

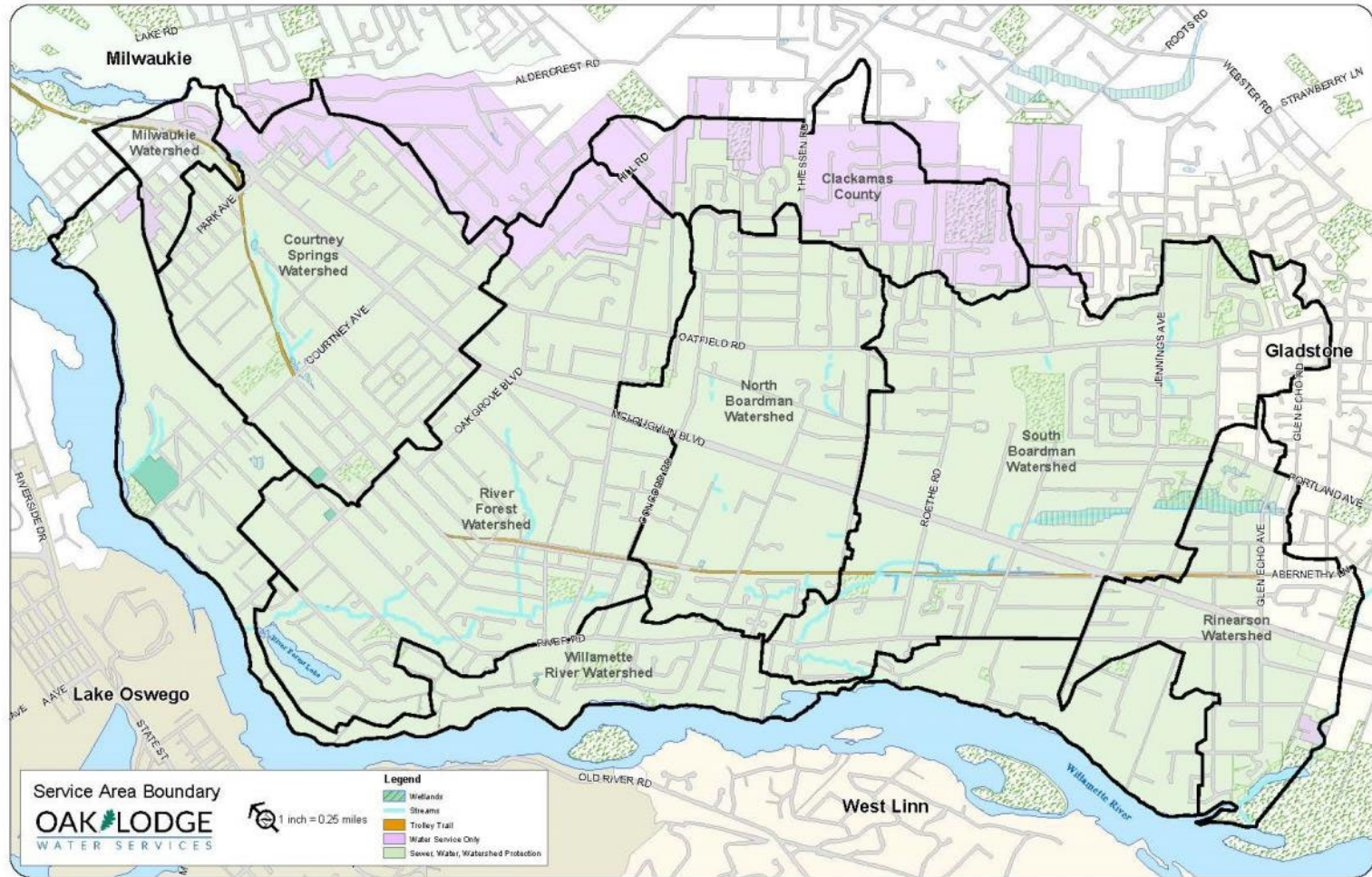


Budget Committee's Approved Budget and Staff Revision

June 6, 2023



OLWS serves homes and businesses, providing 24/7 reliable water services to nearly 29,000 people



Providing essential water services to our community



Our Commitments



Protect public health



Provide excellent customer service



Make smart investments and keep rates affordable



Keep our streams and rivers clean

One District, three services – protecting public health and our water resources

Safe and reliable drinking water from the Clackamas River delivered to customers



Wastewater collected from homes and businesses, treated and returned to the Willamette River



Water quality of local streams and rivers protected





Budget Committee's Approved Budget (Fully Funded CIP) Average Rate Increase of \$35.16/mo

- ❖ Covers all associated increases for Water, Wastewater, and Watershed Protection in:
 - ❖ Operations
 - ❖ Debt Service
 - ❖ Administrative Services
 - ❖ Capital Expenditures
 - ❖ Borrowing of \$2.2M is still needed for Wastewater
 - ❖ Fund Balance Reduction
 - ❖ Does not add to Reserves, just maintains current level
 - ❖ Does not meet funding policy levels in DW until 2027 and WW until 2029
- ❖ Allows OLWS to start mandated projects per Master Plans
- ❖ Positions OLWS for better loan options
- ❖ Allows for Emergency repairs

Capital Improvement Projects Overview (Original)

Wastewater Capital Improvement Projects				
Page	Project Name	FY24	FY25	FY26
15	Lift Station 5 Basin RDII	2,200,000		
16	Lift Station 2 Basin RDII	328,000	450,000	4,705,823
17	Lift Station 6 Basin RDII		82,688	476,942
18	Influent Lift Station Basin RDII		1,214,955	250,000
19	Lift Station 4 Basin RDII			46,559
20	Trunk Main A Upsizing			
21	Trunk Main B Upsizing			
22	LS2 Construction	1,100,000		
23	LS3 Construction	75,000	220,000	908,460
24	Hillside Sewer Line Replacement	700,000		
25	Boardman Sewer Line Replacement		630,000	
26	Manhole Repair Program	75,000	100,000	100,000
27	Mainline Repair Program	75,000	100,000	100,000
28	Lateral Repair Program	75,000	100,000	100,000
29	Replace Aeration Blowers	275,000	300,000	
30	Tertiary Treatment at WWTP	800,000	6,615,000	5,677,875
31	Influent Lift Station Reconstruction			124,913
32	Secondary Clarifier 1 and 2 Refurbishment	200,000	1,323,000	1,249,133
33	UV Disinfection Rehabilitation			124,913
34	UV Disinfection Equipment Replacement	30,000	31,500	32,445
35	TWAS Pump Replacement			75,000
36	Motor Control (VFD) Replacement	35,000	36,750	37,853
37	Plant Drain Pump Replacement			136,269
38	Plant Air-line Inspection		88,200	
39	Wastewater Master Plan update	50,000		
Total Wastewater Capital Expenses		\$ 6,018,000	\$ 11,292,093	\$14,146,185

Water Capital Improvement Projects				
Page	Project Name	FY24	FY25	FY26
41	Water Pump Station at CRW Generator	200,000		
42	Seismic Study of 24-inch Supply Line	200,000		
43	Valley View Tank Upgrades (Fall Protection)	150,000		
44	Valley View Leak Repair	50,000		
45	28th Avenue and Lakewood Drive	2,000,000		
46	Milwaukie-OLWSD Intertie Pump Station	200,000	2,500,000	2,500,000
47	Large Meter Testing and Replacement	100,000	57,000	59,000
48	Valley View Pole Storage Building	25,000	75,000	
49	Ranstad and Cinderella Courts		165,375	
50	Marcia Court			200,000
51	Oatfield Road			400,000
52	Lisa Lane			340,000
53	Pressure Reducing Valve Rebuild (Every 5 years)		20,000	
54	Hydrant Capital Repair and Replacement	175,000	183,750	
55	McLoughlin - Jennings to Arista	250,000		
56	AWIA Risk and Resilience Assessment - Update			50,000
57	Water System Master Plan - Update		50,000	150,000
58	SCADA System Upgrades	100,000	50,000	51,500
59	Radio Telemetry Activation Study			
60	Vault Meter Bypass Installations			
61	River Road			
62	Seal Coat on Valley View Reservoir Domes			
63	View Acres Recoat Tank Exterior and Interior			
Total Water Capital Expenses		\$ 3,450,000	\$ 3,101,125	\$ 3,750,500



Staff Revision - Average Rate increase of \$25.03/mo

- ❖ Covers majority of all associated increases for Water, Wastewater, and Watershed Protection in:
 - ❖ Operations
 - ❖ Debt Service
 - ❖ Administrative Services
 - ❖ Capital Expenditures
 - ❖ Borrowing of \$1.5M is still needed for Wastewater
 - ❖ Fund Balance Reduction
 - ❖ Lowers Reserves by \$650,000.
 - ❖ Does not meet funding policy levels in DW until 2027 and WW until 2029
- ❖ Allows OLWS to start mandated projects per Wastewater Master Plans
- ❖ Allows for Emergency repairs in Wastewater and Drinking Water

Staff Revision Budget Summary of Changes

Changes Summary

Operating & Service Funds	Approved FY 2024	Option FY 2024	Change
Beginning Fund Balance	2,647,969	2,637,113	(10,856)
Sales Revenue	20,753,040	19,133,000	(1,620,040)
Other Revenues	553,000	553,000	0
Change in Resources			<u>(1,630,896)</u>
Personnel Services	5,882,000	5,760,000	(122,000.00)
Materials & Services	6,076,200	5,850,600	(225,600.00)
Transfers to Admin/WW	4,558,600	4,322,600	(236,000.00)
Transfers to Capital	6,000,000	4,700,000	<u>(1,300,000.00)</u>
Change in Requirements			<u>(1,883,600.00)</u>
Ending Fund Balance	<u>2,150,109</u>	<u>2,166,813</u>	<u>16,704</u>

Capital Improvement Projects Overview (Revised)

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Page	Project Name	FY24	FY25	FY26
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16	Lift Station 2 Basin RDII	200,000	600,000	4,705,823
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18	Influent Lift Station Basin RDII		1,214,955	250,000
19	Lift Station 4 Basin RDII			46,559
20	Trunk Main A Upsizing			
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22	LS2 Construction	1,100,000		
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24	Hillside Sewer Line Replacement	700,000		
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35	TWAS Pump Replacement			75,000
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37	Plant Drain Pump Replacement			136,269
38	Plant Air-line Inspection		88,200	
39	Wastewater Master Plan update	50,000		
Total Wastewater Capital Expenses		\$ 5,065,000	\$ 12,197,093	\$ 14,471,185

Water Capital Improvement Projects				
Page	Project Name	FY24	FY25	FY26
41	Water Pump Station at CRW Generator		225,000	
42	Seismic Study of 24-inch Supply Line		225,000	
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57	Water System Master Plan - Update		50,000	150,000
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59	Radio Telemetry Activation Study			
60	Vault Meter Bypass Installations			
61	River Road			
62	Seal Coat on Valley View Reservoir Domes			
63	View Acres Recoat Tank Exterior and Interior			
Total Water Capital Expenses		\$ 2,950,000	\$ 3,551,125	\$ 3,750,500

Questions?

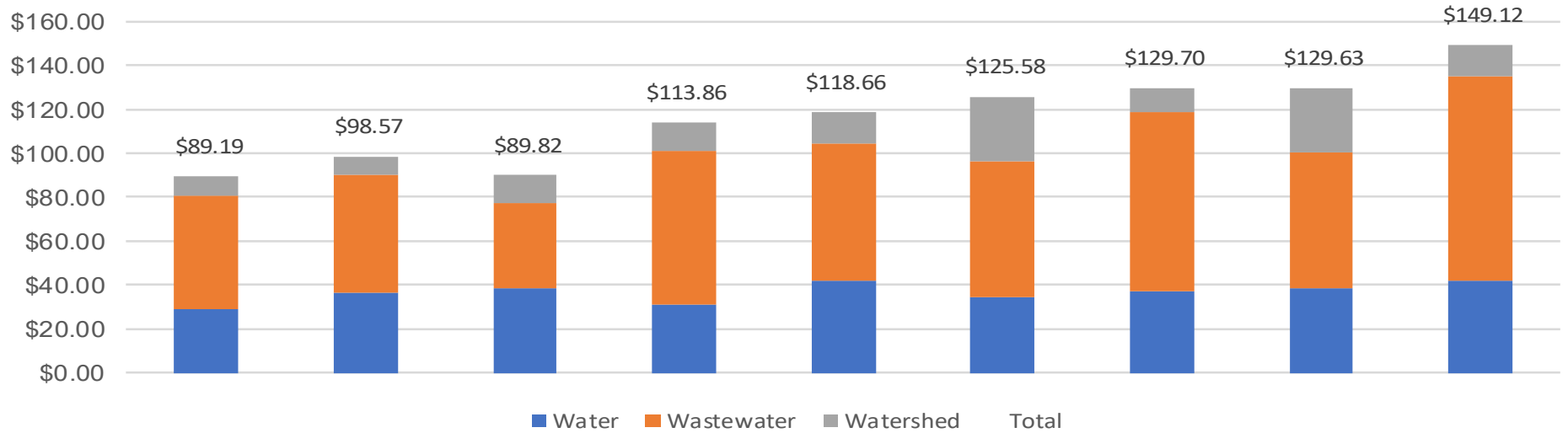
OAK  **LODGE**
WATER SERVICES



Staff Revision Budget Summary of Changes

Capital Funds	Approved FY 2024	Option FY 2024	Change
Beginning Fund Balance	8,785,965	8,658,439	(127,526)
Transfer from Operating	6,000,000	4,700,000	(1,300,000)
Bond Proceeds	2,200,000	1,500,000	
Other Revenue	250,000	250,000	
Change in Resources			<u>(1,427,526)</u>
Capital Outlay	10,558,000	9,085,000	<u>(1,473,000)</u>
Change in Requirements			<u>(1,473,000)</u>
Contingency	1,073,800	1,073,800	
Reserve for Future	5,654,165	4,999,639	(654,526)
Ending Fund Balance	6,727,965	6,073,439	(654,526)

Monthly Residential Utility Bill



Services	West Linn	Happy Valley	Oregon City - CRW	Oregon City	City of Gladstone - WES	City of Milwaukie	Oak Lodge Water Services	Milwaukie - CRW	City of Gladstone - OLWSD
Water	\$ 28.76	\$ 36.41	\$ 38.36	\$ 30.98	\$ 41.59	\$ 34.31	\$ 37.17	\$ 38.36	\$ 41.59
Wastewater	51.78	54.02	38.80	70.22	62.79	61.80	81.72	61.80	93.25
Watershed	8.65	8.14	12.66	12.66	14.28	29.47	10.81	29.47	14.28
	\$ 89.19	\$ 98.57	\$ 89.82	\$ 113.86	\$ 118.66	\$ 125.58	\$ 129.70	\$ 129.63	\$ 149.12