

M E M O R A N D U M

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TO: CITY COUNCIL
FROM: GILLIAN OCKNER
**SUBJECT: RECOMMENDED RESOLUTION: ESTABLISHING
 TEMPORARY WORKING GROUP ON RATE
 STRUCTURE**
DATE: JULY 10, 2014



We are moving forward with the process of reviewing our rate structure for sewer and water charges and developing possible alternate scenarios. As I mentioned in my memo dated June 26, 2014, we are scheduling two upcoming workshops, one to discuss sewer rate structure and a subsequent workshop to discuss water rate structure. Per your direction to have community members participate in these workshops with you to represent our existing advisory groups as well as community values such as affordability and conservation, **we recommend that you formally appoint the following community members to work with Council on rate structure as a temporary working group.**

NAME	ADVISORY GROUP	AFFILIATION
Mike Riley	SIAG	The Environmental Center
Kris Scholl	ESC	Deschutes Brewery
Keith Wooden	Affordable Housing	Housing Works & Families Forward
Andy High	IAC	COBA
AJ Tyvand	Budget Committee	
Dave Rathbun		Powder Corps, Mt. Bachelor
Zhai Logan		Bend LaPine School District
Nikki Roemmer		Oregon League of Conservation Voters; Central Oregon Conservation Network

This group will be asked to participate in the rate structure modernization process by attending the following meetings:

- 1) Two, half-day workshops planned that will include the City Council, seven to ten community members, and City staff. These will be public meetings. The first workshop will focus on sewer rate structure and the second will focus on water rate structure. The decisions and priorities we hope to identify in these workshops will provide the direction to the City staff on how to refine rate structure scenarios into two viable rate structure options for sewer and water for Council consideration.

- 2) Council work session to review the two options for sewer and water. The purpose of this work session will be to ask for Council approval to bring these options to community focus groups.
- 3) Focus groups to get input from a broader representation of our ratepayers. We are planning to hold five focus groups total and we will ask rate structure working group members to participate in one of these. We will also present the rate structure options in two open houses – working group members are welcome but not required to attend.
- 4) Possible final workshop in December to provide input on creation of an implementation plan for rate structure reform if that is the direction from this process.

Separately, we suggest that based on the recommendation from the Extra Strength Charge (ESC) Committee you bring the work of the advisory groups such as SIAG, IAC, and ESC together to inform the rate structure discussion and officially close the ESC Committee's process. The rate scenarios generated based on work done with the ESC committee will now be part of the sewer rate structure work. Adoption of extra strength charges will be integrated with any structural changes recommended across ratepayers. Also, as you will see in the list above, you may appoint community members who can provide representation from our IAC, SIAG, ESC, Affordable Housing, and Budget committees as part of the rate structure modernization process going forward.

We appreciate your support of this process to get to decisions around rate structure and rate policies.