMP	Willamette -- Farrvista Dr. & Debok Rd. to Farrvista Ct.	0.0%	100.0%	63,705	65,353	-
25	2008 WMP	Willamette -- Tamarisk Dr.	100.0%	0.0%	89,500	91,815	91,815
26	2008 WMP	Willamette -- Troy Ct.	0.0%	100.0%	68,875	70,656	-
27	2008 WMP	Willamette -- Wisteria Ct.	0.0%	100.0%	40,000	41,035	-
34	2008 WMP	Willamette -- I-205 crossing west of Tamarisk Dr.	100.0%	0.0%	151,000	154,906	154,906
19	2008 WMP	Bland PZ -- Barnes Circle from Greene St. to Lois Ln.	0.0%	100.0%	68,250	70,015	-
22	2008 WMP	Bland PZ -- Riverknoll Ct	0.0%	100.0%	68,375	70,143	-
28	2008 WMP	Bland PZ -- Killarney Dr. from Debok Rd. to PRV	44.0%	56.0%	150,000	153,880	67,707
28	2008 WMP	Bland PZ -- Killarney Dr. from PRV to Tipperary Ct.	44.0%	56.0%	44,250	45,395	19,974
29	2008 WMP	Horton PZ -- Weatherhill Rd. from S. Salamo Rd to S. Bland Circle and then south	100.0%	0.0%	289,000	296,475	296,475
31	2008 WMP	Horton PZ -- Sussex St. south of Sunset Ave.	0.0%	100.0%	31,000	31,802	-
32	2008 WMP	Horton PZ -- From River View Ave. to Falls View Dr.	0.0%	100.0%	26,625	27,314	-
39	2008 WMP	Horton PZ -- Clark St. south of Skyline	0.0%	100.0%	53,125	54,499	-
42	2008 WMP	Horton PZ -- North of Linn Ln.	0.0%	100.0%	46,125	47,318	-
43	2008 WMP	Horton PZ -- Parkview Terrace and Rosepark Dr.	0.0%	100.0%	95,625	98,098	-
47	2008 WMP	Horton PZ -- Apollo Rd. west of Athena Rd.	0.0%	100.0%	48,125	49,370	-
48	2008 WMP	Horton PZ -- Palomino Way from Saddle Ct. to Palomino Circle	100.0%	0.0%	30,750	31,545	31,545
36	2008 WMP	Bolton PZ -- River St. from Burns St. to Holly St.	0.0%	100.0%	263,375	270,187	-
36	2008 WMP	Bolton PZ -- River St. from Burns St. to Holly St.	0.0%	100.0%	31,375	32,187	-
38	2008 WMP	Bolton PZ -- Burns St. from Hood St. to River St.	0.0%	100.0%	153,500	157,470	-
40	2008 WMP	Bolton PZ -- Caufield St.	0.0%	100.0%	88,875	91,174	-
49	2008 WMP	Bolton PZ -- Mark Ln. from Willamette Dr. to Lowell Ave	100.0%	0.0%	94,875	97,329	97,329
50	2008 WMP	Bolton PZ -- Magone Ln. west of Tulane St.	0.0%	100.0%	36,625	37,572	-
51	2008 WMP	Horton PZ -- Dillow Dr. and Larson Ave. area	0.0%	100.0%	166,750	171,063	-
51	2008 WMP	Horton PZ -- Dillow Dr. and Larson Ave. area	36.0%	64.0%	139,655	143,267	51,576
52	2008 WMP	Horton PZ -- Hidden Springs Rd. southwest of Willamette Dr.	100.0%	0.0%	39,875	40,906	40,906
30	2008 WMP	Rosemont PZ -- Weatherhill Rd.	100.0%	0.0%	107,625	110,409	110,409
37	2008 WMP	Rosemont PZ -- Suncrest Ave. from Carriage Way to Valley View Dr.	56.0%	44.0%	306,360	314,284	175,999
41	2008 WMP	Rosemont PZ -- Ridge Ln. area	100.0%	0.0%	162,500	166,703	166,703
44	2008 WMP	Rosemont PZ -- S. Shannon Ln. north of Rosepark Dr.	0.0%	100.0%	75,250	77,196	-
46	2008 WMP	Rosemont PZ -- Parker Rd. to Horton Reservoir	56.0%	44.0%	939,600	963,902	539,785
45	2008 WMP	Rosemont PZ -- Rosemont Rd. from Salamo Rd to Wild Rose Dr	56.0%	44.0%	340,955	349,774	195,873
61	2008 WMP	Rosemont PZ -- Upper Midhill Circle from Robinwood Way to Marylhurst Dr	100.0%	0.0%	99,375	101,945	101,945
62	2008 WMP	Rosemont PZ -- View Drive Pump Station to Marylhurst Drive	36.0%	64.0%	26,350	27,032	9,731
63	2008 WMP	Rosemont PZ -- Arbor Dr. from Upper Midhill Dr. to Lower Midhill Dr	100.0%	0.0%	50,750	52,063	52,063
64	2008 WMP	Rosemont PZ -- Scenic Drive and Hillside Dr. area	100.0%	0.0%	85,000	87,198	87,198
35	2008 WMP	Robinwood PZ -- Transmission to View Dr. Reservoir	31.0%	69.0%	779,035	799,184	247,747
53	2008 WMP	Robinwood PZ -- Elmran Dr. from Cedaroak Dr. to Nixon Ave.	100.0%	0.0%	123,500	126,694	126,694
54	2008 WMP	Robinwood PZ -- Nixon Ave.	0.0%	100.0%	317,000	325,199	-
54	2008 WMP	Robinwood PZ -- Nixon Ave.	0.0%	100.0%	61,500	63,091	-
55	2008 WMP	Robinwood PZ -- Elmran Dr. from Trillium Dr. to Calaroga Dr	100.0%	0.0%	107,500	110,280	110,280

#	Project Source (1)	Project Title (1)	Eligible Capacity Increasing % (1)	Serving Existing Deficiency	2008 Project Cost	Current Project Cost (2)	SDC Eligible Cost
56	2008 WMP	Robinwood PZ -- Parkwood Way west of Calaroga Dr.	0.0%	100.0%	28,125	28,852	-
57	2008 WMP	Robinwood PZ -- River Rd south of Riverwood Pl.	100.0%	0.0%	51,375	52,704	52,704
59	2008 WMP	Robinwood PZ -- Vista Ct.	0.0%	100.0%	73,000	74,888	-
60	2008 WMP	Robinwood PZ -- Shady Hollow Way and Willamette Dr. to Fairview Way	0.0%	100.0%	250,250	256,723	-
61	2008 WMP	Pressure Reducing Facilities -- Scenic Drive PRV Station	16.0%	84.0%	120,000	123,104	19,664
		Supply			-	-	-
1	2008 WMP	Emergency Supply -- Tigard/Lake Oswego Intertie	16.0%	84.0%	2,200,000	2,256,902	360,499
		Other			-	-	-
1	2008 WMP	Water System Master Plan Update	16.0%	84.0%	150,000	153,880	24,579
					-	-	-

Total			36.6%	63.4%	\$ 33,256,775	\$ 34,116,949	\$ 12,500,996
plus: SDC Credits Outstanding (3)							\$ -
less: Beginning FY2009 Water SDC Fund Balance (4)							(1,049,317)
Total Future Capital Projects for SDC Calculation							\$ 11,451,679

NOTES:

- (1) Source: City of West Linn Water System Master Plan. November 2008. Murray, Smith & Associates, Inc. Reported capacity-increasing percentages were utilized for the majority of projects. Remaining project costs were allocated based on growth's share of future systemwide average day demand (2009-2030). The eight projects listed under the "Capital Maintenance Program" were allocated to growth proportionately with their share of future water needs after consulting with the project engineer and concluding that both existing and future development would be jointly served by the improved and/or replaced system assets.
- Distribution System -- AC Pipe Replacement. Will be replaced due to higher failure rate. Some pipes will be upsized, but not all.*
- Distribution System -- Galvanized Pipe Replacement. Typically 3-inch diameter or less, will be replaced with 4-inch piping. Allocation based on 3" and 4" meter flow capacity.*
- Distribution System -- Pressure Reducing Valve Vault Improvements. Proportional allocation due to improved ability of the stations to serve current and future development.*
- Reservoir Improvements -- Reservoir Seismic Assessment and Improvements. These assessments will allow reservoirs to continue to serve current and future customer needs.*
- Reservoir Improvements -- Reservoir Coating Maintenance and Replacement. Interior and exterior coating will allow reservoirs to continue to serve current and future customer needs.*
- General System Improvements -- Willamette Pump Station Motor Control Center Assessment / Upgrades. Proportionally allocated as the station is sized to meet the needs of growth.*
- General System Improvements -- Demolish Abandoned View Drive Site Facilities. Retiring abandoned facilities to reduce the risk associated with the failure of aging structures.*
- Emergency Intertie Pump Station Expansion. Will improve the capacity of the City's emergency supply system, providing equal benefit to all existing and future customers (pg 8-7).*
- Emergency Supply -- Tigard/Lake Oswego Intertie. Will improve the capacity of the City's emergency supply system, providing equal benefit to all existing and future customers (pg 8-7).*
- (2) Source: Engineering News Review, April 20, 2009 issue. 2008 project cost estimates were based on the 20-City August 2008 ENR CCI of 8,362.
- | | | |
|--------------------------------------|-------------|-----------|
| Year | August 2008 | June 2009 |
| 20-City Avg. Construction Cost Index | 8,362 | 8,578 |
- (3) Credits based on eligible SDC costs. Few if any outstanding water SDC credits as of May 2009.
- (4) Source: Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2008.

City of West Linn
Water Rate Summary Analysis

Comparing Monthly Water Amounts

Water used on average per month	Current \$14.54 + \$1.67 over 7 ccfs	3 Tier \$9.12 + \$1.81 over 0 ccfs \$2.31 over 10 ccfs \$3.73 over 30 ccfs	1 Tier \$9.12 + \$2.32 over 0 ccfs
1 ccf	\$ 14.54	\$ 10.93	\$ 11.44
2 ccf	14.54	12.74	13.76
3 ccf	14.54	14.55	16.08
4 ccf	14.54	16.36	18.40
5 ccf	14.54	18.17	20.72
6 ccf	14.54	19.98	23.04
7 ccf	14.54	21.79	25.36
8 ccf	16.21	23.60	27.68
9 ccf	17.88	25.41	30.00
10 ccf	19.55	27.22	32.32
15 ccf	27.90	38.77	43.92
20 ccf	36.25	50.32	55.52
25 ccf	44.60	61.87	67.12
30 ccf	52.95	73.42	78.72
40 ccf	69.65	110.72	101.92
50 ccf	86.35	148.02	125.12
60 ccf	103.05	185.32	148.32
70 ccf	119.75	222.62	171.52
80 ccf	136.45	259.92	194.72
90 ccf	153.15	297.22	217.92
100 ccf	169.85	334.52	241.12
200 ccf	336.85	707.52	473.12
300 ccf	503.85	1,080.52	705.12
400 ccf	670.85	1,453.52	937.12
500 ccf	837.85	1,826.52	1,169.12
600 ccf	1,004.85	2,199.52	1,401.12
700 ccf	1,171.85	2,572.52	1,633.12
800 ccf	1,338.85	2,945.52	1,865.12
900 ccf	1,505.85	3,318.52	2,097.12
1000 ccf	1,672.85	3,691.52	2,329.12
2000 ccf	3,342.85	7,421.52	4,649.12

TIER 0
NO CONSERVATION INCENTIVE

TIER 1
2/3 OR 5,800 ACCOUNTS

TIER 2
1/4 OR 2,100 ACCOUNTS

TIER 3
7% OR 650 ACCOUNTS

SUMMARIZED INFO.

City of West Linn
Water Rate Summary Analysis

Average Monthly Data Information on Meters

Water used on average per month [in ccfs]	Number of meters (or accounts) in each ccf block	Cumulative number of meters (or accounts)	Cumulative percentage of meters (or accounts)
1	642	642	7.5%
2	365	1,007	11.8%
3	537	1,544	18.1%
4	689	2,233	26.1%
5	766	2,999	35.1%
6	772	3,771	44.1%
7	665	4,436	51.9%
8	565	5,001	58.5%
9	447	5,448	63.7%
10	373	5,821	68.1% (1)
15	1,053	6,874	80.4%
20	522	7,396	86.5%
25	322	7,718	90.2%
30	214	7,932	92.7% (2)
40	253	8,185	95.7%
50	123	8,308	97.1%
60	65	8,373	97.9%
70	40	8,413	98.4%
80	25	8,438	98.6%
90	21	8,459	98.9%
100	15	8,474	99.1%
200	47	8,521	99.6%
300	13	8,534	99.8%
400	7	8,541	99.8%
500	4	8,545	99.9%
600	3	8,548	99.9%
700	2	8,550	100.0%
800	1	8,551	100.0%
900	1	8,552	100.0%
1000	-	8,552	100.0%
2000	2	8,554	100.0%

Water Rate Structures

Average Monthly Water Payments

Current \$14.54 + \$1.67 for any usage over 7 ccfs	3 Tier Option \$9.12 + \$1.81 [0-10 ccfs] \$2.31 [11-30] + \$3.73 [30+]		1 Tier Option \$9.12 + \$2.32 [all ccfs]	
	\$	%	\$	%
\$ 14.54	\$ 10.93	(4) -28%	\$ 11.44	(3) -21%
14.54	12.74	(2) -14%	13.76	(1) -7%
14.54	14.55	- 0% (3)	16.08	2 14%
14.54	16.36	2 14%	18.40	4 28%
14.54	18.17	4 28%	20.72	6 41%
14.54	19.98	5 34%	23.04	9 62%
16.21	21.79	7 48%	25.36	11 76%
17.88	23.60	7 43%	27.68	11 68%
19.55	25.41	8 45%	30.00	12 67%
27.90	27.22	8 41%	32.32	13 66%
36.25	38.77	11 39%	43.92	16 57%
44.60	50.32	14 39%	55.52	19 52%
52.95	61.87	17 38%	67.12	23 52%
69.65	73.42	20 38%	78.72	26 49%
86.35	110.72	41 59%	101.92	32 46%
103.05	148.02	62 72%	125.12	39 45%
119.75	185.32	82 80%	148.32	45 44%
136.45	222.62	103 86%	171.52	52 43%
153.15	259.92	123 90%	194.72	58 43%
169.85	297.22	144 94%	217.92	65 42%
336.85	334.52	165 97%	241.12	71 42%
503.85	707.52	371 110%	473.12	136 40%
670.85	1,080.52	577 115%	705.12	201 40%
837.85	1,453.52	783 117%	937.12	266 40%
1,004.85	1,826.52	989 118%	1,169.12	331 40%
1,171.85	2,199.52	1,195 119%	1,401.12	396 39%
1,338.85	2,572.52	1,401 120%	1,633.12	461 39%
1,505.85	2,945.52	1,607 120%	1,865.12	526 39%
1,672.85	3,318.52	1,813 120%	2,097.12	591 39%
3,342.85	3,691.52	2,019 121%	2,329.12	656 39%
	7,421.52	4,079 122%	4,649.12	1,306 39%

8,554 Average number of meters (or accounts)
read each month for entire City

30% 44%
Overall weighted-average % rate increase per option

Notes:

- (1) Approximately 2/3 or 5,800 residents use less than 10 ccfs per month
- (2) Approximately 2,100 residents use between 10 and 30 ccfs per month
- (3) Breakeven point with 3 Tier Option is at 3 ccfs (approximately 1,500 residences will have no change or a decrease)

MORE DETAIL

No phase-in

**City of West Linn
Comparison of Rate Options**

		Current Rate Structure (Base + \$1.67 over 7ccfs)								1 Tier Proposed Conservation Rate Structure (Not Phased-in over 3 Years)						
Year		2009	2010	2011	2012	2013	2014	2015	2009	2010	2011	2012	2013	2014	2015	
% increase		5%	5%	5%	5%	5%	4%	3%	5%	5%	5%	5%	5%	4%	3%	
Water used on average per month	Base	\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 9.12	\$ 9.58	\$ 10.06	\$ 10.56	\$ 11.09	\$ 11.53	\$ 11.88	
	Tier 1	\$ 1.67	\$ 1.75	\$ 1.84	\$ 1.93	\$ 2.03	\$ 2.11	\$ 2.17	\$ 2.32	\$ 2.44	\$ 2.56	\$ 2.69	\$ 2.82	\$ 2.93	\$ 3.02	
	Tier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.32	\$ 2.44	\$ 2.56	\$ 2.69	\$ 2.82	\$ 2.93	\$ 3.02	
	Tier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.32	\$ 2.44	\$ 2.56	\$ 2.69	\$ 2.82	\$ 2.93	\$ 3.02	
1 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 11.44	\$ 12.02	\$ 12.62	\$ 13.25	\$ 13.91	\$ 14.46	\$ 14.90	
2 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 13.76	\$ 14.46	\$ 15.18	\$ 15.94	\$ 16.73	\$ 17.39	\$ 17.92	
3 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 16.08	\$ 16.90	\$ 17.74	\$ 18.63	\$ 19.55	\$ 20.32	\$ 20.94	
4 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 18.40	\$ 19.34	\$ 20.30	\$ 21.32	\$ 22.37	\$ 23.25	\$ 23.96	
5 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 20.72	\$ 21.78	\$ 22.86	\$ 24.01	\$ 25.19	\$ 26.18	\$ 26.98	
6 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 23.04	\$ 24.22	\$ 25.42	\$ 26.70	\$ 28.01	\$ 29.11	\$ 30.00	
7 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 25.36	\$ 26.66	\$ 27.98	\$ 29.39	\$ 30.83	\$ 32.04	\$ 33.02	
8 ccf		\$ 16.21	\$ 17.02	\$ 17.87	\$ 18.76	\$ 19.70	\$ 20.49	\$ 21.10	\$ 27.68	\$ 29.10	\$ 30.54	\$ 32.08	\$ 33.65	\$ 34.97	\$ 36.04	
9 ccf		\$ 17.88	\$ 18.77	\$ 19.71	\$ 20.69	\$ 21.73	\$ 22.60	\$ 23.27	\$ 30.00	\$ 31.54	\$ 33.10	\$ 34.77	\$ 36.47	\$ 37.90	\$ 39.06	
10 ccf		\$ 19.55	\$ 20.52	\$ 21.55	\$ 22.62	\$ 23.76	\$ 24.71	\$ 25.44	\$ 32.32	\$ 33.98	\$ 35.66	\$ 37.46	\$ 39.29	\$ 40.83	\$ 42.08	

**City of West Linn
Comparison of Rate Options**

		Current Rate Structure (Base + \$1.67 over 7ccfs)								1 Tier Proposed Conservation Rate Structure (Phased-in over 3 Years)							
Year		2009	2010	2011	2012	2013	2014	2015	2009	2010	2011	2012	2013	2014	2015		
% increase		5%	5%	5%	5%	5%	4%	3%	5%	5%	5%	5%	5%	4%	3%		
Water used on average per month	Base	\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 9.12	\$ 9.58	\$ 10.06	\$ 10.56	\$ 11.09	\$ 11.53	\$ 11.88		
	Tier 1	\$ 1.67	\$ 1.75	\$ 1.84	\$ 1.93	\$ 2.03	\$ 2.11	\$ 2.17	\$ 2.32	\$ 2.44	\$ 1.84	\$ 2.29	\$ 2.82	\$ 2.93	\$ 3.02		
	Tier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.32	\$ 2.44	\$ 1.84	\$ 2.29	\$ 2.82	\$ 2.93	\$ 3.02		
	Tier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.32	\$ 2.44	\$ 1.84	\$ 2.29	\$ 2.82	\$ 2.93	\$ 3.02		
1 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 11.44	\$ 12.02	\$ 11.90	\$ 12.85	\$ 13.91	\$ 14.46	\$ 14.90		
2 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 13.76	\$ 14.46	\$ 13.74	\$ 15.14	\$ 16.73	\$ 17.39	\$ 17.92		
3 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 16.08	\$ 16.90	\$ 15.58	\$ 17.43	\$ 19.55	\$ 20.32	\$ 20.94		
4 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 18.40	\$ 19.34	\$ 17.42	\$ 19.72	\$ 22.37	\$ 23.25	\$ 23.96		
5 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 20.72	\$ 21.78	\$ 19.26	\$ 22.01	\$ 25.19	\$ 26.18	\$ 26.98		
6 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 23.04	\$ 24.22	\$ 21.10	\$ 24.30	\$ 28.01	\$ 29.11	\$ 30.00		
7 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 25.36	\$ 26.66	\$ 22.94	\$ 26.59	\$ 30.83	\$ 32.04	\$ 33.02		
8 ccf		\$ 16.21	\$ 17.02	\$ 17.87	\$ 18.76	\$ 19.70	\$ 20.49	\$ 21.10	\$ 27.68	\$ 29.10	\$ 24.78	\$ 28.88	\$ 33.65	\$ 34.97	\$ 36.04		
9 ccf		\$ 17.88	\$ 18.77	\$ 19.71	\$ 20.69	\$ 21.73	\$ 22.60	\$ 23.27	\$ 30.00	\$ 31.54	\$ 26.62	\$ 31.17	\$ 36.47	\$ 37.90	\$ 39.06		
10 ccf		\$ 19.55	\$ 20.52	\$ 21.55	\$ 22.62	\$ 23.76	\$ 24.71	\$ 25.44	\$ 32.32	\$ 33.98	\$ 28.46	\$ 33.46	\$ 39.29	\$ 40.83	\$ 42.08		

**City of West Linn
Comparison of Rate Options**

		Current Rate Structure (Base + \$1.67 over 7ccfs)								3 Tier Proposed Conservation Rate Structure (Not Phased-in over 3 Years)							
Year		2009	2010	2011	2012	2013	2014	2015	2009	2010	2011	2012	2013	2014	2015		
% increase		5%	5%	5%	5%	5%	4%	3%	5%	5%	5%	5%	5%	4%	3%		
Water used on average per month	Base	\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 9.12	\$ 9.58	\$ 10.06	\$ 10.56	\$ 11.09	\$ 11.53	\$ 11.88		
	Tier 1	\$ 1.67	\$ 1.75	\$ 1.84	\$ 1.93	\$ 2.03	\$ 2.11	\$ 2.17	\$ 1.81	\$ 1.90	\$ 2.00	\$ 2.10	\$ 2.21	\$ 2.30	\$ 2.37		
	Tier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.31	\$ 2.43	\$ 2.55	\$ 2.68	\$ 2.81	\$ 2.92	\$ 3.01		
	Tier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.73	\$ 3.92	\$ 4.12	\$ 4.33	\$ 4.55	\$ 4.73	\$ 4.87		
1 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 10.93	\$ 11.48	\$ 12.06	\$ 12.66	\$ 13.30	\$ 13.83	\$ 14.25		
2 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 12.74	\$ 13.38	\$ 14.06	\$ 14.76	\$ 15.51	\$ 16.13	\$ 16.62		
3 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 14.55	\$ 15.28	\$ 16.06	\$ 16.86	\$ 17.72	\$ 18.43	\$ 18.99		
4 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 16.36	\$ 17.18	\$ 18.06	\$ 18.96	\$ 19.93	\$ 20.73	\$ 21.36		
5 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 18.17	\$ 19.08	\$ 20.06	\$ 21.06	\$ 22.14	\$ 23.03	\$ 23.73		
6 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 19.98	\$ 20.98	\$ 22.06	\$ 23.16	\$ 24.35	\$ 25.33	\$ 26.10		
7 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 21.79	\$ 22.88	\$ 24.06	\$ 25.26	\$ 26.56	\$ 27.63	\$ 28.47		
8 ccf		\$ 16.21	\$ 17.02	\$ 17.87	\$ 18.76	\$ 19.70	\$ 20.49	\$ 21.10	\$ 23.60	\$ 24.78	\$ 26.06	\$ 27.36	\$ 28.77	\$ 29.93	\$ 30.84		
9 ccf		\$ 17.88	\$ 18.77	\$ 19.71	\$ 20.69	\$ 21.73	\$ 22.60	\$ 23.27	\$ 25.41	\$ 26.68	\$ 28.06	\$ 29.46	\$ 30.98	\$ 32.23	\$ 33.21		
10 ccf		\$ 19.55	\$ 20.52	\$ 21.55	\$ 22.62	\$ 23.76	\$ 24.71	\$ 25.44	\$ 27.22	\$ 28.58	\$ 30.06	\$ 31.56	\$ 33.19	\$ 34.53	\$ 35.58		

**City of West Linn
Comparison of Rate Options**

		Current Rate Structure (Base + \$1.67 over 7ccfs)								3 Tier Proposed Conservation Rate Structure (Phased-in over 3 Years)							
Year		2009	2010	2011	2012	2013	2014	2015	2009	2010	2011	2012	2013	2014	2015		
% increase		5%	5%	5%	5%	5%	4%	3%	5%	5%	5%	5%	5%	4%	3%		
Water used on average per month	Base	\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 9.12	\$ 9.58	\$ 10.06	\$ 10.56	\$ 11.09	\$ 11.53	\$ 11.88		
	Tier 1	\$ 1.67	\$ 1.75	\$ 1.84	\$ 1.93	\$ 2.03	\$ 2.11	\$ 2.17	\$ 1.81	\$ 1.90	\$ 1.56	\$ 1.85	\$ 2.21	\$ 2.30	\$ 2.37		
	Tier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.31	\$ 2.43	\$ 1.99	\$ 2.36	\$ 2.81	\$ 2.92	\$ 3.01		
	Tier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.73	\$ 3.92	\$ 3.21	\$ 3.81	\$ 4.55	\$ 4.73	\$ 4.87		
1 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 10.93	\$ 11.48	\$ 11.62	\$ 12.41	\$ 13.30	\$ 13.83	\$ 14.25		
2 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 12.74	\$ 13.38	\$ 13.18	\$ 14.26	\$ 15.51	\$ 16.13	\$ 16.62		
3 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 14.55	\$ 15.28	\$ 14.74	\$ 16.11	\$ 17.72	\$ 18.43	\$ 18.99		
4 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 16.36	\$ 17.18	\$ 16.30	\$ 17.96	\$ 19.93	\$ 20.73	\$ 21.36		
5 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 18.17	\$ 19.08	\$ 17.86	\$ 19.81	\$ 22.14	\$ 23.03	\$ 23.73		
6 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 19.98	\$ 20.98	\$ 19.42	\$ 21.66	\$ 24.35	\$ 25.33	\$ 26.10		
7 ccf		\$ 14.54	\$ 15.27	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.38	\$ 18.93	\$ 21.79	\$ 22.88	\$ 20.98	\$ 23.51	\$ 26.56	\$ 27.63	\$ 28.47		
8 ccf		\$ 16.21	\$ 17.02	\$ 17.87	\$ 18.76	\$ 19.70	\$ 20.49	\$ 21.10	\$ 23.60	\$ 24.78	\$ 22.54	\$ 25.36	\$ 28.77	\$ 29.93	\$ 30.84		
9 ccf		\$ 17.88	\$ 18.77	\$ 19.71	\$ 20.69	\$ 21.73	\$ 22.60	\$ 23.27	\$ 25.41	\$ 26.68	\$ 24.10	\$ 27.21	\$ 30.98	\$ 32.23	\$ 33.21		
10 ccf		\$ 19.55	\$ 20.52	\$ 21.55	\$ 22.62	\$ 23.76	\$ 24.71	\$ 25.44	\$ 27.22	\$ 28.58	\$ 25.66	\$ 29.06	\$ 33.19	\$ 34.53	\$ 35.58		