

**Sewer Infrastructure Advisory Group
Meeting Summary**

**March 13, 2014
3:30-5:30 p.m.**

Financial Discussion

City Council Chambers

Note taker: Adele McAfee

Committee Members: Lynn Putnam, Mike Riley, Sharon Smith, Steve Hultberg, Dale VanValkenberg, Casey Roats, Steve Galash, Charlie Miller, Rob Von Rohr, Stacy Stemach, Craig Horrell, Andy High, John Rexford

COB Staff: Paul Rheault, Jon Skidmore, Aaron Collett, Tom Hickmann, Dana Wilson, Gillian Ockner, Shannon Ostendorf, Mary Winters, Brian Rankin

Consultants: David Stangel (MSA), David Prull (Clearwater Engineering Group), Angie Sanchez (FCS), Doug Gabbard (FCS)

Facilitator: Libby Barg, Clark Worth (Barney & Worth)

Others: Jim Lord, Erik Huffman, Councilor Sally Russell, Andre Tolme, Terry Angle, Rondo

Action Items:

- Prepare public outreach comment sheet summary for next meeting
- Update public outreach materials for next round of presentations. Schedule another training session on the new materials in late May.
- Schedule work session with City Council on final optimization results and project prioritization.

Meeting Summary

Introductions announcements

- Ground breaking for the Bridge Creek Pipeline Replacement Project took place in the morning (3/13/14).
- Committee members reported that public outreach presentations are going well.

Colorado Lift Station Updates

Aaron Collette, P.E. provided an update on the Colorado Lift Station project.

- Phase 1 is completed (determined alternatives: river crossing, placement of force main etc.)
- Phase 2 covers design and engineering consultant support through the project's bidding and construction. Current activity:
 - Confirmed loading scenario
 - Working on outreach plan for affected neighbors and businesses
 - Coordinating with Bend Park & Rec.

CSMP Cost Component

David Stangel, MSA, and Angie Sanchez, FCS provided SIAG an overview of the master plan cost components and funding scenarios.

The following cost layers were identified:

- 1) Ongoing Operation and Maintenance
- 2) Collection System Capacity (Optimization)
- 3) Water Reclamation Facility CIP
- 4) Collection System Condition CIP
- 5) Collection System Ongoing Replacement

SIAG reviewed potential funding levels for ongoing replacement costs and deferral options. They reviewed various scenarios of how much capital the revenue can support at various rate levels.

SIAG questions:

- Is there a required investment associated with lift stations?
- Regarding phasing, is there ability in the CIP optimization to phase-in as well?
- Was the rate calculated with the extra strength charge?
- How do you differentiate existing conditions that are being addressed as part of the optimization immediate solutions, and existing conditions that may be more flexible?
- Has a phasing analysis already happened?
- What can you defer?

SIAG’s suggestions for financial scenarios:

- Look at effect of low interest loans
- Show growth at higher rate: the current assumption is too conservative. Potential for more revenues?
- Ask Planning Department to provide a growth assumption
- SDC increases (premature?)
- Faster rate increases: early step-up to lower future cost curve
- Extra strength charges: potential for added revenues
- Investigate timing of \$5M yearly repair and rehabilitation scenario
- Phase-in repair and rehab over 5-7 years: is that too long?
- Analyze minimum increase needed to cover mandatory costs

SIAG Schedule

Libby Barg, Barney & Worth provided an update on the project schedule through completion.

April 17	Review final results
May 1	Prioritize projects and review rate scenarios
May- Sept	Second round of community outreach / Hold open house (June 19 th)
August	Financial Plan completed
Sept 25	Last SIAG Meeting
Oct 15	Presentation to council

Public Comment

None

Meeting Adjourned: 5:27 PM