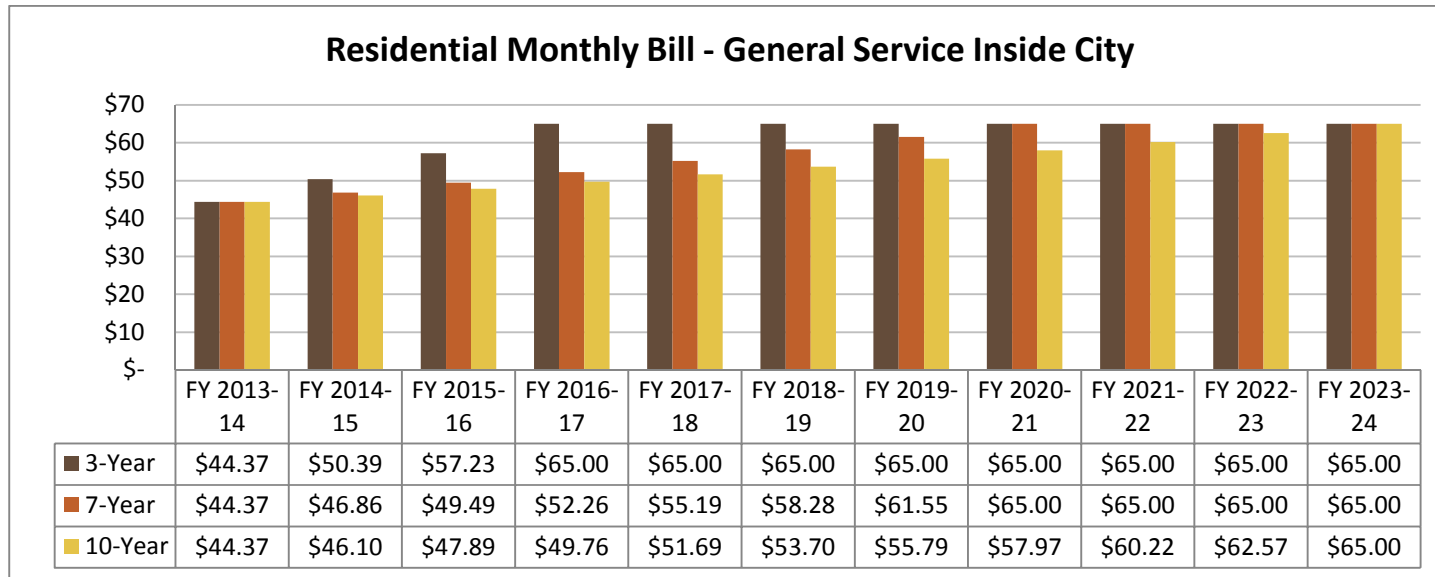




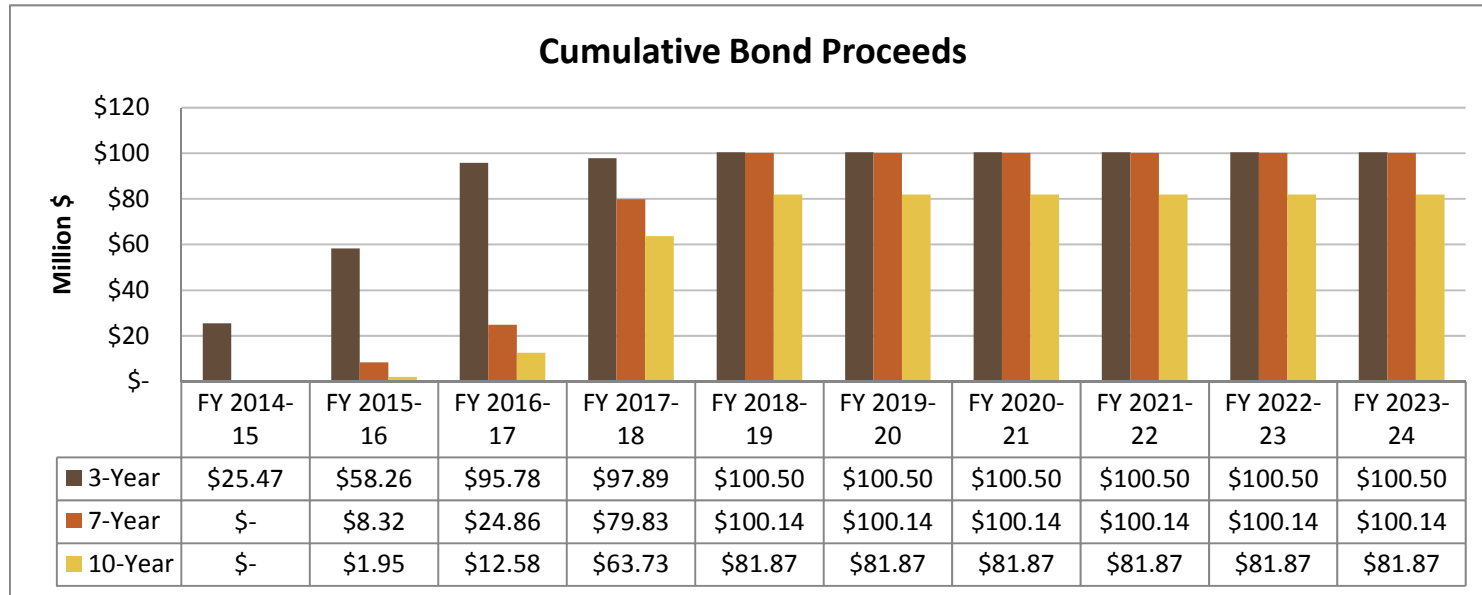
# Monthly Rate Comparison



- 3-year scenario – \$65 by FY 2017; 13.57%/year
- 7-year scenario - \$65 by FY 2021 ; 5.61%/year
- 10-year scenario - \$65 by FY 2024; 3.89%/year
- Rate changes begin in FY 2015



# Bond Proceeds

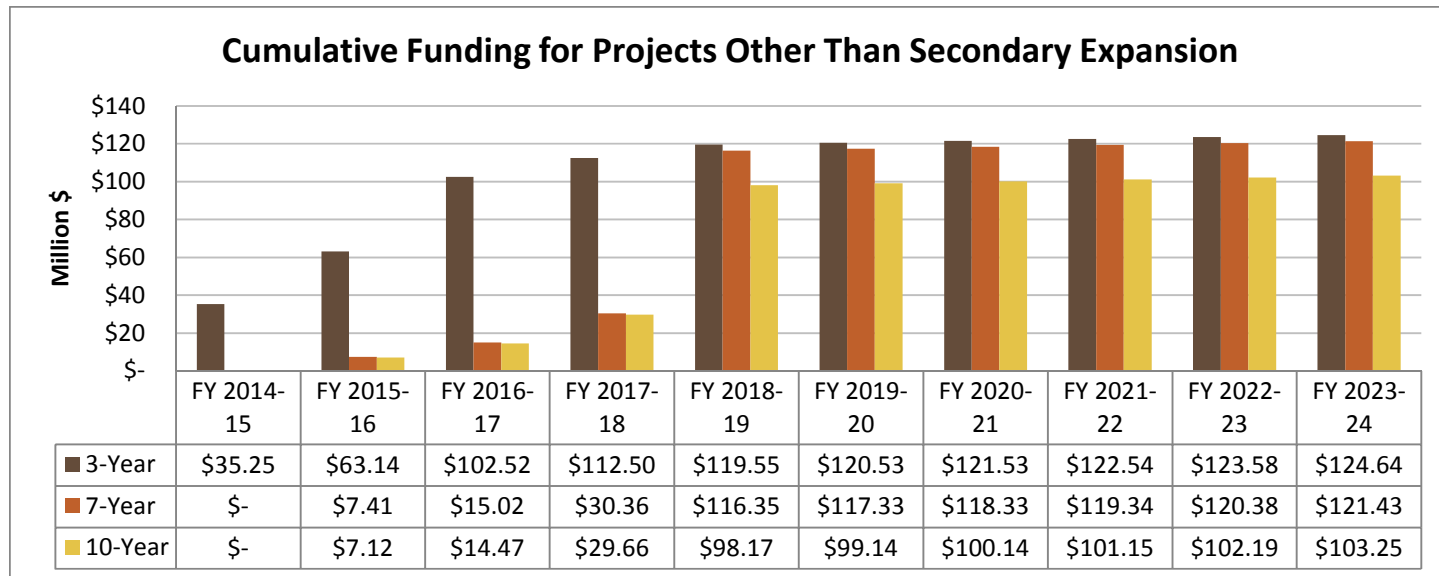


- 3-year scenario – \$100.5 million
- 7-year scenario - \$100.1 million
- 10-year scenario - \$81.9 million
- Bonds issued in first five years



# Capital Funding Capacity

(includes all sources)



- 3-year scenario – \$124.6 million
- 7-year scenario - \$121.4 million
- 10-year scenario - \$103.2 million
- Excludes Secondary treatment expansion project

## Snapshot of UT Bill as Percent of Median Household Income - FY13/14

|   | Average<br>Monthly<br>Sewer Bill | Median<br>Household<br>Inc (1) | Ave<br>Annual<br>Sewer Bill<br>as % of<br>MHI | Total UT<br>Bill as %<br>of MHI |
|---|----------------------------------|--------------------------------|---|---------------------------------|
| Newberg                                     | \$ 74.98                         | \$ 53,426                      | 1.7%  | 2.7%                            |
| Portland                                    | 69.60                            | 47,033                         | 1.8%  | 3.0%                            |
| Woodburn                                    | 64.47                            | 41,736                         | 1.9%  | 2.6%                            |
| Wilsonville                                 | 66.33                            | 55,316                         | 1.4%  | 2.5%                            |
| Lake Oswego                                 | 62.55                            | 78,760                         | 1.0%  | 1.9%                            |
| Klamath Falls                               | 61.84                            | 28,771                         | 2.6%  | 3.3%                            |
| McMinnville                                 | 56.77                            | 40,946                         | 1.7%  | 2.4%                            |
| Clean Water Services<br>(Washington County) | 39.86                            | 62,488                         | 0.8%  | 1.6%                            |
| <b>Average</b>                              | <b>\$ 62.05</b>                  | <b>\$ 51,060</b>               | <b>1.6%</b>                                   | <b>2.5%</b>                     |

|                           |          |           |      |      |
|---------------------------|----------|-----------|------|------|
| Bend (current sewer rate) | \$ 44.37 | \$ 46,459 | 1.1% | 2.0% |
| Bend (assumed rate)       | \$ 65.00 | \$ 46,459 | 1.7% | 2.5% |

**Sources:**

(1) 2011 Amercian Community Survey (U.S. Census Bureau)

**SNAPSHOT OF FY 13-14 MONTHLY UTILITY BILL**

| <b>Cities &gt; 20,000<br/>Population</b> | <b>Water Charge<br/>(using 800ccf or<br/>6000 gallons)</b> | <b>Sewer Charge<br/>(using 800 ccf<br/>or 6000 gallons)</b> | <b>Stormwater<br/>Charge</b> | <b>TUF/Public<br/>Safety UT<br/>Fee</b> | <b>Total<br/>Monthly<br/>Bill</b> |
|--|--|---|------------------------------|---|-----------------------------------|
| Portland                                 | 37.57  | 69.60   | 24.54                        | 0.52                                    | 132.23                            |
| Lake Oswego                              | 41.49  | 62.55   | 10.99                        | 8.01                                    | 123.04                            |
| Newberg                                  | 36.46  | 74.98   | 6.22                         | 4.50                                    | 122.16                            |
| Wilsonville                              | 36.59  | 66.33   | 5.10                         | 7.05                                    | 115.07                            |
| Tigard                                   | 50.73  | 38.46 (1)   | 8.25                         | 5.56                                    | 103.00                            |
| Milwaukie                                | 27.96  | 53.43   | 11.44                        | 3.35                                    | 96.18                             |
| Albany                                   | 44.69  | 51.06   | -                            | -                                       | 95.75                             |
| Oregon City                              | 32.41  | 38.45   | 8.55                         | 11.56                                   | 90.97                             |
| Woodburn                                 | 25.66  | 64.47   |                              |   | 90.13                             |
| Ashland                                  | 37.85  | 36.18   | 4.29                         | 8.17                                    | 86.49                             |
| Springfield                              | 22.08  | 50.26   | 12.62                        | -                                       | 84.96                             |
| Beaverton                                | 33.16  | 40.46 (1)   | 8.25                         | -                                       | 81.87                             |
| McMinnville                              | 25.06  | 56.77   |                              |   | 81.83                             |
| Gresham                                  | 37.63  | 26.30   | 9.84                         | 7.50                                    | 81.27                             |
| West Linn                                | 19.70  | 32.84   | 5.31                         | 22.11                                   | 79.96                             |
| *Forest Grove                            | 29.19  | 42.20 (1)   | 7.00                         |   | 78.39                             |
| Klamath Falls                            | 16.50  | 61.84   | -                            | -                                       | 78.34                             |
| *Eugene                                  | 28.55  | 37.39   | 11.39                        |   | 77.33                             |
| Salem                                    | 24.75  | 46.49   | 3.72                         | 1.25                                    | 76.21                             |
| <b>Bend (w/o franchis</b>                | <b>27.69</b>   | <b>44.37</b>  | <b>4.00</b>                  |   | <b>76.06</b>                      |
| Tualatin                                 | 26.02  | 39.73 (1)   | 5.86                         | 3.92                                    | 75.53                             |
| Corvallis                                | 25.37  | 36.14   | 5.86                         | 6.63                                    | 74.00                             |
| Hillsboro                                | 24.12  | 38.46 (1)   | 6.25                         | 3.18                                    | 72.01                             |
| Redmond                                  | 26.62  | 35.60   | 7.06                         | 0.83                                    | 70.11                             |
| Keizer                                   | 14.20  | 39.44   | 4.44                         |   | 58.08                             |
| Roseburg                                 | 26.54  | 25.00   | 5.00                         | -                                       | 56.54                             |
| Grants Pass                              | 19.98  | 29.33   | -                            | 3.37                                    | 52.68                             |
| *Medford                                 | 11.80  | 16.92   | 6.85                         | 13.80                                   | 49.37                             |

\* Bill \$/1,000 gal

Notes:

(1) Served by Clean Water Services

**City of Bend  
Capital Improvement Program**

| No                                   | Description  | FY13/14           | FY14/15           | FY15/16           | FY16/17          | FY17/18          | TOTAL              |
|--------------------------------------|--|-------------------|-------------------|-------------------|------------------|------------------|--------------------|
| <b>Project Financed by DEQ Loans</b> |  |                   |                   |                   |                  |                  |                    |
| 1                                    | SW0802 - Secondary Expansion                           | 18,950,000        | 17,000,000        | 2,400,000         | -                | -                | 38,350,000         |
| <b>Other Projects</b>                |  |                   |                   |                   |                  |                  |                    |
| 1                                    | SW0806 - SCADA Update/Telemetry                        | 204,000           | 208,080           | 212,242           | 216,486          | 220,816          | 1,061,624          |
| 2                                    | SW10AA - Existing Plant Interceptor Assessment(Yeoman) | 183,700           | -                 | -                 | -                | -                | 183,700            |
| 3                                    | SW11BA - Valhalla Relocation                           | 1,615,800         | -                 | -                 | -                | -                | 1,615,800          |
| 4                                    | SW11CA - Sewer Flow Modeling                           | -                 | -                 | 106,121           | 108,243          | 110,408          | 324,772            |
| 5                                    | SW11EA - Collection Line Rehabilitation                | 561,000           | 572,220           | 583,664           | 595,338          | 607,244          | 2,919,467          |
|                                      |  | <u>2,564,500</u>  | <u>780,300</u>    | <u>902,027</u>    | <u>920,067</u>   | <u>938,469</u>   | <u>6,105,363</u>   |
| 6                                    | SW12AA - Collection System Master Plan                 | 923,700           | 731,600           | -                 | -                | -                | 1,655,300          |
| 7                                    | SW13EA - Colorado Lift Station                         | 956,700           | 3,100,300         | 399,500           | -                | -                | 4,456,500          |
| 8                                    | SW13CA - North Area Gravity                            | 1,387,300         | 3,421,900         | 190,400           | -                | -                | 4,999,600          |
| 9                                    | SW13DA - North Area Forcemain                          | 295,500           | 669,800           | 54,900            | -                | -                | 1,020,200          |
| 10                                   | SW0707- SE Interceptor                                 | 9,050,000         | 9,050,000         | 9,050,000         | 9,050,000        | 9,050,000        | 45,250,000         |
|                                      |  | <u>12,613,200</u> | <u>16,973,600</u> | <u>9,694,800</u>  | <u>9,050,000</u> | <u>9,050,000</u> | <u>57,381,600</u>  |
| Total Other Projects                 |  | 15,177,700        | 17,753,900        | 10,596,827        | 9,970,067        | 9,988,469        | 63,486,963         |
| <b>TOTAL CIP</b>                     |  | <b>34,127,700</b> | <b>34,753,900</b> | <b>12,996,827</b> | <b>9,970,067</b> | <b>9,988,469</b> | <b>101,836,963</b> |

|  |  |            |           |           |           |           |            |
|--|--|------------|-----------|-----------|-----------|-----------|------------|
| <b>Funding for Other Projects (At Current Rates with \$18M in New Debt):</b> |  |            |           |           |           |           |            |
| <b>Total Funding Available for Other Projects</b>                            |  | 15,177,700 | 7,007,779 | 7,171,124 | 7,341,069 | 7,517,880 | 44,215,552 |