

Meeting Summary

SE Bend Septic to Sewer Advisory Committee
Thursday, November 2, 2017



CITY OF BEND

Four Ingredients of Affordability: Bringing Down Project Costs

Attendees:

Advisory Committee

John Barnard
Bethann Bicknase
Frank Fiedler
David Johnson
Scott Johnson
Connie Murray
Cheryl O'Donnell
Geoff Perry
Charlie Rowles
Frank Turek
Jen VanCamp

Staff & Consultant Team

Tom Hickmann, P.E.
Susanna Julber
Anne Aurand
Skip Martin, P.E.
Sharon Wojda
Melissa Bradley
Ryan Oster
Orrin Libolt
Mary Winters
Kayla Duddy
Justin Mason, P.E.
Adam Conway, P.E.
Andy McCaskill, P.E.
Shawn Koorn
Libby Barg
Clark Worth
Ron Hand

City Council Liaisons

Mayor Casey Roats
Councilor Barb Campbell
Councilor Justin Livingston

Introductions

- Susanna Julber requested Advisory Committee members review the draft meeting notes for October 5. They will be reviewed/ approved at the December 7 meeting.

Interim Policy Work Group

- Susanna Julber reviewed the interim hookup policies developed by a workgroup including Advisory Committee members Bethann Bicknase, David Johnson, Scott Johnson, Charlie Rowles and Frank Turek.
- Questions and comments from Committee members and guests:
 - Please explain the non-remonstrance provision (“waiver”)
 - Do property owners’ commitments transfer to new owners? (Mary Winters: yes)
 - Are property owners and/or realtors obligated to inform purchasers when selling their homes?
 - Under what circumstances will property owners need to pay SDCs and connection fees?
 - Is it possible to segregate connection fee funds to use in this area?
 - Will properties with functioning septic systems be forced to hook up?
 - Concerned that area property owners will pay more to hookup here than in other parts of the city.

- Several Committee members asked for more information on the interim sewer connection fee, how much, and what it pays for.
- Advisory Committee members voted to support the recommended interim policies, with one dissenting vote.
- The policies will be discussed at November 16 City Council work session, with a hearing set for December 6. Public notice will be provided.

Four Ingredients of Affordability

- Shawn Koorn gave an overview of the four key ingredients of affordability to be considered by the Advisory Committee:
 1. *Reducing Project Costs*
 2. *Construction Timing/Phasing*
 3. *Financing*
 4. *Affordable for Whom?*
- Questions and comments from Advisory Committee members and others:
 - The EPA Affordability Index – is that percentage calculated on incomes before or after taxes? (Shawn Koorn: before taxes, based on the gross household income.)
 - How much are Bend’s current utility rates? (Sharon Wojda: \$1,500 - \$1,600 annually for combined water - sewer - stormwater charges for a typical residence.)
 - The EPA index places too much burden on property owners.
 - Affordability should be looked at for this particular neighborhood – not citywide.
 - If SDC sources can be used only for specific purposes, is this project eligible? (Sharon Wojda and Tom Hickmann: probably not. For example, this study is being paid by the citywide sewer rate base.) However, SDCs paid for the bulk of SE Interceptor.)
 - It would be helpful to have a glossary that defines connection fees, SDCs, monthly sewer rates, etc., and what they pay for.

Project Costs

- Justin Mason and Shawn Koorn explained what’s included in project costs, or private property and in the public right-of-way.
- Advisory Committee questions and comments:
 - What percent completion is the engineering design today? (Justin Mason: 15%)
 - Is value engineering anticipated? (Justin Mason: no)

- Will sewer installment work be performed by plumbers working for homeowners, or centrally organized by the City? (Justin Mason: Most pipes are in the public right-of-way, so likely the City will take the lead.)
- Who decides what will be required for septic decommissioning? (Deschutes County)
- Is the City's bond rating good? (Sharon Wojda: yes – Aa2)
- Will re-paving be included in project costs? (Yes.) Who pays? (To be determined.)
- Is SEI sized to accommodate planned growth in this area? (Yes.)
- Has the treatment plant expansion been completed? (No.)
- Is it possible for the City of reserve capacity for future developments? (Newly developing areas are studied with hydraulic modeling to pinpoint deficient capacity.)

Ingredient #1: *Reducing Project Costs*

- Justin Mason demonstrated cost reduction strategies including reducing the length of pipe required, pipe depth, and the number of manholes.
- Questions and comments:
 - Has the engineering team identified hookup locations for each property? (Yes.)
 - Was the Old Farm neighborhood told the cost to property owners could be as high as \$150,000? (It was a reference to the range of costs for any capital project. City staff working to clarify intent of comment)
 - Could social media be used to squelch that rumor? (The City's PIO will be consulted.)
 - Is it possible to pay for re-paving with transportation funds? (Not likely.)
 - How does the City use stormwater fees? Could those funds be applied? (No.)
 - Is it possible to put a cap on what property owners will pay?
 - Fast track construction will be cheaper.

Public Comment

- Public comment was captured in earlier agenda items.

Announcements

- The January 4 Advisory Committee meeting is being moved a week later to avoid the holiday week (to Thursday, January 11).
- Upcoming Advisory Committee meetings:
 - Thursday, December 7 (4-6 p.m.) *Four Ingredients of Affordability*

– Thursday, January 11 (4-6 p.m.) *Preliminary Engineering II*