



AGENDA

CITY OF SISTERS SISTERS CITY COUNCIL

SISTERS CITY COUNCIL
520 E. Cascade Avenue
Sisters, OR 97759

October 15, 2015

8:00 a.m. WORKSHOP

1. Water Rates – *A. Gorayeb*
2. Transient Merchant/Business License/Public Event – *L. Fujita-Conrads*
3. Columbus Day/Indigenous People's Day – *C. Frye*
4. Preview October 22, 2015 Workshop and Regular Meeting Agenda – *K. Nelson*
5. Other Business – *Staff/Council*
 - A. Urban Renewal Grant Projects Status

*This agenda is also available via the Internet at www.ci.sisters.or.us
The meeting location is accessible to persons with disabilities. Requests for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling Kathy Nelson, City Recorder, at the number below.
520 E. Cascade Ave. – P.O. Box 39, Sisters, OR 97759 – 541-323-5213*

AGENDA ITEM



SUMMARY

CITY OF SISTERS
CITY COUNCIL

Meeting Date: October 15, 2015

Staff: Gorayeb

Type: Update

Dept: CMO, PW, Finance

Subject: Water Rates

Action Requested/Motion: Direction on how to proceed to revise Water Rates

Summary Points:

- Attached please find three different approaches to Water Rates:
 - The first is based on allocating fixed costs based on % of water consumed;
 - The second is based on allocating fixed costs based on the # of customers;
 - The third is based on allocating fixed costs based on meter size and capacity;
- All of these methods propose allocating variable costs based on water usage with no minimum amount of water allocated to customers;
- The various approaches have significant impacts on rates (up and down);
- Some mitigation needs to be considered to minimize the financial burden of increased water rates for certain large users (example – Sisters School District).

Financial Impact:

- The financial impact of these proposed rates does not significantly impact the revenue for the Water Fund, rather, it reallocates the cost of operating the fund amongst different rate payers;
- The elimination of a floor of water usage could incentivize customers to conserve water as a result of them paying for every cubic foot that they use.

Recommendation:

- Choose the most equitable rate structure (staff recommends Option 3);
 - Given the public benefit derived from irrigating their facilities, create a permanent way to equitably underwrite a portion of the water costs for Sisters School District.
-

Attachment(s): Rate Model

Concurrence:  CM  F&A _____ CDD  PW

Water Costs By Meter Size and Water Usage (If allocating fixed costs based on % of use)

Meter Type By Size	Count By Meter	%	Annual Water in CF	%	Average CF Per Meter Type / Mo	Fixed Costs By Meter Size	Fixed Costs Per Meter	Total Fixed	Variable Costs By Water Used	Variable Costs Per Meter	Total Fixed and Variable Costs	% (A)	Total Fixed and Variable Per Meter	Pay Now Per Count Rev	If % (A) is applied to Target Revenue	Rate based on %	Recommended Rate	Pay Now Per Month	% Change
3/4" accounts	1280	79%	16,472,712	59%	1,072	\$ 207,423	\$ 13.50	\$ 207,423	\$ 92,690	\$ 6.03	\$ 300,113	59%	\$ 19.54	\$ 404,654.01	\$ 339,458	\$ 22.10	\$ 23.00	\$ 26	-12.70%
1" accounts	241	15%	5,503,867	20%	1,903	\$ 69,304	\$ 23.96	\$ 69,304	\$ 30,970	\$ 10.71	\$ 100,274	20%	\$ 34.67	\$ 98,161	\$ 113,420	\$ 39.22	\$ 40.00	\$ 34	17.85%
1 1/2" accounts	22	1%	950,100	3%	3,599	\$ 11,964	\$ 45.32	\$ 11,964	\$ 5,346	\$ 20.25	\$ 17,310	3%	\$ 65.57	\$ 13,429	\$ 19,579	\$ 74.16	\$ 75.00	\$ 51	47.44%
2" accounts	38	2%	3,617,400	13%	7,933	\$ 45,550	\$ 99.89	\$ 45,550	\$ 20,355	\$ 44.64	\$ 65,905	13%	\$ 144.53	\$ 41,533	\$ 74,545	\$ 163.48	\$ 164.00	\$ 91	80.06%
3" to 4" accounts	9	1%	1,144,489	4%	10,597	\$ 14,411	\$ 133.44	\$ 14,411	\$ 6,440	\$ 59.63	\$ 20,851	4%	\$ 193.07	\$ 12,810	\$ 23,585	\$ 218.38	\$ 219.00	\$ 119	84.64%
N/A accounts	0	0%				n/a							N/A		N/A				
Variable Costs By Water Used / Annual Water in CF: Useage Rate \$0.005626871 \$0.56																			

Water Costs By Meter Size and Water Usage (If allocating fixed costs based on # of customers)

Meter Type By Size	Count By Meter	%	Annual Water in CF	%	Average CF Per Meter Type / Mo	Fixed Costs By Meter Size	Fixed Costs Per Meter	Total Fixed	Variable Costs By Water Used	Variable Costs Per Meter	Total Fixed and Variable Costs	% (A)	Total Fixed and Variable Per Meter	Pay Now Per Count Rev	If % (A) is applied to Target Revenue	Rate based on %	Recommended Rate	Pay Now Per Month	% Change
3/4" accounts	1280	79%	16,472,712	59%	1,072	\$ 276,502	\$ 18.00	\$ 276,502	\$ 92,690	\$ 6.03	\$ 369,192	74%	\$ 24.04	\$ 404,654	\$ 421,930	\$ 27.47	\$ 28.00	\$ 26	6.28%
1" accounts	241	15%	5,503,867	20%	1,903	\$ 52,060	\$ 18.00	\$ 52,060	\$ 30,970	\$ 10.71	\$ 83,030	17%	\$ 28.71	\$ 98,161	\$ 94,890	\$ 32.81	\$ 33.00	\$ 34	-2.78%
1 1/2" accounts	22	1%	950,100	3%	3,599	\$ 4,752	\$ 18.00	\$ 4,752	\$ 5,346	\$ 20.25	\$ 10,098	2%	\$ 38.25	\$ 13,429	\$ 11,541	\$ 43.72	\$ 44.00	\$ 51	-13.50%
2" accounts	38	2%	3,617,400	13%	7,933	\$ 8,209	\$ 18.00	\$ 8,209	\$ 20,355	\$ 44.64	\$ 28,563	6%	\$ 62.64	\$ 41,533	\$ 32,643	\$ 71.59	\$ 72.00	\$ 91	-20.95%
3" to 4" accounts	9	1%	1,144,489	4%	10,597	\$ 1,944	\$ 18.00	\$ 1,944	\$ 6,440	\$ 59.63	\$ 8,384	2%	\$ 77.63	\$ 12,810	\$ 9,582	\$ 88.72	\$ 89.00	\$ 119	-24.96%
N/A accounts	24	1%				n/a							N/A		N/A				
Variable Costs By Water Used / Annual Water in CF: Useage Rate \$0.005626871 \$0.56																			

Water Costs By Meter Size and Water Usage (If allocating fixed costs based on meter capacity)

Meter Type By Size	Count By Meter	%	Annual Water in CF	%	Average CF Per Meter Type / Mo	Fixed Costs By Meter Size	Fixed Costs Per Meter	Total Fixed	Variable Costs By Water Used	Variable Costs Per Meter	Total Fixed and Variable Costs	% (A)	Total Fixed and Variable Per Meter	Target Revenue	If % (A) is applied to Target Revenue	Rate based on %	Recommended Rate	Pay Now Per Month	% Change
3/4" accounts	1280	79%	16,472,712	59%	1,072	n/a	\$ 13.93	\$ 214,019	\$ 92,690	\$ 6.03	\$ 306,708	61%	\$ 19.97	\$ 404,654.01	\$ 346,920	\$ 22.59	\$ 23.00	\$ 26	-12.70%
1" accounts	241	15%	5,503,867	20%	1,903	n/a	\$ 23.69	\$ 68,503	\$ 30,970	\$ 10.71	\$ 99,472	20%	\$ 34.40	\$ 98,160.85	\$ 112,514	\$ 38.91	\$ 39.00	\$ 34	14.90%
1 1/2" accounts	22	1%	950,100	3%	3,599	n/a	\$ 45.98	\$ 12,139	\$ 5,346	\$ 20.25	\$ 17,485	3%	\$ 66.23	\$ 13,429	\$ 19,777	\$ 74.91	\$ 75.00	\$ 51	47.44%
2" accounts	38	2%	3,617,400	13%	7,933	n/a	\$ 73.85	\$ 33,674	\$ 20,355	\$ 44.64	\$ 54,029	11%	\$ 118.48	\$ 41,533	\$ 61,113	\$ 134.02	\$ 135.00	\$ 91	48.22%
3" to 4" accounts	9	1%	1,144,489	4%	10,597	n/a	\$ 188.10	\$ 20,315	\$ 6,440	\$ 59.63	\$ 26,755	5%	\$ 247.73	\$ 12,809.73	\$ 30,263	\$ 280.21	\$ 281.00	\$ 119	136.91%
N/A accounts	24	1%				n/a													
Variable Costs By Water Used / Annual Water in CF: Useage Rate \$0.005626871 \$0.56																			

EDU Equivalent	Water Ratio
3/4" accounts	1 4%
1" accounts	2 7%
1 1/2" accounts	3 13%
2" accounts	5 21%
3" to 4" accounts	14 54%
	24.8 100%

Fixed Expenditures	Costs	Variable Expenditures	Costs
Personnel	\$ 209,022	Overtime	\$ 3,000
Audit Fees	\$ 2,500	Advertising	\$ 100
Software Maint	\$ 3,900	Chemicals	\$ 1,000
Office supplies	\$ 1,115	Development review	\$ 5,500
Postage	\$ 4,800	Chlorinator repairs	\$ 1,500
Office equipment	\$ 1,000	Contracted services	\$ 15,000
Copier/printer	\$ 630	Small tools & equip	\$ 2,000
Permits/fees	\$ 1,000	Backflow testing	\$ 13,000
Dues & subscriptions	\$ 1,000	Gas/oil	\$ 5,500
Telephone	\$ 1,000	Improvements & repairs	\$ 3,000
Cell phone	\$ 675	Water system repairs	\$ 15,000
Education	\$ 1,500	Meters & parts	\$ 25,000
Electricity (25%)	\$ 8,000	Supplies	\$ 3,000
Uniforms	\$ 1,500	ROW franchise fee	\$ 39,200
Vehicle maint.	\$ 5,500	Electricity	\$ 24,000
Insurance/comp	\$ 7,500		
Internal GF services	\$ 9,300		
Medical testing	\$ 200		
Water locate service	\$ 200		
Lab fees	\$ 2,500		
Legal fees	\$ 1,000		
Credit card fee	\$ 4,000		
Meetings & workshops	\$ 100		
Bad debt expense	\$ 100		
Total:	\$ 268,042		
Debt Service	\$ 9,490		
Reserves	\$ 71,120		
Total Fixed Expenditures	\$ 348,652	Total Variable Expenditures	\$ 155,800



SISTERS CITY COUNCIL
520 E. Cascade Avenue
Sisters, OR 97759

OCTOBER 22, 2015

6:00 P.M. JOINT CITY COUNCIL/COUNTY COMMISSION WORKSHOP

1. Quarterly Joint Meeting with Deschutes County Commissioners – *Council/Commission*
 - A. Welcome and Introductions
 - B. Other Business
 - C. Adjourn

7:00 P.M. CITY COUNCIL REGULAR MEETING

- I. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- II. VISITOR COMMUNICATION**
 - A. Brook Jackson, SOLE community grant request
- III. CONSENT AGENDA**
 - A. Minutes
 - B. Bills to Approve
 1. October Accounts Payable
- IV. STAFF REPORTS**
 - A. Deschutes County Sheriff's Office
- V. PUBLIC HEARING**
 - A. Public Hearing on Transient Merchant Code Changes
- VI. COUNCIL BUSINESS**
 - A. **Discussion and Consideration of Ordinance No. 462: AN ORDINANCE AMENDING THE CITY OF SISTERS DEVELOPMENT CODE RELATING TO PINE MEADOW VILLAGE ZONING – P. Davenport**
- VII. OTHER BUSINESS**
- VIII. MAYOR/COUNCILOR BUSINESS**

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IX. ADJOURN

DRAFT



Meeting Date: October 12, 2015

Staff: Darcy Reed

Type: Workshop

Dept: CMO/CDD

Subject: Urban Renewal Grant Projects Status

Action Requested: The table below shows all outstanding Urban Renewal Projects from 2013 to the recently awarded 2015 grants. These projects are pending a signed contract between the applicant and the City. The contract is what starts the one-year clock to complete work and for the applicant to request a reimbursement.

Staff recommends the URA consider setting a timeline for all project applicants to sign a contract or otherwise to expire if no contract is signed.

Staff recommends the following timeline:

- 2013 Façade Grants to have a contract signed by December 31, 2015
- 2014 Façade Grants to have a contract signed by March 31, 2015
- 2015 Façade and Trash Enclosure Grants to have a contract signed by June 30, 2015

OUTSTANDING URA GRANTS 2013-2015

OUTSTANDING 2013 FAÇADE GRANTS		GRANT AMOUNT REQUESTED	INTENT TO PROCEED
Cascade Angel	121 E. Cascade Ave	Cannot locate bids - \$11,500	Unknown. Applicant has building permit on hold to finish a project as a result of the Cascade Ave Improvement project.
Vernon Palmer	310 E. Cascade Ave	Cannot locate bids - \$10,000	Applicant does not know if there will be any plans to proceed. Wants to remain eligible in the meantime.
Total		\$21,500.00	
OUTSTANDING 2014 FAÇADE GRANTS		GRANT AMOUNT REQUESTED	INTENT TO PROCEED
Lacey Weeks	380 W. Cascade Ave	\$9,875.00	Will not know until mid-November on whether they will proceed.
Total		\$9,875.00	

OUTSTANDING 2015 FAÇADE GRANTS		GRANT AMOUNT REQUESTED	INTENT TO PROCEED
Brad Boyd/223 Hood Ave LLC	223 E Hood Ave	\$2,125.00	Unknown, contacted 10/12/15
Lacey Weeks	380 W. Cascade Ave	\$10,000.00	Will not know until mid-November on whether they will proceed.
Dennis Schmidling	252 W. Hood Ave	\$453.75	Unknown, contacted 10/12/15
Mitch Mansfield	271 W. Cascade Ave	\$541.25	Unknown, contacted 10/12/15
Kari Sims Anthon	164 N. Elm Street	\$3,841.50	Sent contract on 10/12/15 to be signed in coming weeks.
Ken Scott	222 W. Hood Ave	\$1,650.00	Applicant does not want to proceed due to part of grant being ineligible.
Total		\$18,611.50	
OUTSTANDING 2015 TRASH ENCL. GRANTS		GRANT AMOUNT REQUESTED	INTENT TO PROCEED
Lacey Weeks	380 W. Cascade Ave	\$3,000.00	Will not know until mid-November on whether they will proceed.
Total		\$3,000.00	
Total for All Outstanding Grants		\$49,986.50	