



City of Tigard

## Tigard Workshop Meeting – Agenda

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### TIGARD CITY COUNCIL

**MEETING DATE AND TIME:** November 18, 2014 - 6:30 p.m.

**MEETING LOCATION:** City of Tigard - Town Hall - 13125 SW Hall Blvd., Tigard, OR 97223

### PUBLIC NOTICE:

Times noted are estimated.

Assistive Listening Devices are available for persons with impaired hearing and should be scheduled for Council meetings by noon on the Monday prior to the Council meeting. Please call 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

Upon request, the City will also endeavor to arrange for the following services:

- Qualified sign language interpreters for persons with speech or hearing impairments; and
- Qualified bilingual interpreters.

Since these services must be scheduled with outside service providers, it is important to allow as much lead time as possible. Please notify the City of your need by 5:00 p.m. on the Thursday preceding the meeting by calling: 503-639-4171, ext. 2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

### VIEW LIVE VIDEO STREAMING ONLINE:

<http://live.tigard-or.gov>

Workshop meetings are cablecast on Tualatin Valley Community TV as follows:

Replay Schedule for Tigard City Council Workshop Meetings - Channel 28

- Every Sunday at 12 a.m.
- Every Monday at 1 p.m.
- Every Thursday at 12 p.m.
- Every Friday at 10:30 a.m.

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SEE ATTACHED AGENDA



City of Tigard

## Tigard Workshop Meeting – Agenda

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### TIGARD CITY COUNCIL

**MEETING DATE AND TIME:** November 18, 2014 - 6:30 p.m.

**MEETING LOCATION:** City of Tigard - Town Hall - 13125 SW Hall Blvd., Tigard, OR 97223

6:30 PM

- **EXECUTIVE SESSION:** The Tigard City Council will go into Executive Session to consider information or records exempt by law from public inspection under ORS 192.660(2) (f). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

1. WORKSHOP MEETING
  - A. Call to Order - City Council
  - B. Roll Call
  - C. Pledge of Allegiance
  - D. Council Communications & Liaison Reports
  - E. Call to Council and Staff for Non-Agenda Items
2. DISCUSSION OF RECREATION PROGRAMMING IN TIGARD - **6:35 p.m. estimated time**
3. JOINT MEETING WITH THE PARK AND RECREATION ADVISORY BOARD - **7:15 p.m. estimated time**
4. UPDATE ON STRATEGIC PLAN COMMUNITY OUTREACH - **7:45 p.m. estimated time**
5. REVIEW OF THE RESULTS OF THE WATER AND SEWER RATE STUDIES - **8:05 p.m. estimated time**
6. COUNCIL LIAISON REPORTS - **9:00 p.m. estimated time**
7. NON AGENDA ITEMS

8. EXECUTIVE SESSION: The Tigard City Council will go into Executive Session to consider information or records exempt by law from public inspection.under ORS 192.660(2) (f). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public. - **9:20 p.m. estimated time**
  
9. ADJOURNMENT - **9:40 p.m. estimated time**

**AIS-1836**

**2.**

**Workshop Meeting**

**Meeting Date:** 11/18/2014

**Length (in minutes):** 40 Minutes

**Agenda Title:** Discussion of Recreation Programming in Tigard

**Prepared For:** Steve Martin, Public Works

**Submitted By:** Steve Martin,  
Public Works

**Item Type:** Update, Discussion, Direct Staff

**Meeting Type:** Council Workshop Mtg.

**Public Hearing:** No

**Publication Date:**

**Information**

**ISSUE**

The city's consultant (MIG) will present the results of the recreation program study for council discussion.

**STAFF RECOMMENDATION / ACTION REQUEST**

The council is asked to listen to the consultant's presentation, participate in a discussion with the Park and Recreation Advisory Board (PRAB) as to the recreation program study and their recommendation related to the city's future role in recreation programming, and provide direction to staff and the PRAB as to that recommendation.

**KEY FACTS AND INFORMATION SUMMARY**

Tigard has considered recreation possibilities many times in the last two decades. The questions have always centered around the level of city involvement and funding. In 2012, council directed staff to inventory recreation offerings in the community and provide that inventory to the public. In 2013, staff was directed to evaluate the future city role in offering recreation programs in Tigard. In the spring of 2014, staff hired MIG to assist in answering the question, "What role should the city play in providing recreation programs?"

MIG conducted several outreach efforts over the summer of 2014 to assess citizen interest in recreation programming. The results were mixed, inconclusive and did not lead to clear recommendations. In September 2014, MIG contracted for a statistically-valid phone survey to obtain additional data as to what recreational programming residents desire and what they might be willing to pay for that programming. MIG will share the results of that survey for council consideration. One of the more compelling results show that only 8 percent of those surveyed want to keep things as they are, and the majority of those surveyed were in favor of

paying something to help support some level of recreation programming. The survey results are presented in the attached documents.

MIG met with the PRAB in October and discussed its findings with the board. The PRAB will present their recommendation to the council as to what they believe the city's role should be, based on the findings presented by MIG. The council will be asked for direction with respect to that recommendation. Once council has given direction, staff will work with MIG on a specific implementation plan that would be presented to council at a later date and likely in the context of a FY 2016 budget recommendation.

## **OTHER ALTERNATIVES**

N/A

## **COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

Tigard City Council - Proposed Goals and Milestones, September 2013 - December 2014

*Recreation (Evaluate options and resources to create a pilot recreation program):*

- *Complete demand analysis for recreation opportunities.*
- *Compare recreation inventory with demand analysis to identify needs/gaps.*
- *Council decision on city role.*
- *Implement a new recreation effort based on role.*

## **DATES OF PREVIOUS COUNCIL CONSIDERATION**

This is the first time this recreational programming information has been presented to the council.

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### **Attachments**

PowerPoint

Summary Rec Survey

Survey Results

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CITY OF TIGARD

# Recreation Program Study

Council Presentation 11/18/2014

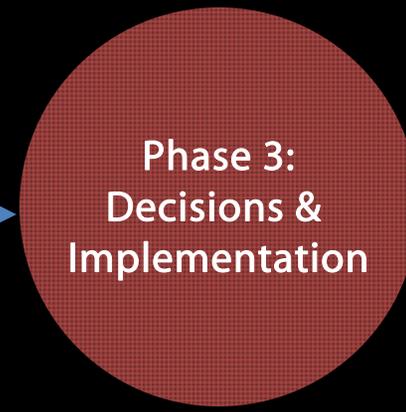
**M I G**

815 SW 2ND AVENUE, SUITE 200 | PORTLAND, OR 97204  
503-297-1005 | WWW.MIGCOM.COM

# Planning Process

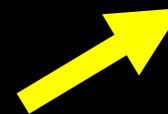
Spring 2014

Winter 2014

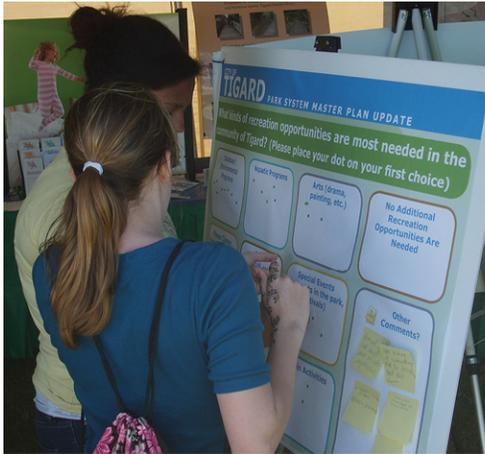


- Program inventory update
- Community outreach
- Market, demand & gap analysis
- Funding resources
- Project Team meeting

- Scenario development
- Phone survey
- Project Team meeting
- PRAB meeting
- Preferred delivery solution



- Council work session
- Implementation plan
- Project Team meeting



CITY OF TIGARD | RECREATION PROGRAM STUDY

# Phase 1 Highlights

# Purpose of Phase 1

- Gauge interest in enhanced recreation services (stakeholders, recreation participants, interested community members)
- Evaluate existing recreation resources

# Stakeholder Interviews

- 11 City and community leaders.
- Agreement on key points:
  - Tigard residents deserve better recreation opportunities.
  - Current services meet needs of residents with \$\$, not low-income residents.
  - It is time for City to do something.
  - Public funding support is expected.
  - City should seek partner support. (City is not in recreation business.)

# Online Questionnaire Findings

- 604 respondents (individuals interested in recreation)
- City should play a larger role in providing recreation (72%)
- Funding should be a mix of taxes and user fees (77%)
- Mix of priorities.

# Focus Group Findings

- Small recreation interest group
- Focus group priorities for services:
  - Multi-purpose recreation center (9)
  - Facility reservations (6)
  - Recreation district (4)
  - Mobile recreation van (4)
  - Youth non-sport programs (4)
  - Information clearinghouse (4)

# Market Demand and Gap Analysis

- 28% of households under \$35,000
  - Concentrated near highway 217 and south
- 34% of households over \$100,000
  - Central and west to Bull Mountain
- Current patterns of participation and spending for recreation matches income. Services are available for those who can afford them.

# City Funding Resources

- Existing budget for parks/facilities
  - Parks and grounds: \$1,912,051
  - 2010 Bond: \$17 million (for acquisition, development and improvements)
- Existing budget for community events and services
  - Social services grants: \$172,104
  - Community event grants: \$92,660
  - Related internal services: \$110,156

# Potential Funding Sources

- Tax measures (& comparative rates)
  - Local option levy
    - 10-year capital levy or 5-year operations levy
  - Bond measure
    - 2010 parks bond = \$.29/\$1000 AV or \$60 per median household
  - Special district
    - 2010 TTAD = \$.09/\$1000 AV
    - THPRD = \$1.74/ \$1000 AV or \$348 per \$200,000 household



CITY OF TIGARD | RECREATION PROGRAM STUDY

# Phase 2 Highlights

## Purpose of Phase 2

- Cross-check Phase 1 findings with voters
- Test voter priorities and support for tax measure to enhance recreation

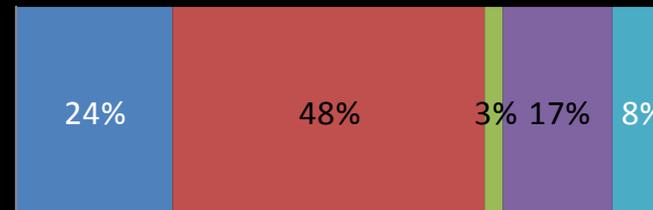
# Recreation Survey

- Random-sample telephone survey of registered voters in the City
- Conducted October 2-8, 2014
- 300 total interviews, with an overall margin of error of  $\pm 5.7$  points at the 95% confidence interval

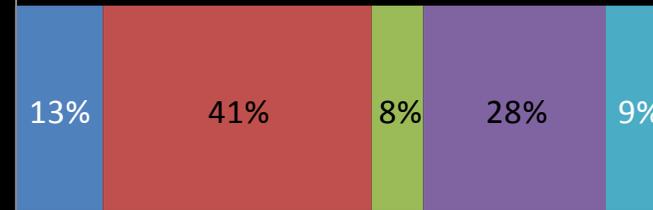
# Availability of Recreation

■ Excellent   ■ Good   ■ (Don't know)   ■ Only Fair   ■ Poor

The availability of parks and recreation facilities in Tigard



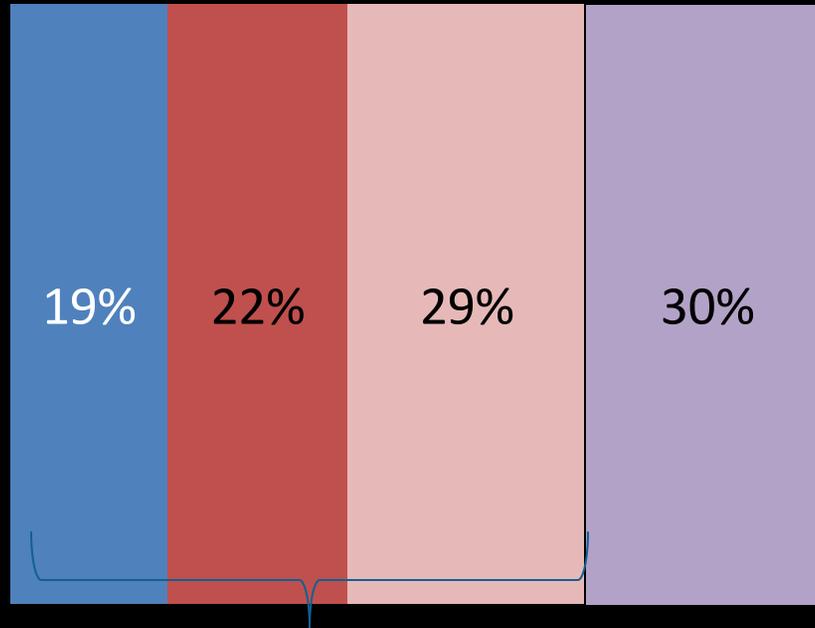
The availability of recreation programs, events and activities in Tigard



# Future City Role

■ 7: Extremely Important   ■ 6   ■ 5   ■ ≤4: DK/Not Important

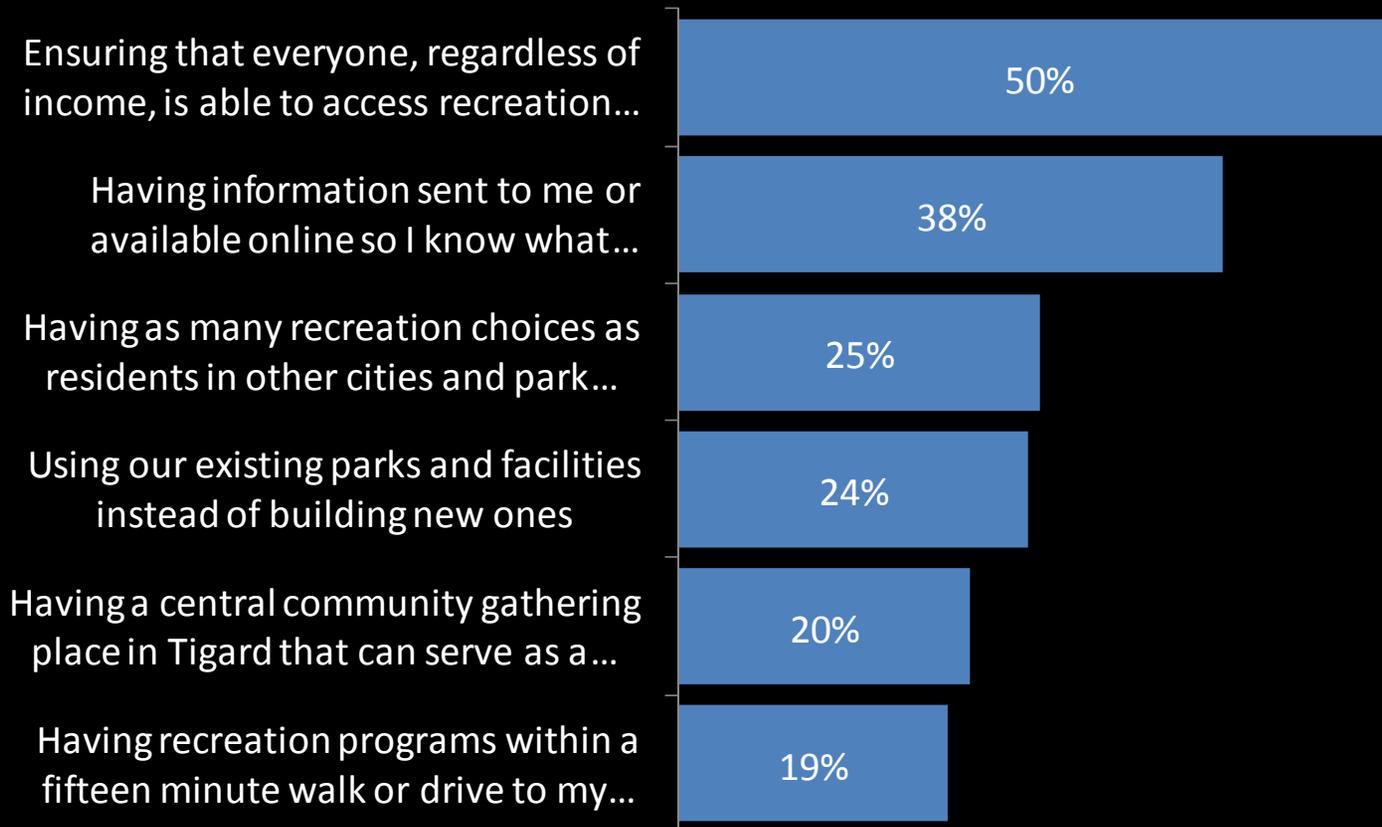
How important is it that the City of Tigard provide or facilitate recreation programs and events in Tigard?



Total Important 70%

# Important Factors

■ 7: Extremely Important

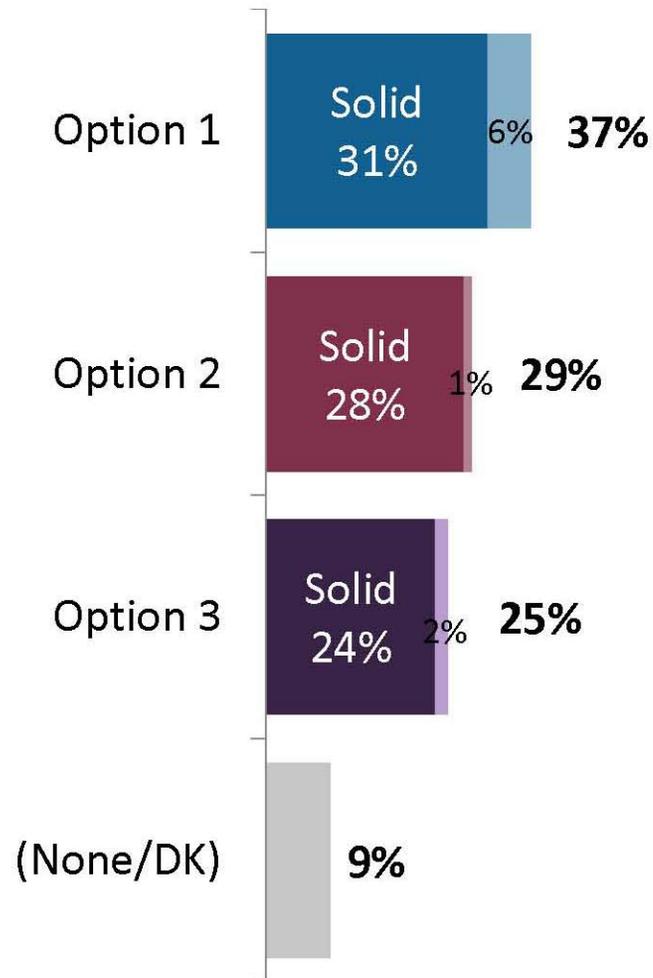


# Initial Support for 3 Options

**Option 1** would provide funding to organize existing programs, providers and facilities into one centralized and easily accessible guide and catalog to recreational programming in Tigard.

**Option 2** would fund the guide but would also include building a downtown event plaza; and classes and programs provided across the city at existing parks and facilities.

**Option 3** would fund construction of a multipurpose community recreation center to house a wide range of new and existing programs and activities.

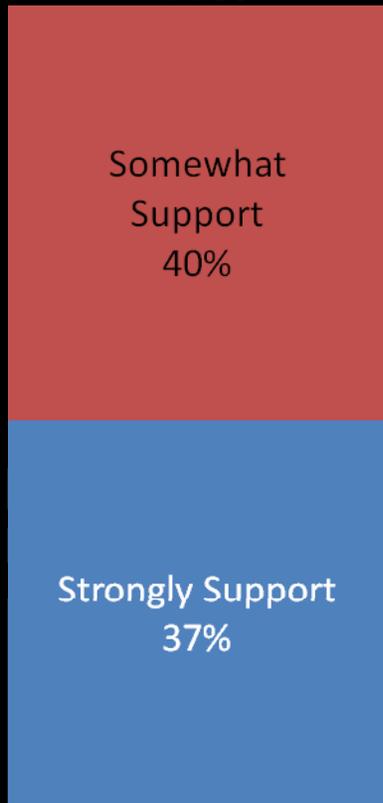


Q19. In general, which option do you prefer? Well which way do you lean, towards the first, second or third package?

# Option 1: Maximize Existing

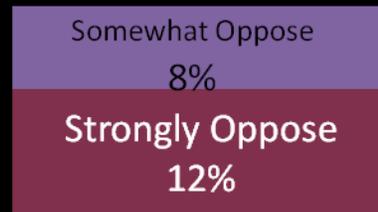
**Support**

**77%**



**Oppose**

**20%**

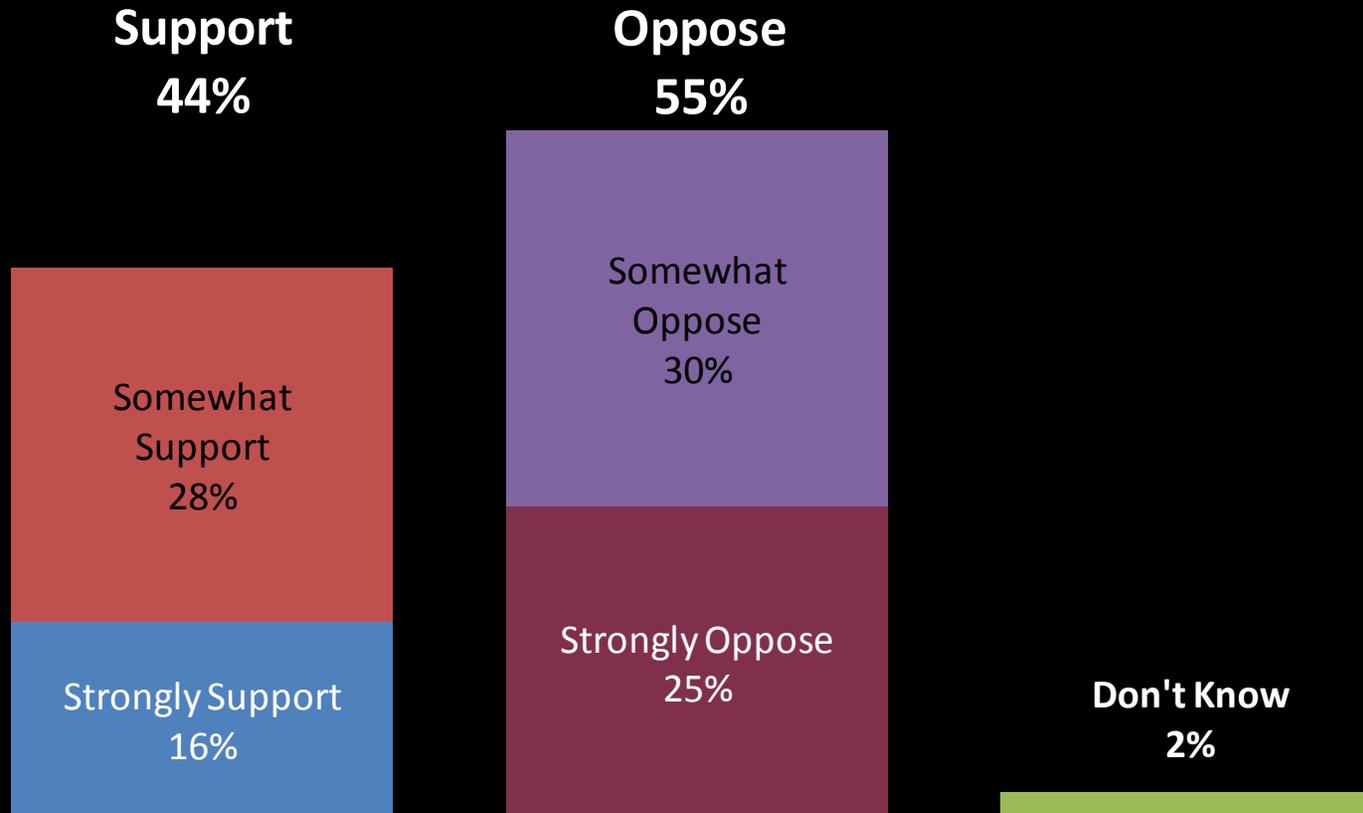


**(Don't know)**

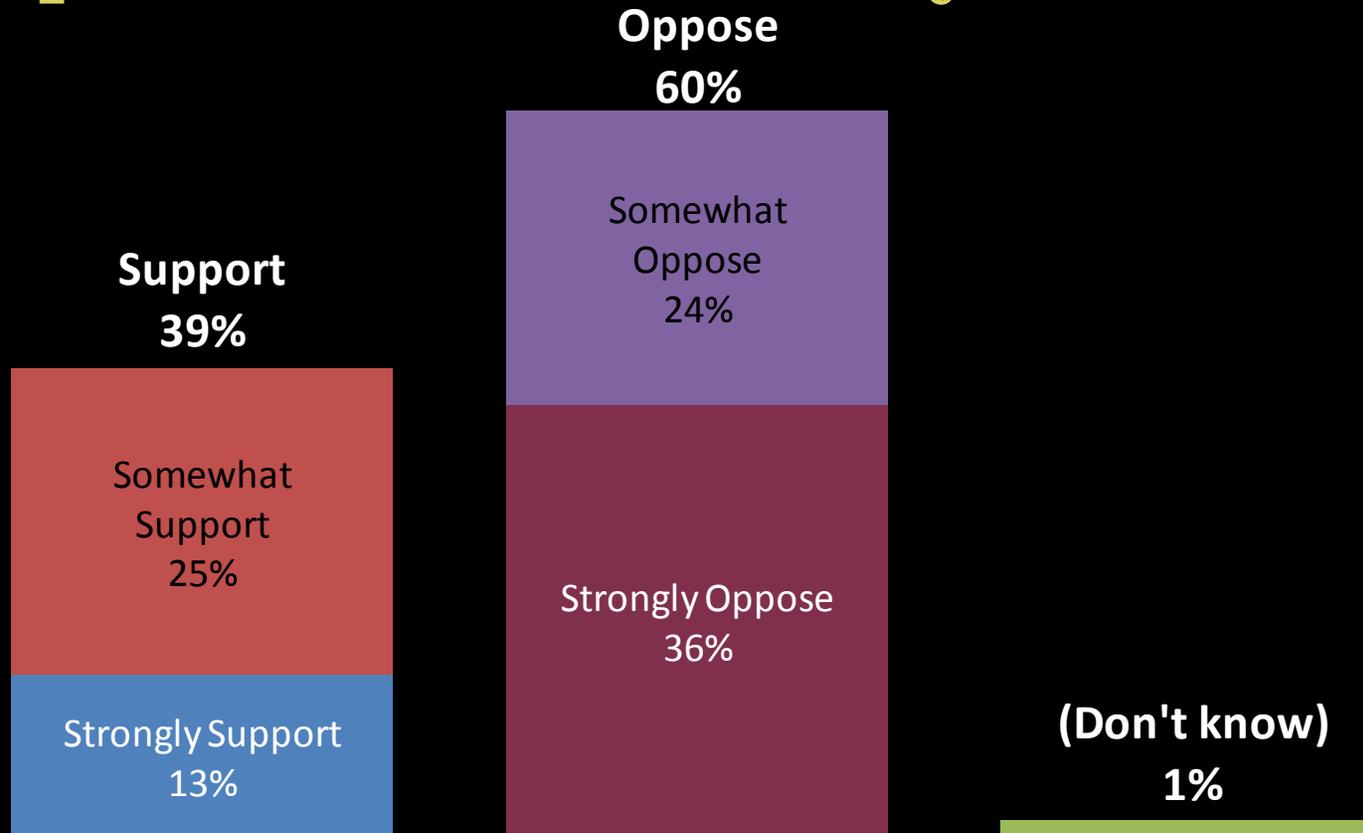
**3%**



# Option 2: Add Plaza & Programs



# Option 3: Community Center



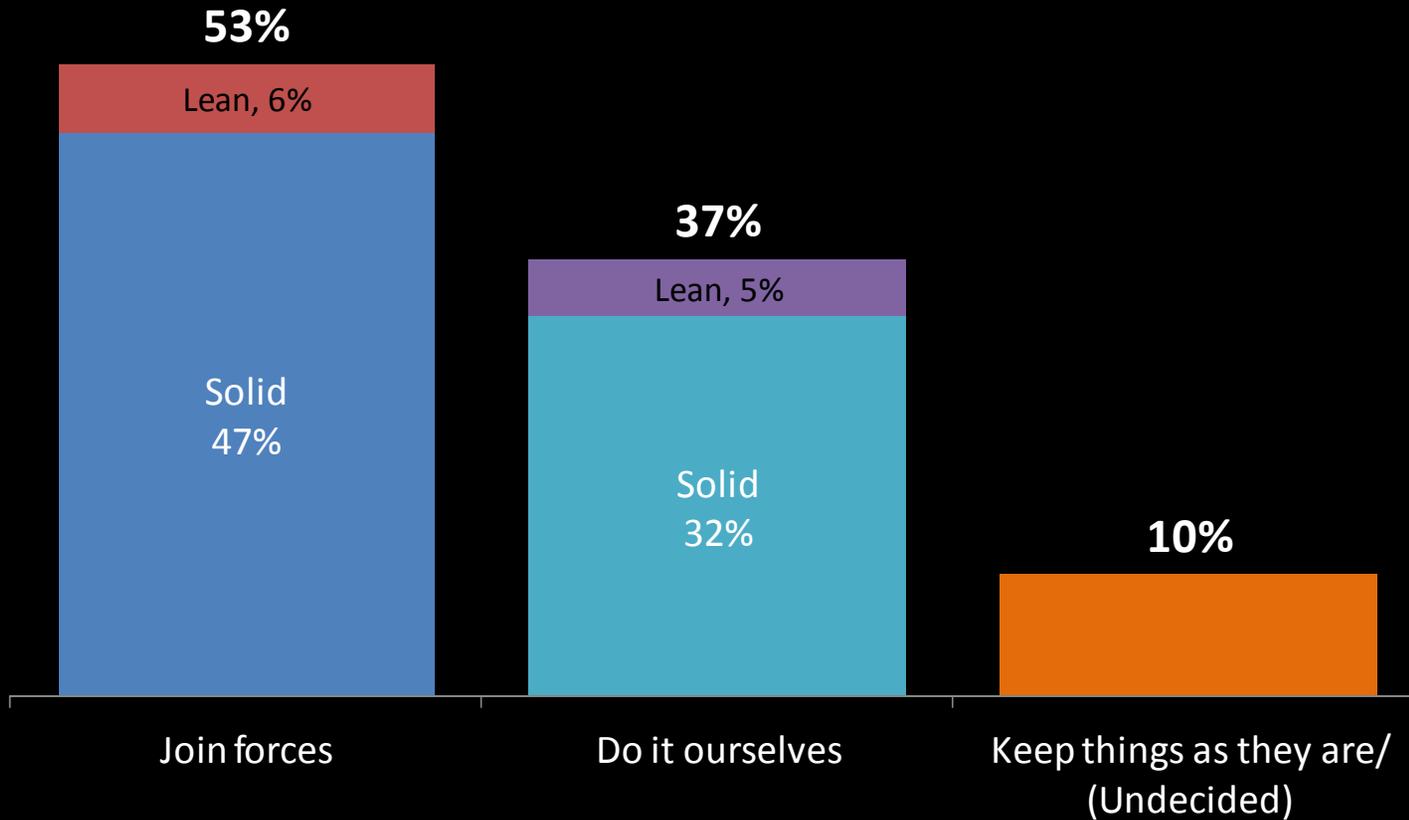
# What Do You Like Best?

What did you like best from any of the three options you heard?	%
Downtown plaza/Open air plaza/Central meeting place	16%
Catalog/Website	15%
Use existing facilities	12%
Option 1	10%
Community center/Recreation center/Building new facilities	9%
Low cost	6%
Option 2	6%
Additional activities/programs	5%
Mobile programs	4%
Option 3	4%
Other	12%
No/None/Nothing	11%
Don't Know/Refuse	7%

# What Do You Like Least?

And what did you like least about any of the three options you heard?	%
Additional Taxes/Cost	35%
Community center/Recreation center/Building new facilities	11%
Downtown plaza/Open air plaza/Central meeting place	9%
Cost of Option 3/\$100 Fee	7%
Option 3	5%
Option 1	5%
Mobile programs	4%
Other	10%
No/None/Nothing	9%
Don't Know/Refuse	11%

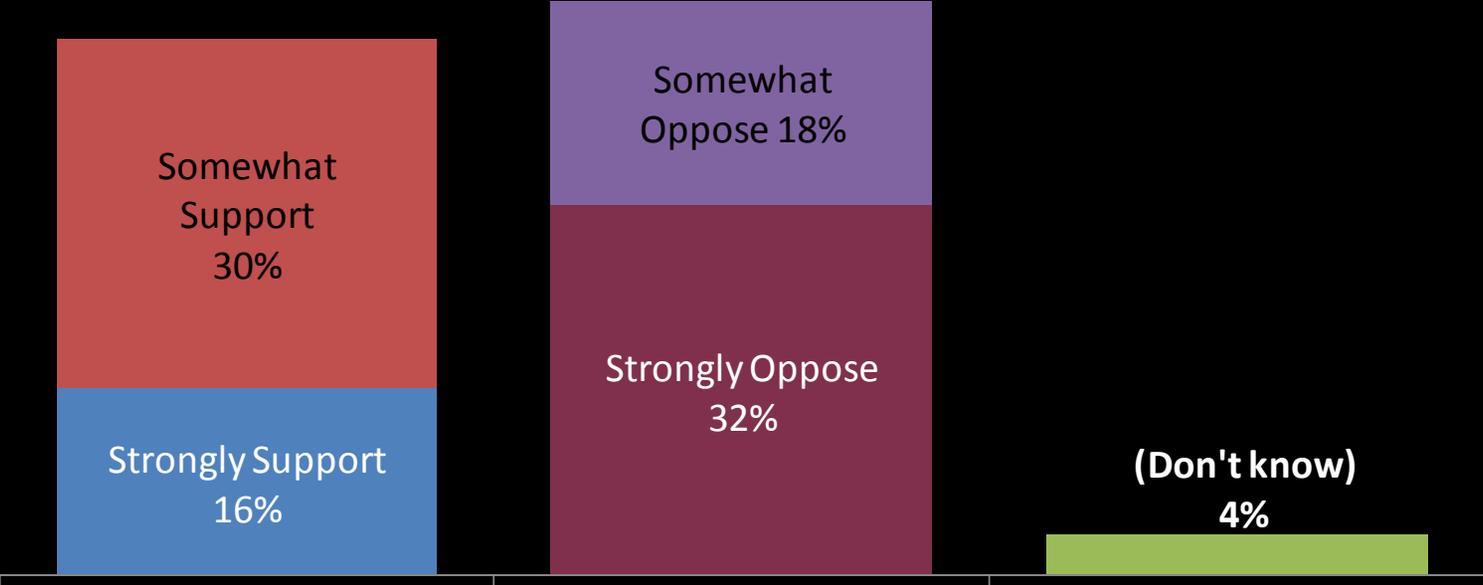
# Partnership with Other Providers



# Support for Full Service District

**Support**  
47%

**Oppose**  
50%



# Key Survey Findings

- While voters give positive ratings to the availability of parks and recreation facilities in Tigard, there is a desire to improve the availability of recreation programs and events.
- It is important to ensure that everyone, regardless of income, has access to recreation programs and services.

# Key Survey Findings

- There is a clear preference for the lowest cost option. (77% support for activity catalog and increased recreation grants)
- It is likely to maintain a majority support if Option 1 is enhanced to include some elements of Option 2 for a small cost increase (events plaza or mobile program).

# Key Survey Findings

- There is not enough current support for a community center (39% support).
- Support for a full-service option (\$380 per average household) is just short of a majority (47% support).
- Voters may be open to some higher cost option in the future, likely in partnership with other another provider.



CITY OF TIGARD | RECREATION PROGRAM STUDY

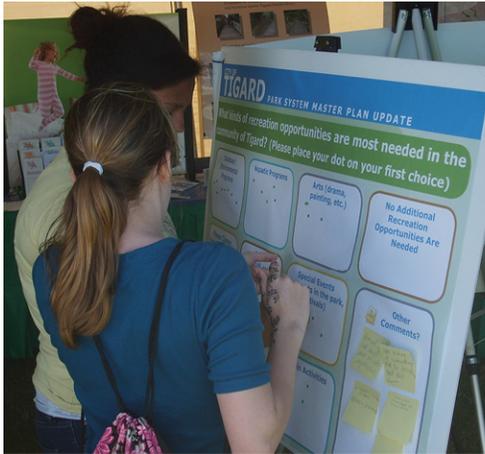
# Preferred Scenario

## Characteristics of Preferred Scenario

- Low cost
- Provides info on what's available
- Improves program availability for all residents
- Uses existing facilities
- Involves partners / pools resources

# Recommended Option

- Hybrid of Option 1 and Option 2
  - Recreation guide
  - Facility reservations
  - Increased grant support for recreation providers
  - Selected programs and community-wide events to serve underserved areas, targeted groups, and community members interested in enhanced recreation options



CITY OF TIGARD | RECREATION PROGRAM STUDY

# Next Steps

# Next Steps

- Summary of recommended option
- Implementation plan
- Staff Project Team meeting  
(December)



CITY OF TIGARD

# Recreation Program Study

M I G

815 SW 2ND AVENUE, SUITE 200 | PORTLAND, OR 97204  
503-297-1005 | WWW.MIGCOM.COM

**TO:** Cindy Mendoza and Ryan Mottau, MIG, Inc.  
**FROM:** Ian Stewart, EMC Research  
**DATE:** October 2014  
**RE:** Executive summary from recent survey on Parks and Recreation issues in Tigard

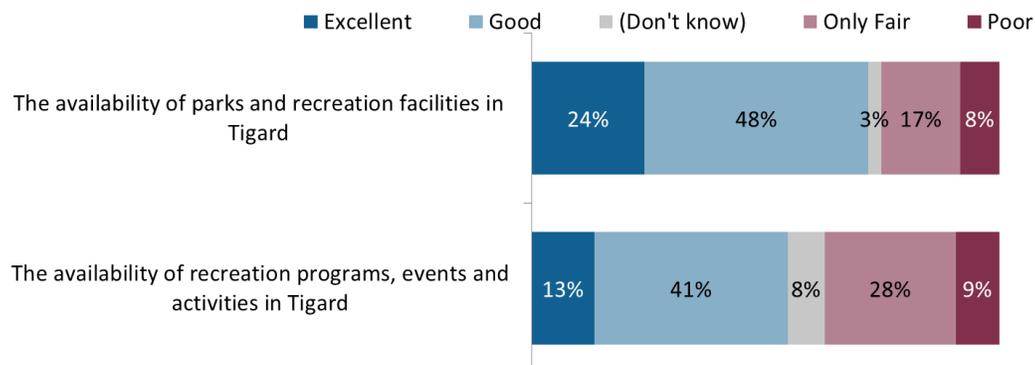
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**Voters are very satisfied with their quality of life in Tigard, though traffic congestion and related transportation issues are clearly the top concern.**

- Voters are overwhelmingly positive about the quality of life in Tigard – 89% of voters rate their quality of life positively, including nearly a third (30%) who rate it as “excellent” and another 59% who say “good.”
- Even so, when asked in an open-ended question the most important problem facing Tigard today, items relating to traffic and congestion (40%), mass transit (6%) and roads (6%) are top of mind concerns by a large margin.

**While voters give positive ratings to the availability of parks and recreation facilities in Tigard, there is room to improve the availability of recreation programs and events.**

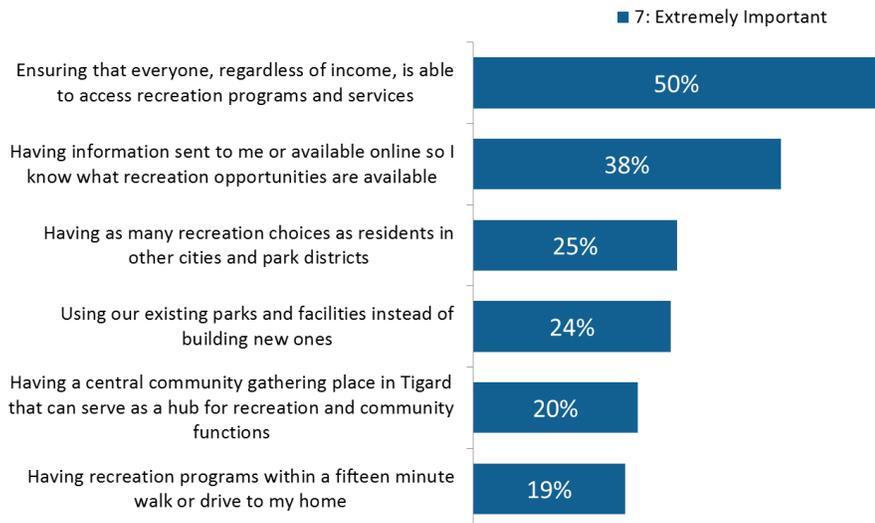
- While ratings for the availability of parks and recreation facilities are positive, ratings for availability of programs and events is noticeably lower though still positive.



- Additionally, nearly three-quarters (70%) of voters said that it is important that the City of Tigard provide or facilitate recreation programs and events in Tigard.

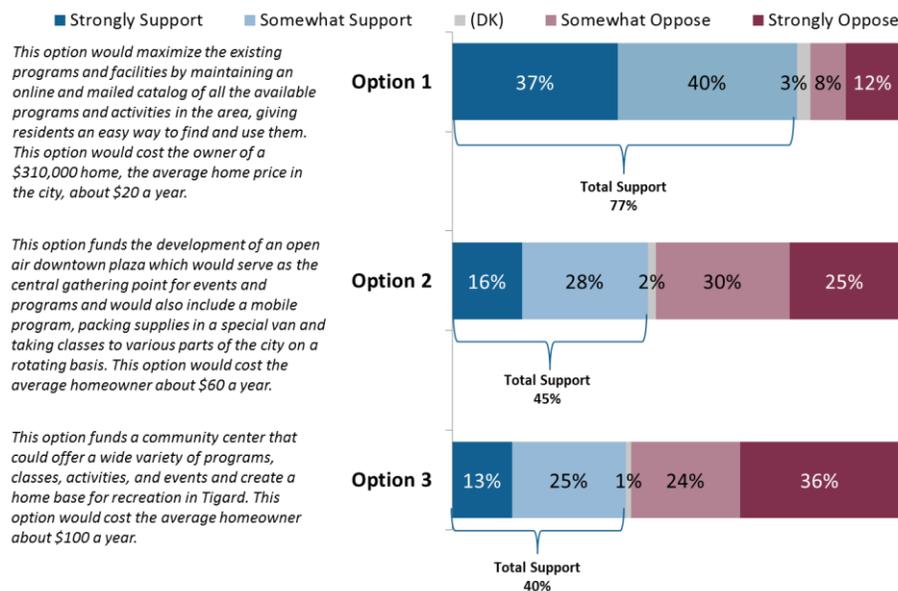
**Ensuring that everyone, regardless of income, is able to access recreation programs and services is one of the most important things the City could do in the recreation space.**

- When read a list of potential options for recreation opportunities in the area, equal access to programs and services was most important by a very large margin.



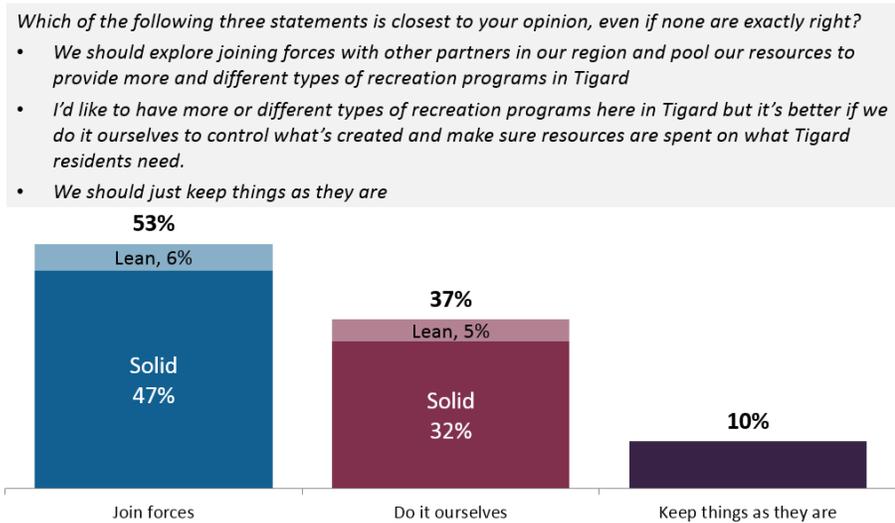
**A series of three recreation options with funding amounts were tested; there is a clear preference (77% Support) for the lowest cost item (\$20/Year per Average Homeowner) that would create an activity catalog along with a grant system.**

- Given the high support for the activity catalog/grant system option, it is likely support would maintain a majority if one component; an open air plaza or mobile program, were included for a small increase in cost.



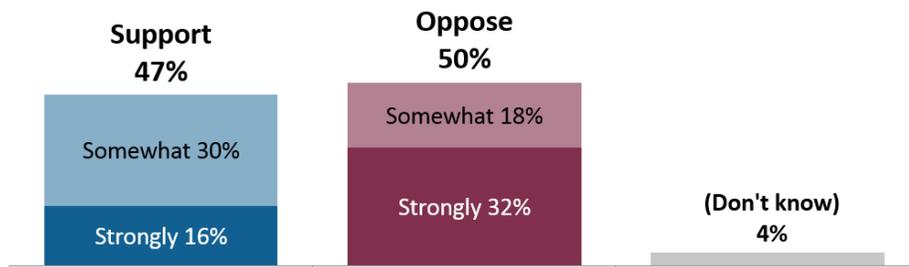
**A majority of voters (53%) think the City should be exploring joining forces with other partners in the region to provide more and different types of recreation programs in Tigard.**

- When forced to choose, voters are more inclined to say Tigard should partner to offer recreation programs.



**Voters are open to some sort of full-service option in the future.**

- An additional option for a parks and recreation program like what is offered in Tualatin Hills was tested (\$380 per average household). Support for this option is just short of a majority (47% Support), but given that this cost is significantly higher than anything else tested, it suggests voters are open to some sort of full-service option in the future, likely in partnership with other providers in the region.



### Methodology

This memo is based on a completed telephone survey of 300 registered voters in the City of Tigard conducted by EMC Research. Interviewing was conducted from October 2<sup>nd</sup> through 8<sup>th</sup>, 2014. The results can be projected to all registered voters living in Tigard with a margin of error for the overall results of  $\pm 5.7$  percentage points.



**EMC**  
RESEARCH  
MARKET  
& OPINION  
RESEARCH  
SERVICES



# City of Tigard *Telephone Survey of Voters*

October 2014

# Methodology

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- ▶ Live telephone survey of registered voters in the City of Tigard
- ▶ Conducted October 2 to 8, 2014 by trained, professional interviewers from a central, monitored location
- ▶ 300 total interviews, with an overall margin of error of  $\pm 5.7$  points at the 95% confidence interval

*Please note that due to rounding, some percentages may not add up to exactly 100%.*

# Most Important Problem

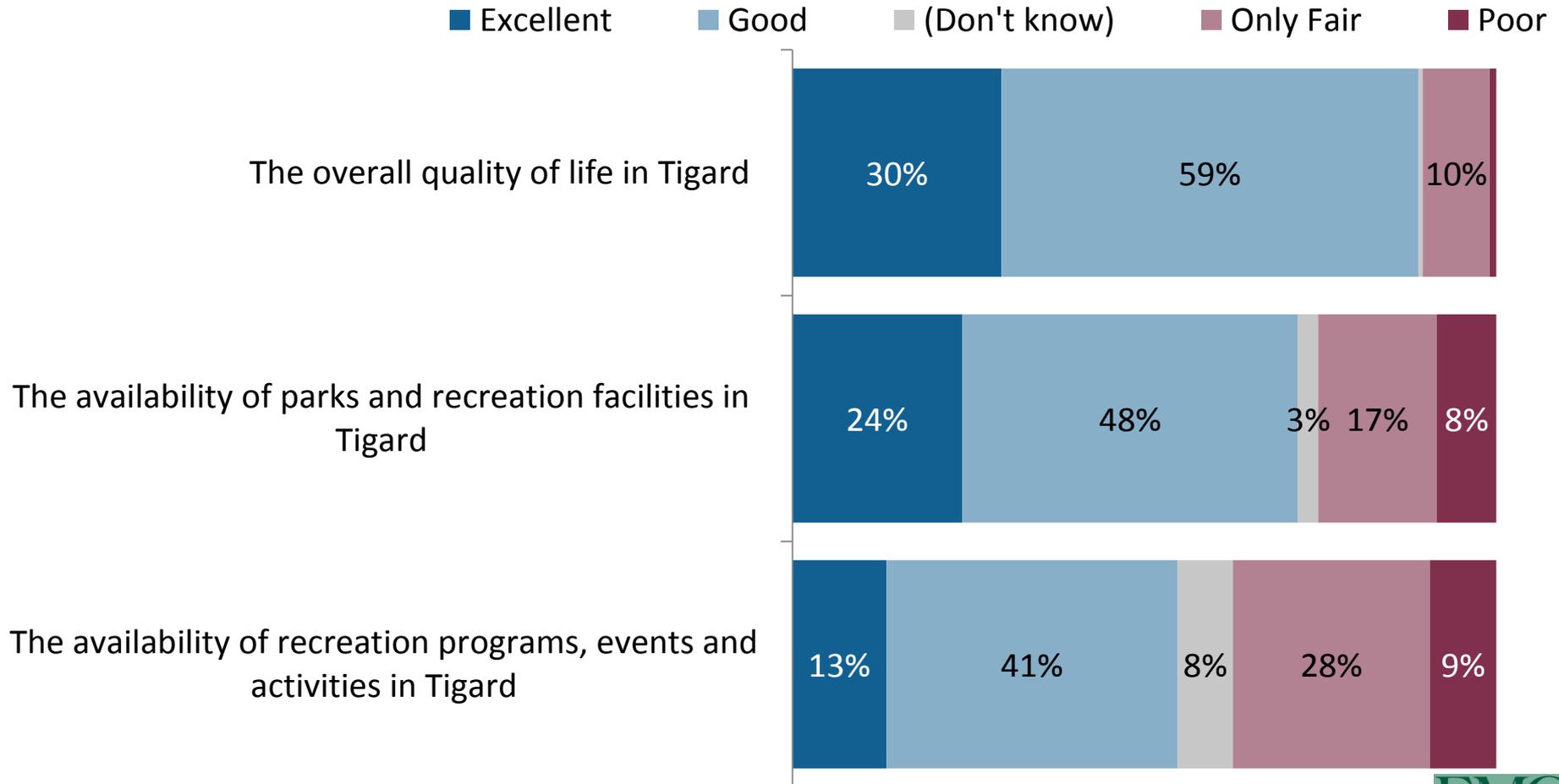
*Voters cite traffic, congestion, and other transportation issues as by far the most important problem facing Tigard.*

Mention	%
Traffic, Congestion	40%
Growth, Development, Overcrowding	8%
Education, Schools	7%
Mass Transit, Light Rail, Transportation	6%
Infrastructure, Roads	6%
Construction	4%
Water	3%
Taxes	2%
Money Management, Spending	2%
Jobs, Economy	2%
Downtown Issues	2%
Other	8%
No/None/Nothing	3%
Don't Know/Refused	18%

Q3. To get started, what do you think is the most important problem facing the City of Tigard today?

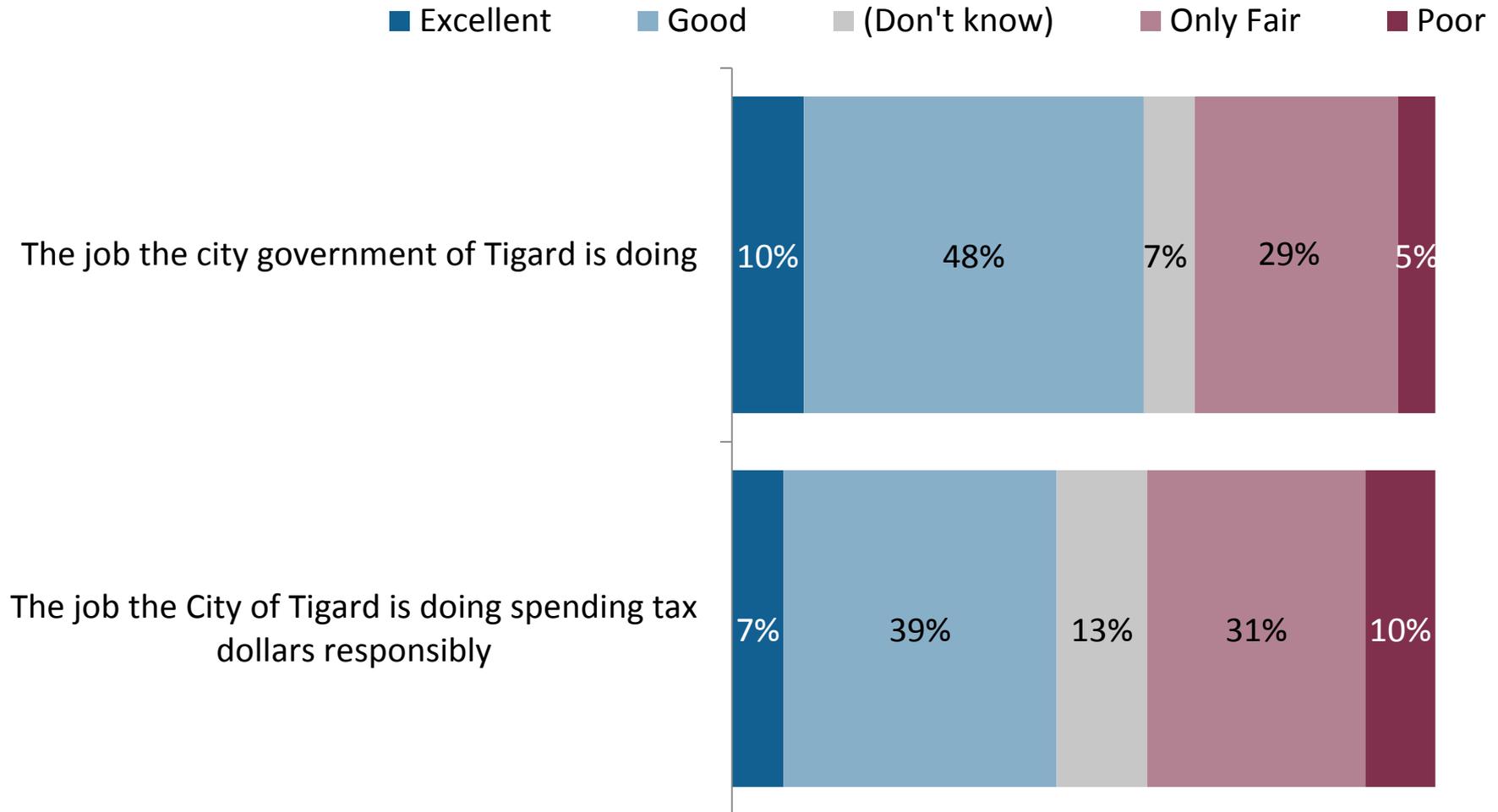
# Ratings of City Services and Programs

*Voters are overwhelmingly positive about the quality of life in Tigard. While ratings for the availability of parks and recreation facilities are positive, ratings for availability of programs and events is noticeably lower though still positive.*



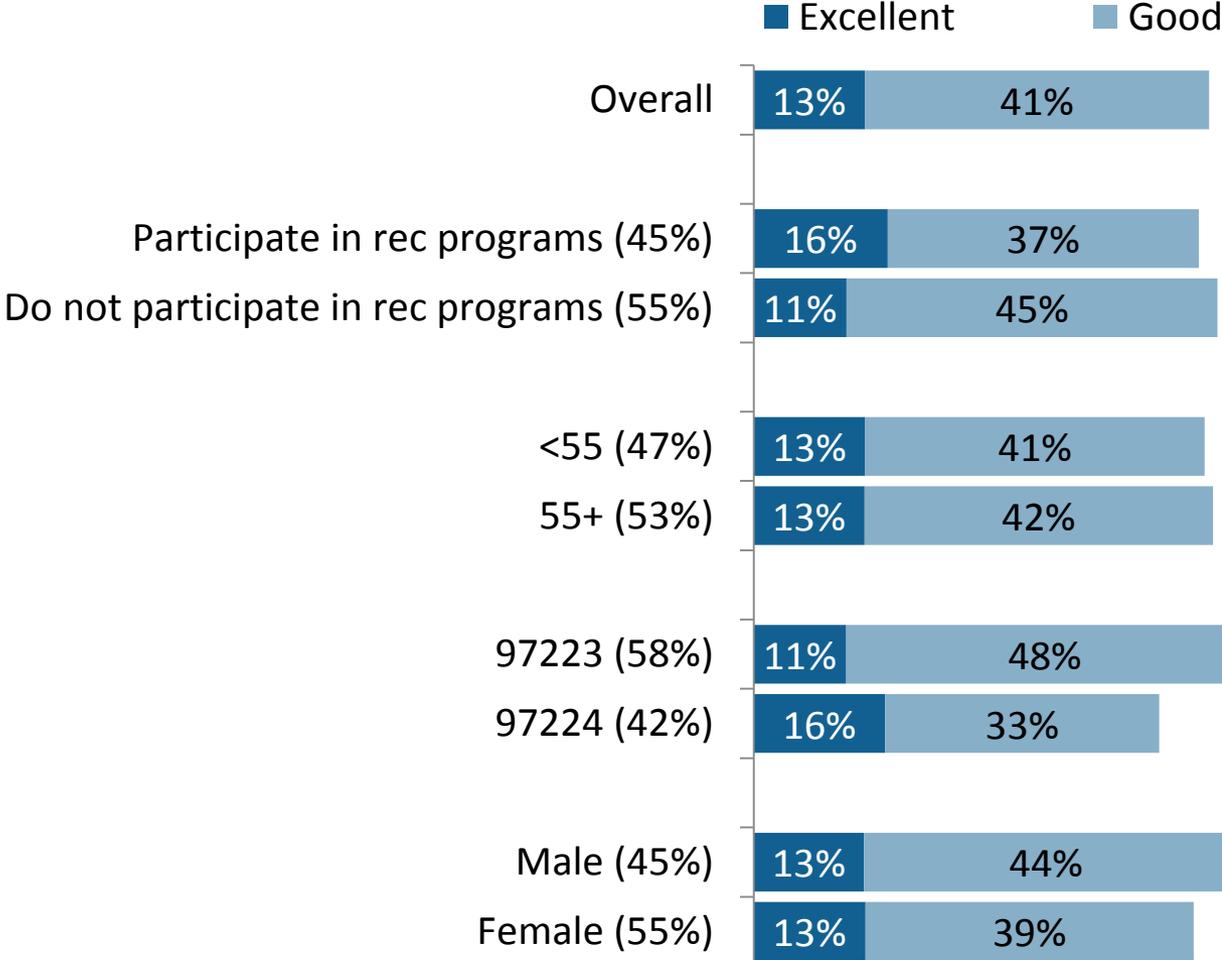
# Ratings of City Management

*A majority of voters give positive ratings to the job the government of the City of Tigard is doing, while ratings for the job the city is doing spending tax dollars is nearly evenly split between positive and negative.*



# Comparing Ratings of Rec Programs By Subgroup

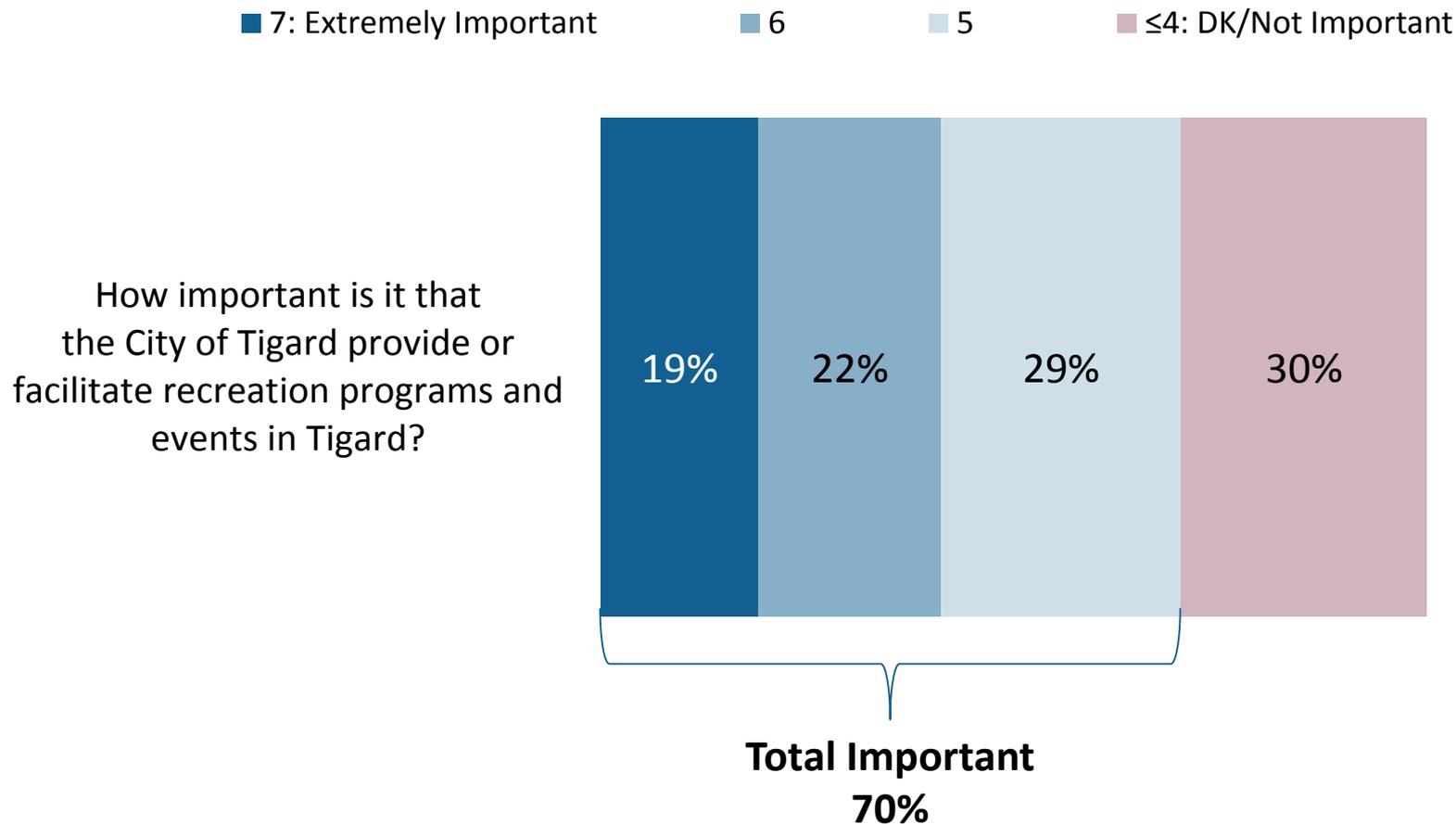
*A breakdown of the job performance rating for the availability of recreation programs shows that the positive ratings, while not intense, do extend to virtually all major subgroups.*



Q4-8. Using a scale of excellent, good, only fair, or poor, how would you rate each of the following? The availability of recreation programs, events and activities in Tigard

# Importance of Recreational Programming

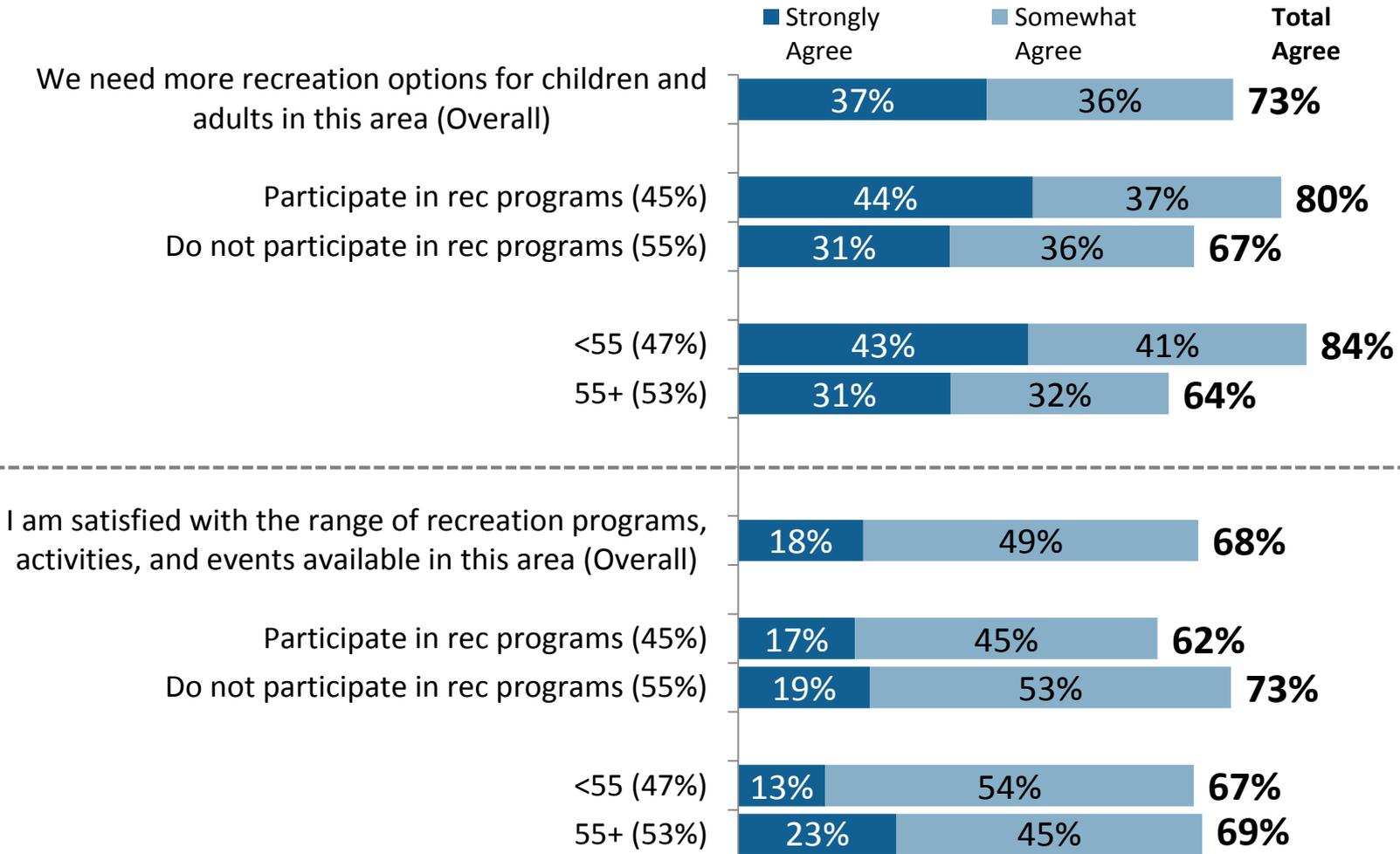
*While a significant majority (70%) of voters say that it is important for the City to provide or facilitate recreation programs and events in Tigard, the intensity is soft. Only two in ten (19%) say it's extremely important for the City to do.*



Q9. Providing recreation programming would be a new service for the City of Tigard. On a scale of one to seven, where one is not important at all and seven is extremely important, how important is it that the City of Tigard provide or facilitate recreation programs and events in Tigard?

# Statements – Recreational Programming

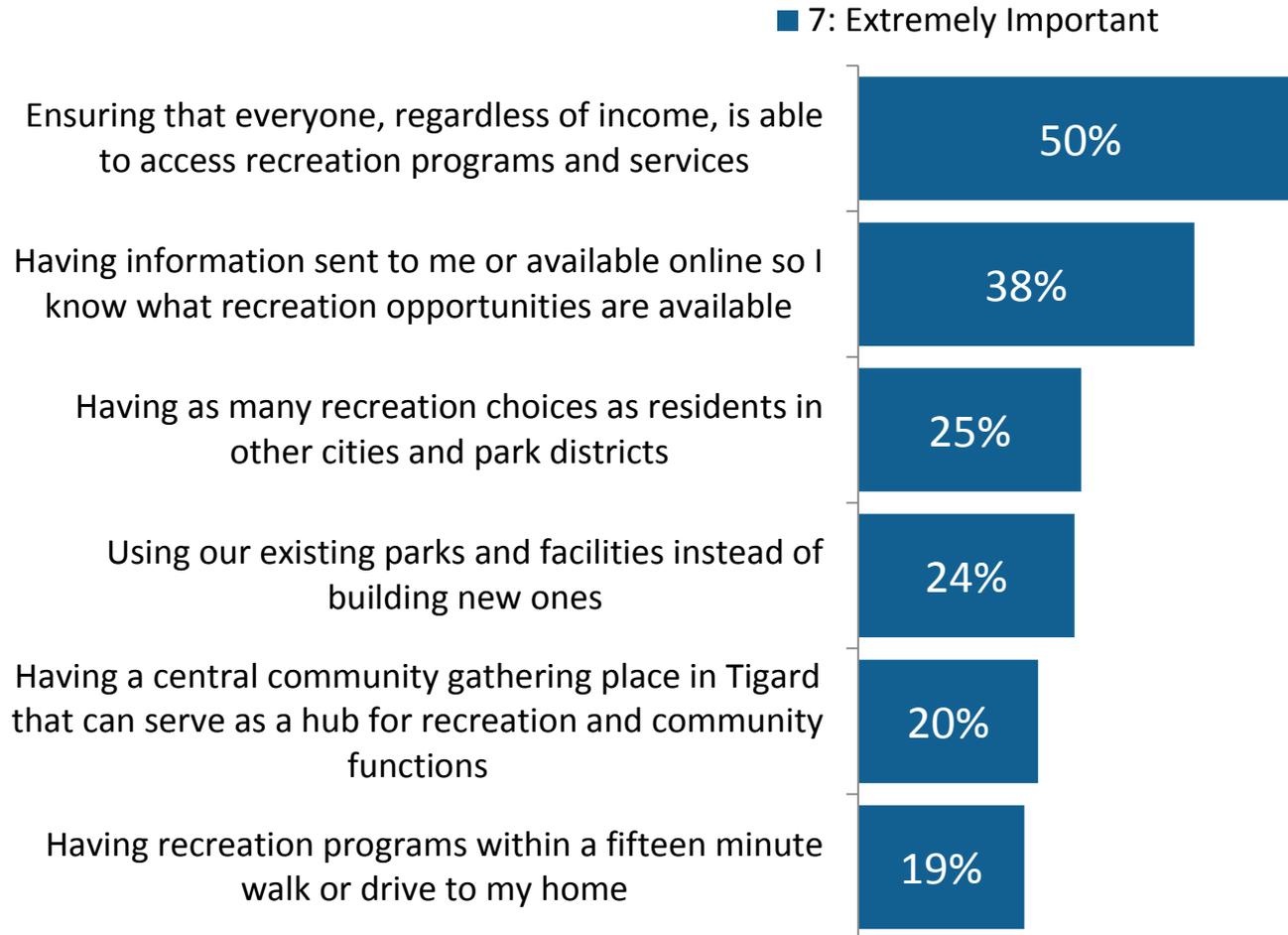
Although overall agreement is similar, there is clearly a higher level of intensity around the need for more recreation programs for children and adults in the area. In fact, intensity (“Strongly Agree”) is at least double or more in two important subgroups.



Q10-12. Please tell me whether you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements.

# Recreational Opportunities

Ensuring that **everyone** has access to recreation programs and services is most important to voters; perceived importance for accessible recreation information is strong but not as high.



Q13-18. Moving on, I'd like to ask about some potential options for recreation opportunities in the area. For each one, please tell me how important you think that item is on a scale of one to seven, where one means that item is not important at all and seven means it is extremely important.

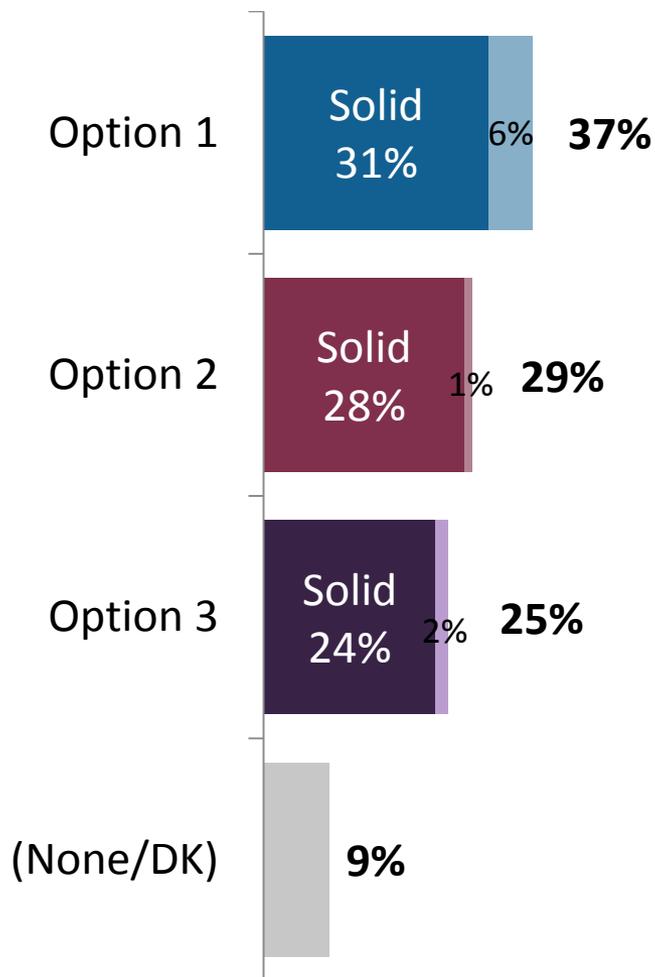
# Initial Support for Three Options

*After a brief description of the options potentially being provided by the City to enhance recreation, a plurality prefer option 1; however there is not a clear favorite. It is important to note that none of these descriptions include the cost of the option.*

**Option 1** would provide funding to organize existing programs, providers and facilities into one centralized and easily accessible guide and catalog to recreational programming in Tigard.

**Option 2** would fund the guide but would also include building a downtown event plaza; and classes and programs provided across the city at existing parks and facilities.

**Option 3** would fund construction of a multipurpose community recreation center to house a wide range of new and existing programs and activities.



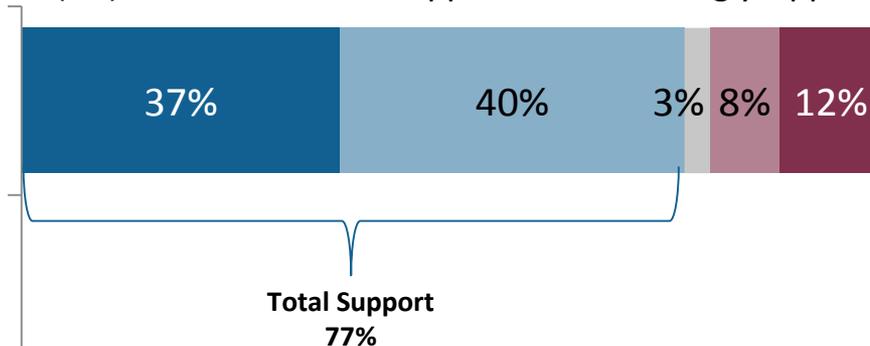
# Support for Three Options - Informed

*When voters hear more details including cost, option 1 is clearly preferred. The strong level of support for option 1 suggests some added components and additional cost would be supported.*

■ Strongly Support    
 ■ Somewhat Support    
 ■ (DK)    
 ■ Somewhat Oppose    
 ■ Strongly Oppose

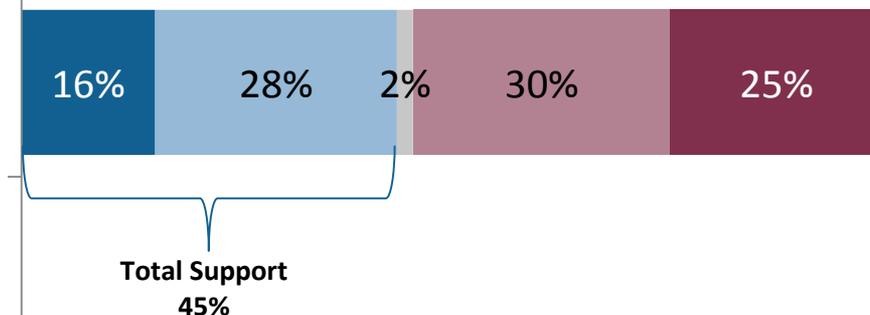
*This option would maximize the existing programs and facilities by maintaining an online and mailed catalog of all the available programs and activities in the area, giving residents an easy way to find and use them. This option would cost the owner of a \$310,000 home, the average home price in the city, about \$20 a year.*

**Option 1**



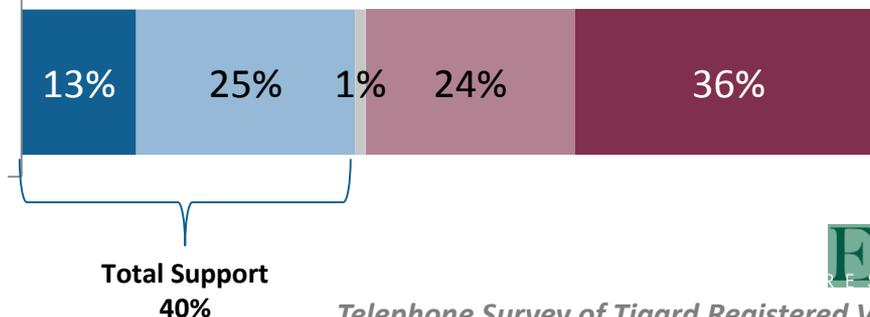
*This option funds the development of an open air downtown plaza which would serve as the central gathering point for events and programs and would also include a mobile program, packing supplies in a special van and taking classes to various parts of the city on a rotating basis. This option would cost the average homeowner about \$60 a year.*

**Option 2**



*This option funds a community center that could offer a wide variety of programs, classes, activities, and events and create a home base for recreation in Tigard. This option would cost the average homeowner about \$100 a year.*

**Option 3**

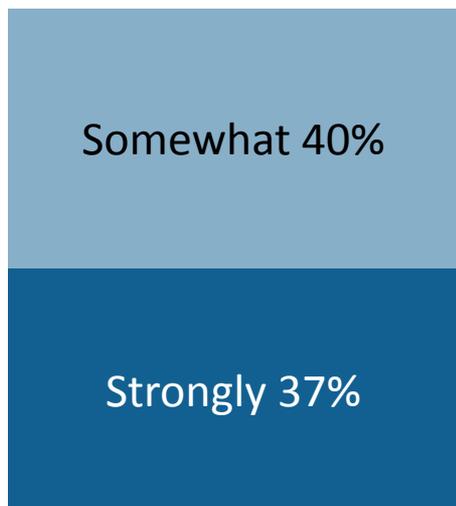


# Support for Option 1 - Informed

*Below is a more detailed look at the support for Option 1. Given that total support is more than three-quarters (77%) of voters, it is reasonable to assume that some additional components with some additional cost could be added to Option 1 and that it would still retain majority support.*

*Some people say that there are good recreational programs and activities in our area, but they could be enhanced. This option would maximize the existing programs and facilities by maintaining an online and mailed catalog of all the available programs and activities in the area, giving residents an easy way to find and use them. In addition to the guide, this funding would allow the City to reserve rooms in existing public facilities—such as the Library, fire stations and City Hall—for programs and classes. The final portion of this funding would enhance the grant program that helps local program providers keep programs available and affordable. This option would cost the owner of a \$310,000 home, the average home price in the city, about \$20 a year.*

## Support 77%



## Oppose 20%



## (Don't know) 3%

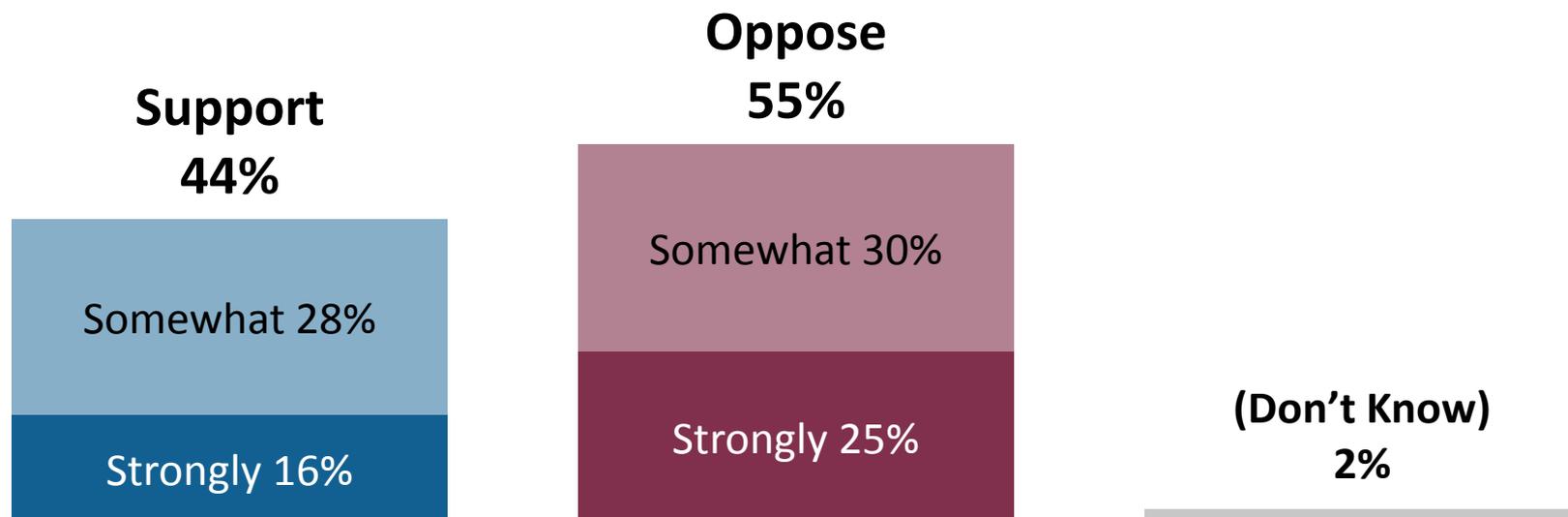


Q20. ...Knowing this, do you strongly support, somewhat support, somewhat oppose or strongly oppose this option?

# Support for Option 2 - Informed

*Option 2 has a majority of voters in opposition, with half of that opposition in the “strong” category.*

*Some say that we need a central catalog, but also say our city has grown enough that we need to start providing space for classes and programs. This option funds the development of an open air downtown plaza which would serve as the central gathering point for events and programs. This option would also include a mobile program, packing supplies in a special van and taking classes to various parts of the city on a rotating basis. This brings classes to parks and facilities that are close to home for under-served parts of our community. This option would cost the average homeowner about \$60 a year.*

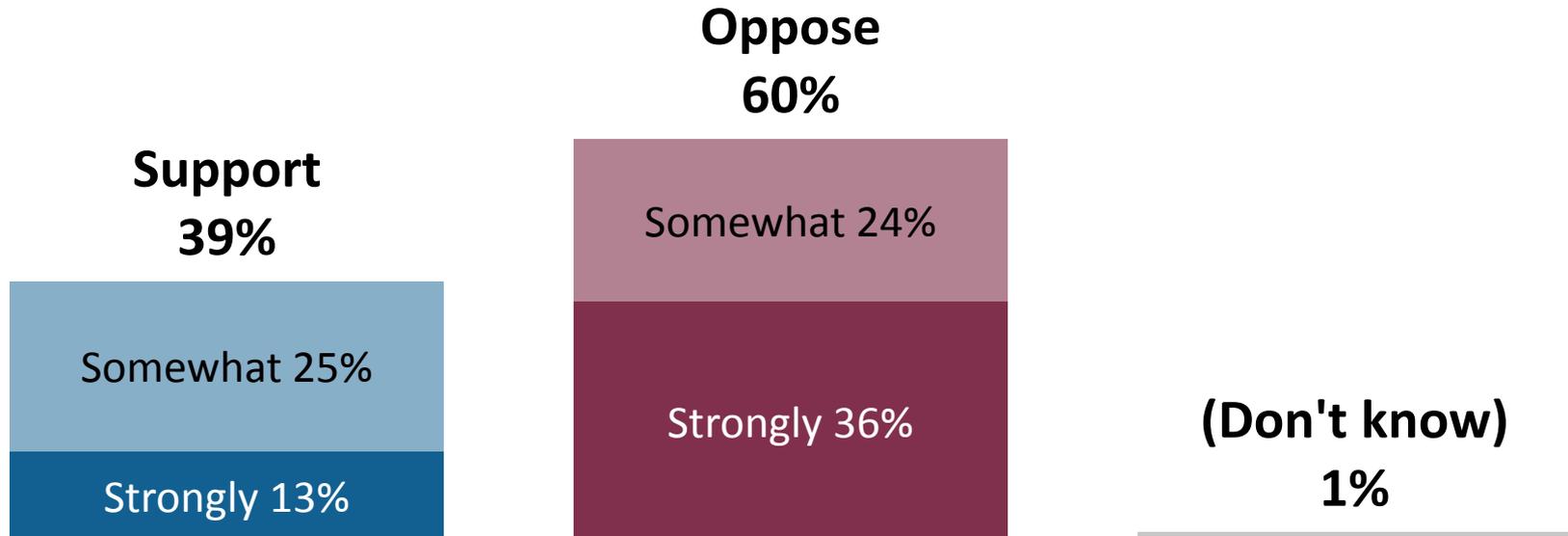


Q21. ...Knowing this, do you strongly support, somewhat support, somewhat oppose or strongly oppose this option?

# Support for Option 3 - Informed

*Opposition to option 3 is the highest, with over one-third (36%) strongly opposing it.*

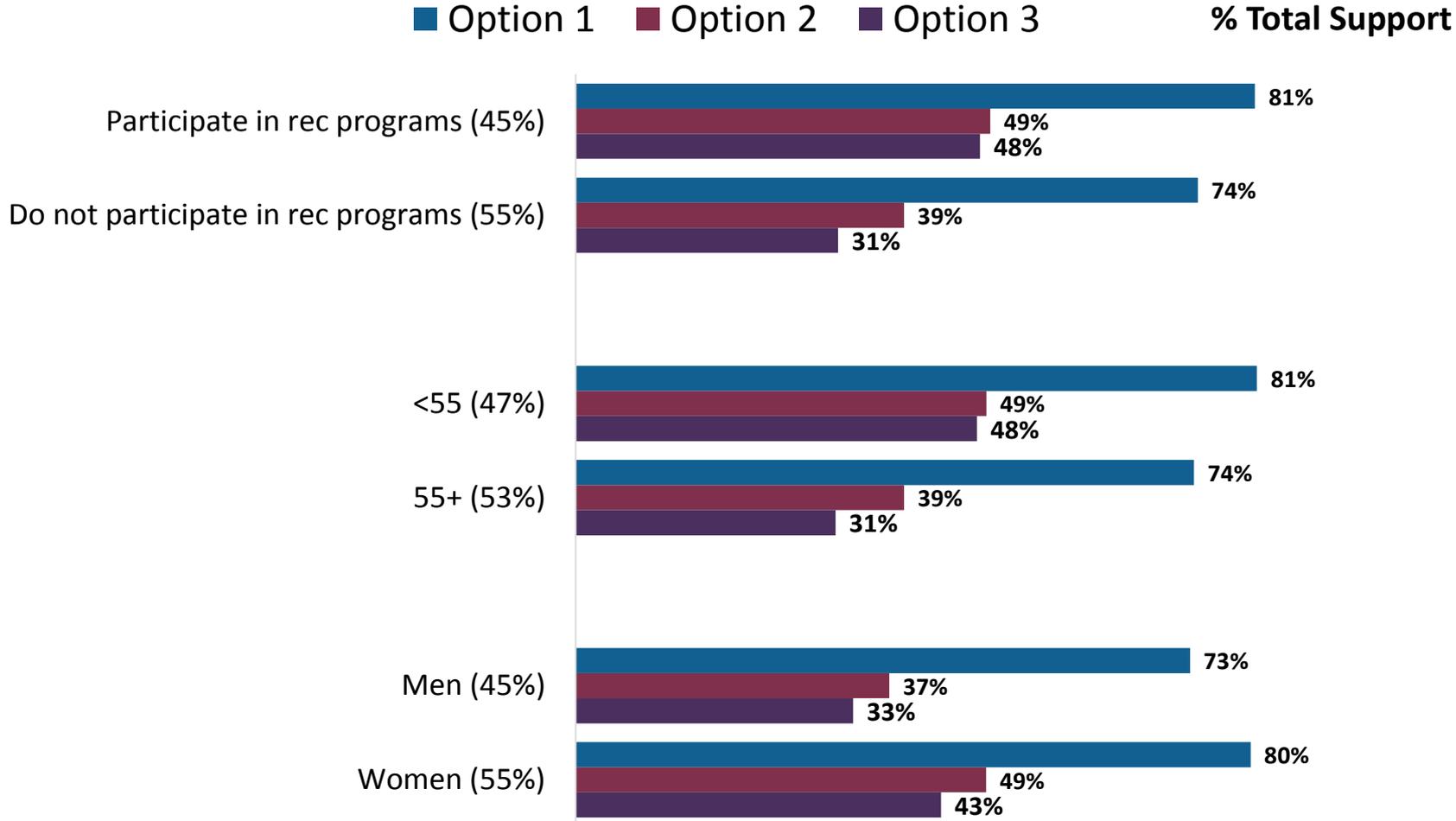
*Other people say that we are not offering nearly enough recreational opportunities in Tigard. This option funds a community center that could offer a wide variety of programs, classes, activities, and events and create a home base for recreation in Tigard. This option would cost the average homeowner about \$100 a year.*



Q22. ...Knowing this, do you strongly support, somewhat support, somewhat oppose or strongly oppose this option?

# Comparing Support for Options by Subgroup

*Those who participate in rec programs are more supportive of all three options; younger voters and women are also more supportive. Option 1 is preference among all subgroups.*



# Most and Least Favorite Aspects of Three Options

*Voters were most interested in the downtown plaza aspect of Option 2 and least interested in seeing their taxes go up.*

What did you like best from any of the three options you heard?	%
Downtown plaza/Open air plaza/Central meeting place	16%
Catalog/Website	15%
Use existing facilities	12%
Option 1	10%
Community center/Recreation center/Building new facilities	9%
Low cost	6%
Option 2	6%
Additional activities/programs	5%
Mobile programs	4%
Option 3	4%
Other	12%
No/None/Nothing	11%
Don't Know/Refuse	7%

And what did you like least about any of the three options you heard?	%
Additional Taxes/Cost	35%
Community center/Recreation center/Building new facilities	11%
Downtown plaza/Open air plaza/Central meeting place	9%
Cost of Option 3/\$100 Fee	7%
Option 3	5%
Option 1	5%
Mobile programs	4%
Other	10%
No/None/Nothing	9%
Don't Know/Refuse	11%

Q23. In your own words, what did you like best from any of the three options you heard?

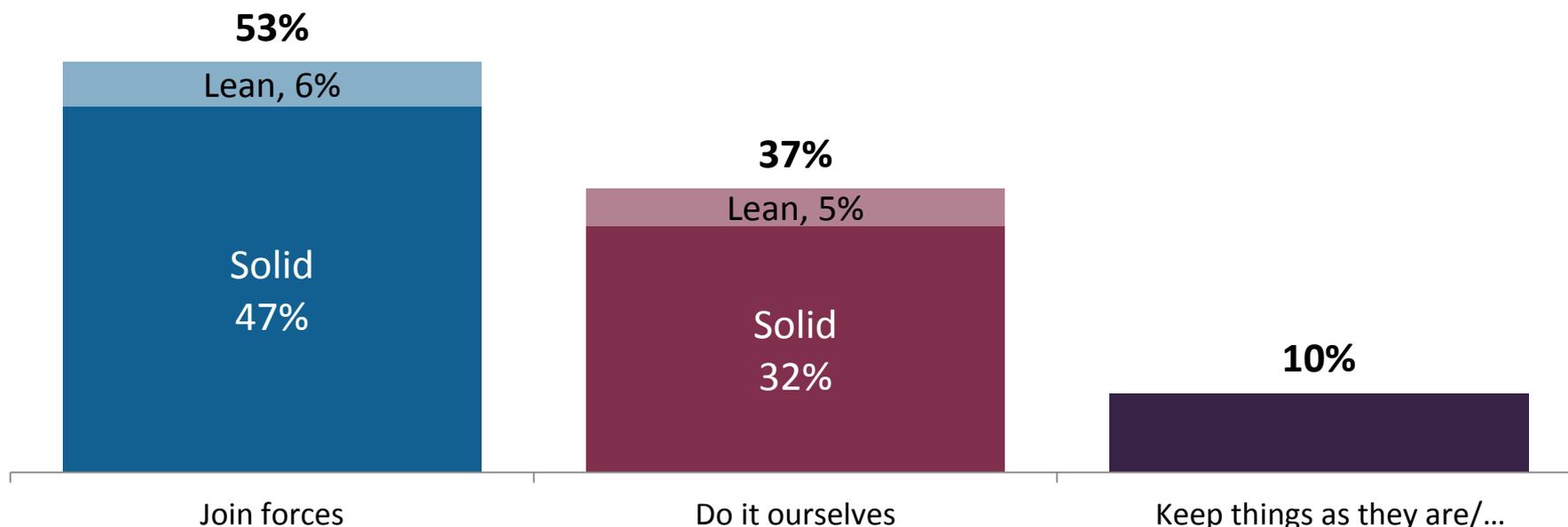
Q24. And what did you like least about any of the three options you heard?

# Partnership with Other Recreation Providers

*When forced to choose, voters are more inclined to say Tigard should partner to offer recreation programs.*

*Which of the following three statements is closest to your opinion, even if none are exactly right?*

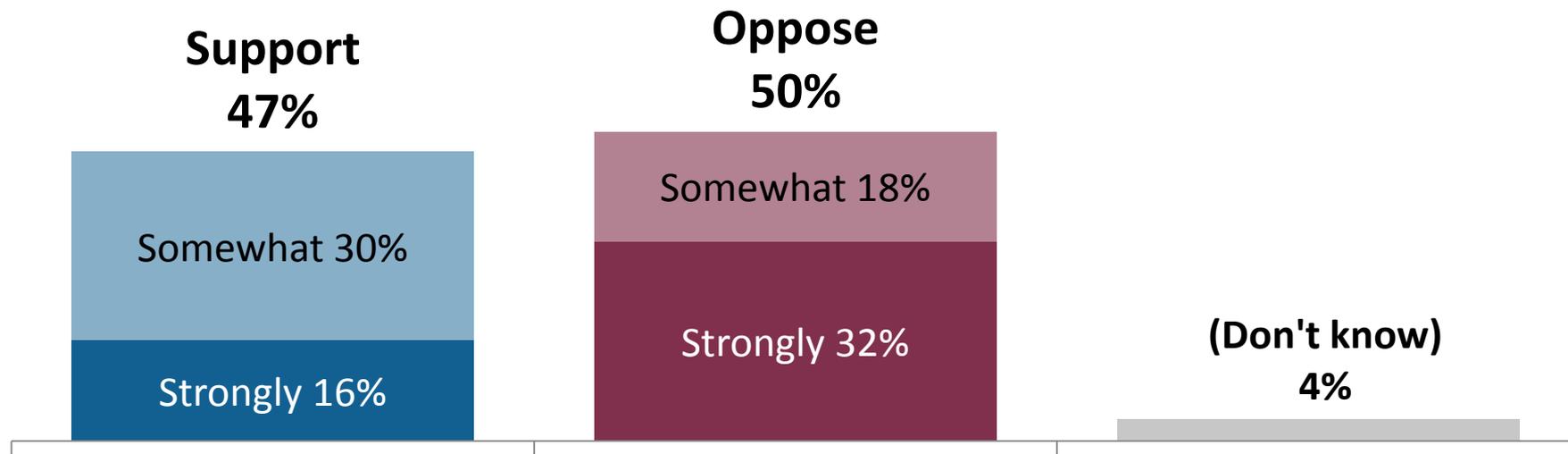
- We should explore joining forces with other partners in our region and pool our resources to provide more and different types of recreation programs in Tigard*
- I'd like to have more or different types of recreation programs here in Tigard but it's better if we do it ourselves to control what's created and make sure resources are spent on what Tigard residents need.*
- We should just keep things as they are*



# Support For a Full Range of Services

*The concept of a parks and recreation program like the one in Tualatin Hills garners a strong level of support given it significantly higher cost than options 2 or 3.*

*The neighboring parks and recreation district, Tualatin Hills Parks and Recreation, offers what many consider to be a full range of recreational programs and activities. This has been built over time with the support of tax dollars. Right now, the average homeowner there pays \$380 per year for these services.*



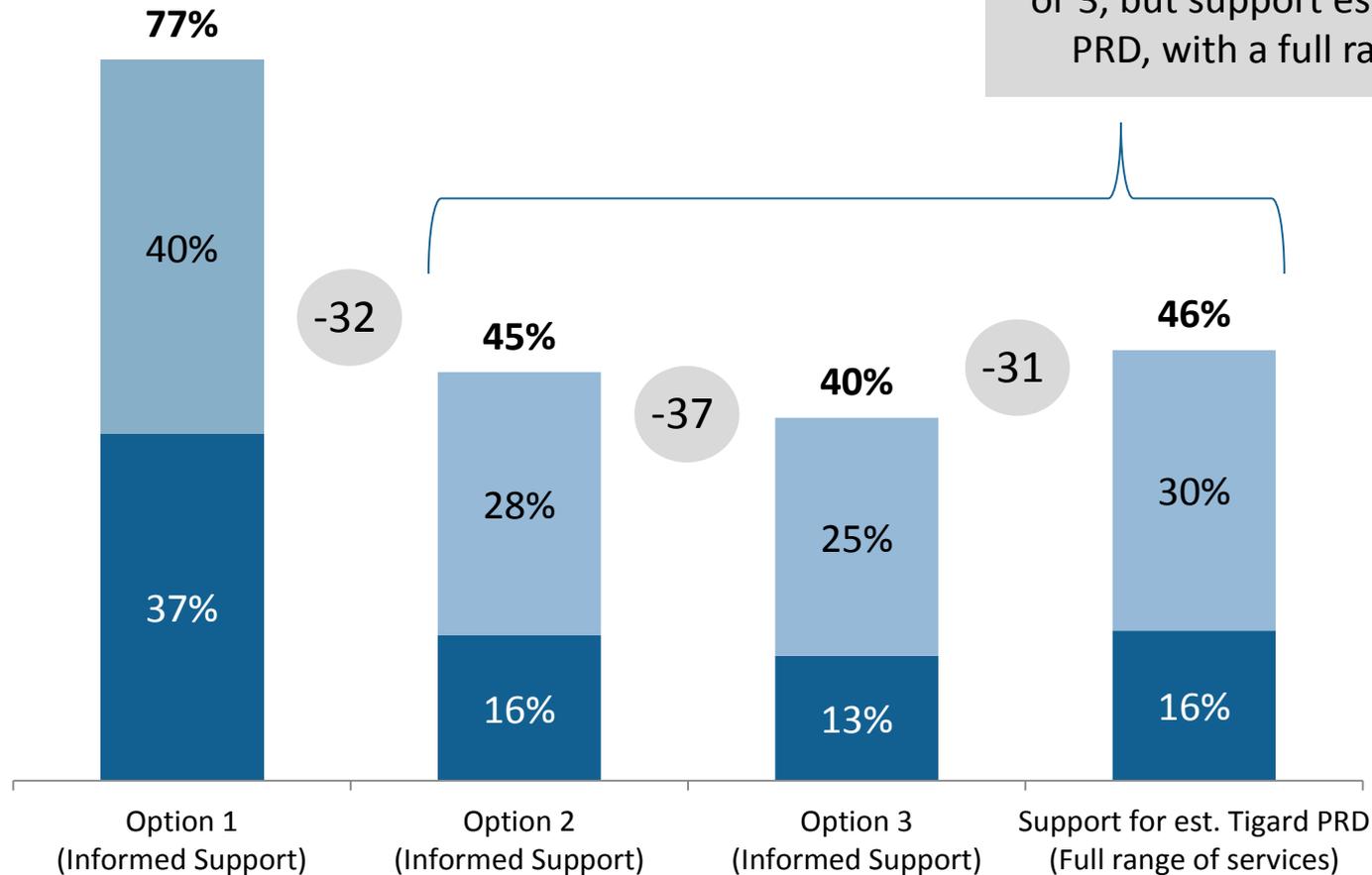
Q26. ...Would you strongly support, somewhat support, somewhat oppose or strongly oppose the creation of a parks and recreation program in Tigard that offered a full range of services for \$380 dollars per year for the average household?

# Identifying Drop-Off/Pick-Up Voters (Movers)

*One-fifth (21%) of voters are supportive of establishing a Tigard PRD, despite their opposition to options 2 and 3, indicating that voters are open to a more substantial recreation option.*

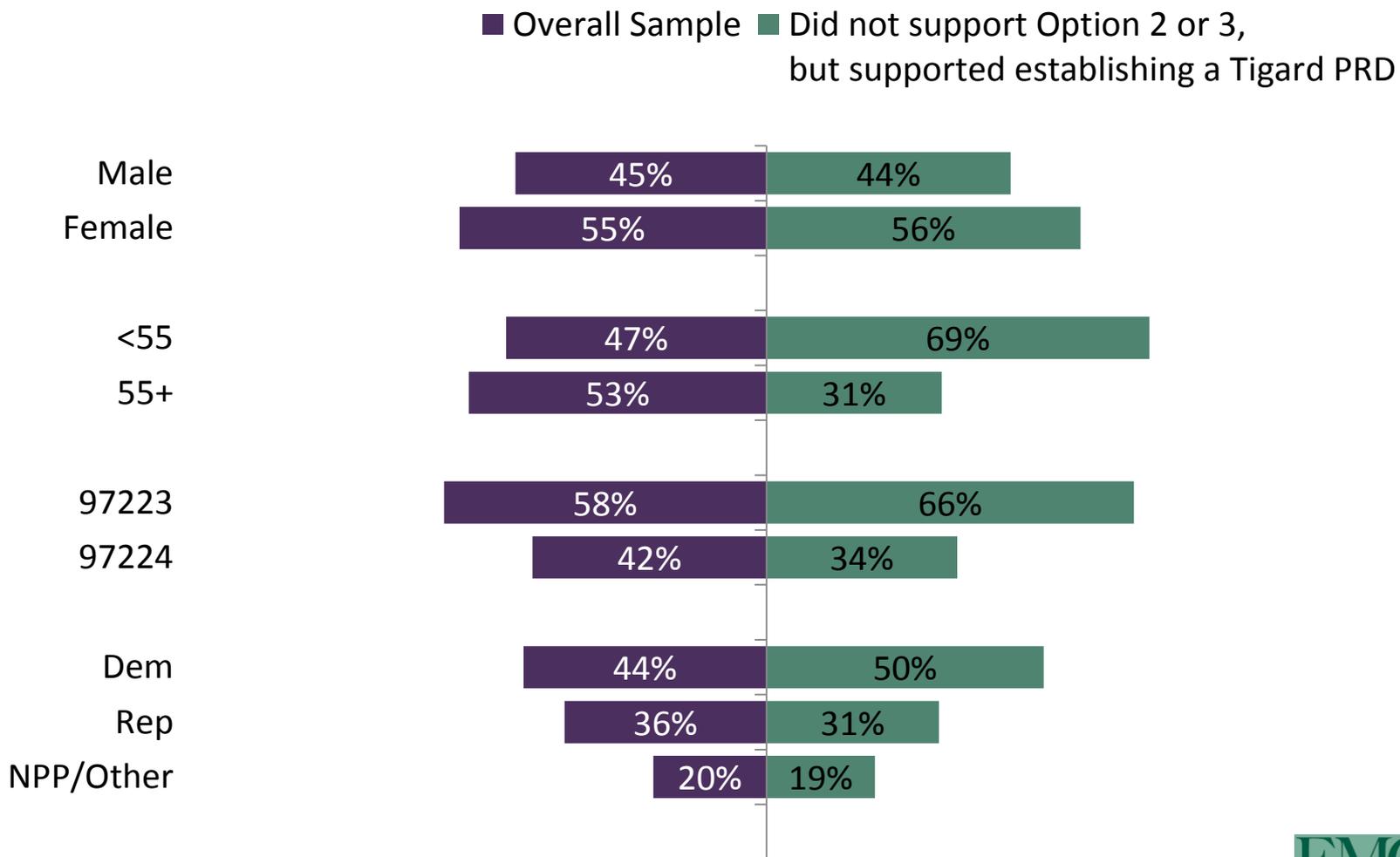
■ Strongly Support   ■ Somewhat Support

**21% of voters do NOT support options 2 or 3, but support establishing a Tigard PRD, with a full range of services.**



# Movers by Demographic Subgroups

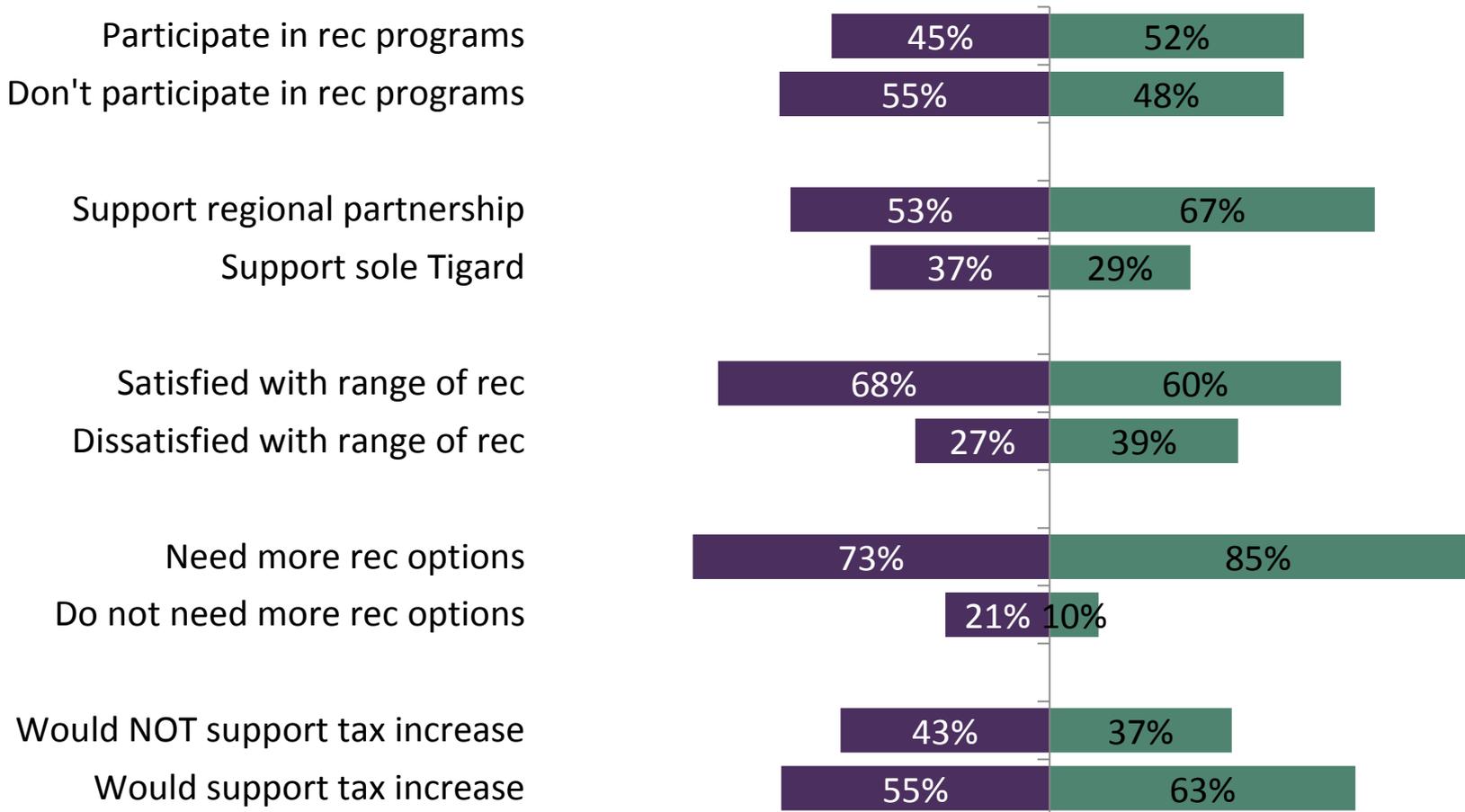
*One way to describe the differences between Options 2 and 3 and the full parks and recreation program at the higher investment amount is to look at the difference in support between them. Younger voters are the biggest movers towards the full parks and recreation program.*



# Movers by Attitudinal Subgroups

*Those who support a regional partnership, those who see a need for more recreation options, and those who are willing to be taxed are all more likely to support a Tigard PRD even though they opposed options 2 and 3.*

■ Overall Sample ■ Did not support Option 2 or 3, but supported establishing a Tigard PRD



# Conclusions

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- ▶ Voters are very satisfied with their quality of life in Tigard, though traffic congestion and related transportation issues are clearly the top concern.
- ▶ While voters give positive ratings to the availability of parks and recreation facilities in Tigard, there is room to improve the availability of recreation programs and events.
- ▶ Ensuring that everyone, regardless of income, is able to access recreation programs and services is one of the most important things the City could do in the recreation space.
- ▶ A series of three recreation options with funding amounts were tested; there is a clear preference (77% Support) for the lowest cost item (\$20/Year per Average Homeowner) that would create an activity catalog along with a grant system.
  - Given the high support for the activity catalog/grant system option, it is likely support would maintain a majority if one component; an open air plaza or mobile program, were included for a small increase in cost.
- ▶ A majority of voters (53%) think the City should be exploring joining forces with other partners in the region to provide more and different types of recreation programs in Tigard.
- ▶ An additional option for a parks and recreation program like what is offered in Tualatin Hills was tested (\$380 per average household). Support for this option is just short of a majority (47% Support), but given that this cost is significantly higher than anything else tested, it suggests voters are open to some sort of full-service option in the future, likely in partnership with other providers in the region.

# Contacts

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**AIS-1838**

**3.**

**Workshop Meeting**

**Meeting Date:** 11/18/2014

**Length (in minutes):** 30 Minutes

**Agenda Title:** Joint Meeting With the Park and Recreation Advisory Board

**Prepared For:** Steve Martin, Public Works

**Submitted By:** Steve  
Martin,  
Public  
Works

**Item Type:** Joint Meeting-Board or Other Juris.

**Meeting Type:** Council  
Workshop  
Mtg.

**Public Hearing:** No

**Publication Date:**

**Information**

**ISSUE**

The council will meet with the Park and Recreation Advisory Board (PRAB) to discuss:

- Recreation and parks
- The PRAB work plan for 2015

**STAFF RECOMMENDATION / ACTION REQUEST**

Staff and PRAB members will ask council for guidance as to the PRAB's work plan for 2015.

**KEY FACTS AND INFORMATION SUMMARY**

The PRAB meets with the council annually to discuss park and recreation issues and get direction for the upcoming year.

The PRAB met with council in October, 2013 and discussed the possibility of a recreation program in Tigard. Since that time staff hired a consultant, MIG, to answer the question "What role should the city play in providing recreation programs?" MIG has conducted several outreach programs to obtain input from citizens on what they would favor for recreation programs in Tigard. In late September, a statistically-valid phone survey was conducted to get citizen input on recreation programming and funding. MIG met with the PRAB at their October meeting to go over their findings. PRAB met again in November to discuss the consultant's findings and to formulate a recommendation for council consideration.

Since the 2010 parks and open space bond measure passed, the PRAB has completed four years of reviewing and prioritizing land acquisitions and recommending certain park developments for funding. The majority of the acquisitions have been completed and most of the development is completed or well underway. An account of the park bond budget and

expenditures is attached.

With the majority of the PRAB's work on the bond measure being completed, the council will be asked for input as to PRAB's work plan for 2015.

## **OTHER ALTERNATIVES**

N/A

## **COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

Tigard City Council - Proposed Goals and Milestones, September 2013 - December 2014

*Recreation (Evaluate options and resources to create a pilot recreation program)*

- *Complete demand analysis for recreation opportunities*
- *Compare recreation inventory with demand analysis to identify needs/gaps*
- *Council decision on city role (direct delivery provider, contract/partnerships with others, funding source)*
- *Implement a new recreation effort based on role*

## **DATES OF PREVIOUS COUNCIL CONSIDERATION**

Council last met in a joint meeting with the PRAB on October 15, 2013.

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### **Fiscal Impact**

#### **Fiscal Information:**

The fiscal impact of recreation has yet to be determined. Park bond fund information is detailed on the attached document.

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### **Attachments**

Parks Bond Budget

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City of Tigard  
 Park Bond Expenditures  
 As of June 30, 2014  
 (unaudited)

Park	Amount
East Butte Heritage Park	507,840.00
Fanno Creek House	236,737.00
Dirksen Park	3,852,871.00
Sunrise Park	5,088,863.00
Potso Dog Park	665,935.00
Jack Park	298,226.00
Fanno Creek Trail-Main to Grant	116,273.00
Commercial Park (playground equip)	10,122.00
Bull Mountain Park	1,881,707.00
Eiswerth	74,315.00
Tigard Street Trail	40,889.00
Fields Property	1,042,903.00
Steve Street Property	231,005.00
Ludlum Property	9,585.00
Bagan Property	214,690.00
Essex Property	6,000.00
Rockingham Property	15,000.00
Senn Park	36,800.00
Summerlake Improvements	110,372.00
River Terrace Park	24,574.00
River Terrace Property #2	9,150.00
Downtown Plaza	25,533.00
Overhead to be allocated	209,809.00

Spent through 06/30/2014 14,709,199.00

Resources through 06/30/2014

Bond proceeds	17,000,000.00
Bond premium	117,213.00
Interest earnings	112,551.00
Metro grant (Sunrise Park)	400,000.00

Total Resources 17,629,764.00

Unspent at 06/30/2014 2,920,565.00

(Note - of this amount, \$336,628 is reserved for the Fanno Creek Remeander)

**Park Bond Budget FY 2015 CIP**

<b>PARK</b>	<b>BUDGET</b>
Derry Dell Creek	21,800.00
Downtown Park Land Acquisition	1,332,501.00
Citywide Park Land Acquisition	493,400.00
Tigard/TTSD School Park Development	135,000.00
Tigard Street Trail & Public Space	14,442.00
FY 2017 Fanno Creek Remeander Bridge	336,628.00
Approximate overhead share	36,000.00
<b>Total of above</b>	<b>2,369,771.00</b>
<b>Unprogrammed</b>	
<b>Unspent 6/30/14 minus Total CIP</b>	<b>550,794.00</b>

**AIS-1912**

**4.**

**Workshop Meeting**

**Meeting Date:** 11/18/2014

**Length (in minutes):** 20 Minutes

**Agenda Title:** UPDATE ON STRATEGIC PLAN COMMUNITY OUTREACH

**Prepared For:** Liz Newton, City Management

**Submitted By:** Carol Krager, City Management

**Item Type:** Update, Discussion, Direct Staff

**Meeting Type:** Council Workshop Mtg.

**Public Hearing:** No

**Publication Date:**

**Information**

**ISSUE**

Staff will provide city council with an update on the community outreach efforts for the proposed strategic plan and the community's responses.

**STAFF RECOMMENDATION / ACTION REQUEST**

Receive the report on the strategic plan outreach activities and ask questions in preparation for consideration of adoption of the strategic plan at the November 25, 2014 business meeting.

**KEY FACTS AND INFORMATION SUMMARY**

December 2012, the Mayor's Blue Ribbon Task Force recommended the city develop a strategic plan to provide long-term direction for the city. Since that time, there has been an ongoing effort to develop a plan that will provide direction to the city over the next 20 - 30 years. City council and staff have met on multiple occasions to discuss the elements of the plan and the direction staff should take in developing the plan. In November 2013 a draft strategic plan with a vision statement, goals and objectives was completed.

The roll out for the draft strategic plan was shared with council in April 2014. Each of the team leaders for the four major goals reviewed the status of their goal area and the steps being taken to further the goal. Following this meeting with council, staff began their community outreach efforts. Since then staff has met with Tigard's boards, committees, shared information at school meetings, gone into neighborhoods, engaged service clubs, and offered information and promotional items at Library programs and community events. To-date the plan has been shared with over 1,100 people. Additionally, there have been multiple articles in the Cityscape, as well as posts on Facebook and Twitter.

The response to the proposed vision statement has been overwhelmingly positive. Citizens are very excited about the idea of having more sidewalks and trail connections. Traffic is viewed as an issue in Tigard and the public feels safer when they can get from one area in Tigard to another using sidewalks or trails. Citizens mentioned wanting to see safety improved through more lighting and additional maintenance and police intervention on trails. Residents indicated that with improved connections they would like to be able to walk to the library, schools, stores, restaurants, downtown, to the parks and on the trails. We also heard that a town square with music, playground, water feature and events to draw people would be a nice addition. It was also suggested that unique businesses in the downtown and having things people could do in the evening would be welcomed. A summary of specific outreach activities is included in the attached memo.

## **OTHER ALTERNATIVES**

Direct staff to conduct more outreach before council considers adoption of the strategic plan.

## **COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

N/A

## **DATES OF PREVIOUS COUNCIL CONSIDERATION**

- January 10, 2013 workshop was the first goal setting and strategic planning meeting was held with council and staff.
- January 29, 2013 recap with City Manager Wine to clarify the steps staff would take in developing a proposed strategic plan.
- May 21, 2013 council and staff participated in a strategic plan workshop
- September 17, 2013 Council and members of the executive discuss the proposed vision statement and focus areas.
- April 2014, update on the roll-out of the plan

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## **Attachments**

[Strategic Plan Update](#)

[Strategic Plan Data Collection](#)

[Texizen Survey Results](#)

[Tigard Walks Survey Question](#)

[WA County Brownsfields and Public Health Report](#)

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# City of Tigard Memorandum

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To: Honorable Mayor and City Council

From: The Strategic Planning Team

Re: Strategic Plan Update

Date: November 4, 2014

## Introduction

In 2012, the city convened the first Mayor's Blue Ribbon Task Force. The task force was charged with examining Tigard's service and financial challenges and making recommendations for a course of action to city council. One of the recommendations the task force made was that the city develop a strategic plan to provide a long-term direction for the city.

Work on the strategic plan began in 2013. City council met with consultant Joe Hertzberg and staff to begin identifying Tigard's strengths and what each believed would make Tigard exceptional in 25 years. Mid-year, City Manager Wine and the Campbell Delong Resources group met with Council to discuss creating a leadership foundation that would work together to ensure the city's vision, mission, goals, and objectives are consistent and aligned. The leadership group, along with consultants Alyssa Gasca and Joe Hertzberg met with council in the fall to share the proposed vision statement, goals and objectives. The vision statement proposed was to make Tigard...

“The most walkable community in the Pacific Northwest where people of all ages and abilities enjoy healthy and interconnected lives.”

Based on the discussion at the meeting, staff members were directed to revise the goals and objectives for council's later review. Incorporating the feedback from council, the strategic plan working document was updated with the following four strategic goal areas:

1. Facilitate walking connections to develop an identity.
2. Ensure development advances the vision.
3. Engage the community through dynamic communication.
4. Fund the vision while maintaining core services.

In April of 2014 staff provided council an update on the strategic plan with the team leaders reviewing the status of the four goal areas. After hearing the overview council asked that additional public feedback be made a priority. This memo provides an update on how the outreach efforts have progressed.

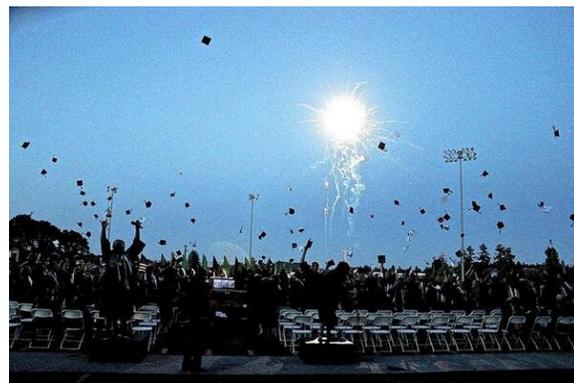
## Outreach

Since May, the plan has been shared with more than 1,100 people through face-to-face contacts.

Staff has met with members of Tigard's boards, committees, shared information at school meetings, gone into neighborhoods, engaged service clubs, and shared the plan at Library programs like Walk 'n' Roll and community events like the Downtown Tigard Street Fair.



A photo contest promoting the strategic plan was held in July and August. We asked citizens to show us where their feet and wheels take them. Prizes were given out at the Downtown Tigard Street Fair for these winning entries submitted by Henry Ammann and Ben Mansheim.



Providing ice cream in five neighborhoods as a way to connect with residents and have the opportunity to share the plan, was a big hit. Staff estimates they contacted approximately 500 citizens through this outreach effort.



The proposed vision statement has also been shared through Cityscape articles, Facebook posts, Twitter feeds and the city's website.

#### What We've Heard

People have been overwhelmingly positive. Many indicated they love to walk. They recognize the health benefits of an active lifestyle and see it as an opportunity to connect with people in the community. The number one request citizens have voiced is for additional sidewalks. People indicated they feel safer walking, especially on busy streets, when there are sidewalks. (The number one requested road for sidewalks is Hall Boulevard.)

Citizens also love the parks and trails. They mentioned wanting to see trail safety improved through more maintenance, lighting and police intervention.

Following are examples of what the majority of the Tigard's citizens we spoke with think about the strategic plan. (These comments were submitted after the neighborhood ice cream outreach.)

"It would make it easier to have a more active lifestyle. It would make Tigard a nicer place to live."

"It would make the community more cohesive, healthy, and sustainable."

"It is a healthier lifestyle and will improve our quality of life and our property values."

"Getting out of our homes and out of our cars creates more opportunities to engage with the neighbors that are our community."

While far fewer, there were people who expressed concern about how the plan will be paid for and potential crime. Their comments included:

(Bull Mountain Farmer's Market)

"I am not sure, what will it cost, who will pay and how will you keep walkers safe, more lights and increased safety will be important."

(May 2014, City Council 5x3x10 meetings)

"Pathways create crime. Criminals can use paths to easily leave the area and meld into the population."

Many of the comments staff heard were echoed in the surveys conducted by Tigard Walks as well as in the outreach meetings held in spring 2014 by the Washington County Public Health Division in

support of developing the Downtown Tigard Brownfields and Public Health Final Report. Both heard the community would like more sidewalks and safe crossings. People want to feel safe when they are out walking or biking.

When asked where they would like to walk our citizens said they would like to be able to walk to the library, schools, stores, restaurants, downtown, to the parks and on the trails.

In support of the vision they would like Tigard to have a town square with music, playgrounds, water features and events to draw people. They would like to see unique businesses in the downtown and have things they could do in the evenings. Several people recommended looking at successful communities in the metro area to see what is working.

Copies of the comments staff heard or that were submitted are attached. Additionally, the responses the Tigard Walks PSU project team received to the question “Is there anything else you would like to share with us about walking in your neighborhood?” are attached to the report. The Washington County Public Health Division Downtown Tigard Brownfields and Public Health Final Report is also being provided.

What is already in place or happening that supports the vision.

- The Communications Strategist position has been filled by Rudy Owens. He is currently assessing the city’s communication efforts.
- Safe Routes to School  
Community Development staff have been visiting schools as part of an initiative to begin a Safe Routes to School program in Tigard. Safe routes to School is a national program supported by parents and local schools that encourages more physical activity among young people by making it safer for them to walk and bike between home and school. Currently, five schools have been identified as potential partners. They include: Metzger Elementary, Durham Elementary, James Templeton Elementary, Alberta Rider Elementary and Twality Middle School.
- Community Development has issued a Request for Proposals to have the zoning code audited to determine the extent to which the current Title 18 regulations support or hinder the implementation of the strategic plan.
- CIP projects and priorities are being looked at to see if they provide an opportunity to further the vision. A city staff team is doing an ongoing review for the Walk Friendly Assessment. The city will submit its application in November and expects to have feedback by May 2015
- A city staff team is doing an ongoing review for the Walk Friendly Assessment. The city will submit its application in November and expects to have feedback by May 2015.
- Departments are providing staff with regular updates on the strategic plan and giving them time to participate in work groups focused on furthering the vision. For example, a group, called Team 75, is in the beginning stages of working on a walking app for smart phones. Another group is looking at the HEAL Cities campaign. The Library also holds events that include programming on health.

- Lighter, quicker, cheaper (LQC) projects have been identified for completion in the 2014/15 fiscal year. Here are two projects staff and citizens are excited about.
  - 1) Oak Way trail, near Metzger Elementary school. In these before and after pictures you can see the transformation from a dead-end to a safe and accessible thoroughfare to walk, roll and bicycle.



- 2) 135th Avenue sidewalk connection. This short section of sidewalk was the only missing section between Walnut Street and Lauren Lane. Making the connection has made pedestrian travel safer and easier.



The following LQC projects are slated to be completed this fiscal year.

- North Dakota sidewalk connections
- Tigard's Wild Underbelly (flower planting on trails)
- Civic Center crosswalk
- Trail signage

## Conclusion

Council and staff have worked together to identify a vision statement and plan that will direct many of the city's efforts over the next 25 years. The draft strategic plan has been shared with a cross-section of Tigard's community and it has been exciting to hear the positive feedback from our citizens.

If council supports the direction staff has taken, additional community outreach will be done, progress will continue on the projects identified above and staff will look for ways to further the objectives listed in the strategic plan.

## Tigard's Strategic Plan – Collect Input Here

Questions to ask during outreach opportunities:

The city has developed a draft future vision for Tigard and the city council wants to hear what you think about the ideas in the vision. We are testing it with residents and the business community. Is it the right direction for the city? OR

The Council is seeking input about the vision. Does this statement represent the long term vision you have for Tigard?

If not, what is your preferred vision and direction for the city?

Date & Group	# of People	Feedback
Various dates, May 2014, City Council 5x3x10 meetings		<ul style="list-style-type: none"> <li>• <b>Walkability and the city's vision, including community connections. What do you think about this? Is this direction the most important one for the city to take? Where do you walk and what do you want to connect to? This vision has a great connection with HCT, including taking cars off the road. Don't like to walk on Bonita now, it is such a busy street. I don't want to walk on 99W – why would I want to do that? Durham, Boones, are “banana bonkers” for trying to walk on them. 81st has no sidewalks, or major gaps, with a few hundred feet of sidewalk and then none. It's not consistent based on who developed the houses, and my kids and I feel safer on the sidewalk. We would walk more places if there were more sidewalks. If you are taking scooters and bikes, it is very important to have sidewalks if you want to have those with kids walk more.</b></li> <li>• <b>Interconnection and walkability, where is the center of Tigard that we are talking about? Getting around where? There is not a good sidewalk on Hall to get to the library. And Fanno Creek Trail connection to Library is not very safe. We like biking on the trail, but not walking. From the library to Main St. in Tigard, the trail does not seem very safe – low lighting, creepy people, crazy dip-turns for bikes, it would be much better if there were more hubs along the way. We have businesses and industry here, and our neighborhood cared about what Elmo Studds would become. If it is to be a bouldering gym, could there be a coffee shop and a pool there too? We don't really thing about walking unless there are shortcuts and trails (like Sunriver); there need to be ways to engage people along the way.</b></li> <li>• <b>City should look at bike licensing for trail development</b></li> <li>• <b>Connectivity solution? Sidewalks, sidewalks</b></li> <li>• <b>I read through the SW Corridor Plan -Every little walking trail and street improvements are included</b></li> <li>• <b>Kids have to walk on bike lanes and road, city should focus on trails surrounding triangle, developing short cuts to improve connectivity</b></li> <li>• <b>City has lots of areas (Twality Elementary) where there are no sidewalks at</b></li> </ul>

Date & Group	# of People	Feedback
		<p>all. When you can change that, you make Tigard more livable. Dave used to run every day but speeding cars and no sidewalks made it too dangerous. Now he uses treadmill</p> <ul style="list-style-type: none"> <li>• City needs to look at new fees – can't rely on a road tax when millennials don't have cars</li> <li>• Areas around McDonald that are already developed – and don't have sidewalks. Does that mean they never will? City can't go back and make developers from 80s put in sidewalks. MW: city will put resources into the most critical needs</li> <li>• Look at the Pearl. They live/work/play in the same 10-block radius and they're good with that because all the services they want are there.</li> <li>• People who want to visit a city park today have to get in their car and drive to a park. His biggest issue with Walmart wasn't that they are building here; it's that they've taken the last big open space that could have been used for a track or gym – public recreation land. So much public opportunity was lost for something that could have been great.</li> <li>• Look at Cook Park – need something like that closer to the center of the city</li> <li>• I think I can walk almost anywhere I need to in Tigard. Was excited when H Mart came in, but can't do all my shopping there. It's very specialty. Need an all-purpose store</li> <li>• Wish Trader Joes was closer – Bonita is a less friendly walk</li> <li>• Currently drive a 'loop' for groceries –Winco, Costco. Freddy's, New Seasons</li> <li>• Love BiMart for staples and friendly staff. Easy to walk to.</li> <li>• Rides her bike more than she walks.</li> <li>• On her early morning commute, "I'll ride my bike on Pacific Hwy rather than the Fanno Creek Trail system because I don't feel safe (gestures to path in front of them) – see how this shrubbery is blocking the view of what's ahead? People can lurk around over-grown bushes, there's no lighting on most of the trail."</li> <li>• Afternoon is better because of light.</li> <li>• Trail 'campers/homeless' are fewer, and she appreciates it.</li> <li>• Also need a Bike n' Hike shop (like Beaverton's) not a big chain, but a local/Oregon chain with great service. Big Box will just make Tigard generic. We need some unique businesses.</li> <li>• "Over the last 32 years a lot has changed, but in many ways...not. We still don't have a good gym, basic facilities that draw families – YMCA, Zoom-Care, Bike shop (that's not creepy)", Sip Divine- with guitar music, small bands, antique/small artists shop, Lake Oswego's specialty salt shop</li> <li>• Urged Tigard Council to study what cute, successful places have going for them and apply it to Tigard, which has better accessibility and connectivity.</li> </ul>

Date & Group	# of People	Feedback
		<ul style="list-style-type: none"> <li>• “How can the city incentivize the ‘icky’ businesses to <u>get out</u> so more desirable businesses can come in?”</li> <li>• You have to study Multnomah Village, Mississippi Ave., you go to these places and you have options that we lack in Tigard. You don’t have to drive, but if you do there’s parking in surrounding areas.</li> <li>• Vancouver’s Esther Short Plaza is magnet for activities and music on Sunday’s</li> <li>• City needs a town square of plaza with playground, music and something to draw public together</li> <li>• Trail improvements – ask Frontier to move and replace creosote smell with something aesthetic. Move industrial out, merchants and services in</li> <li>• MW asked where we should invest public dollars – both said public partnerships important- can we trade property elsewhere in the city for relocating businesses? Verizon property could be a good investment for public dollars – maybe a shared space?</li> <li>• Not sure how city government works, but in high school in California, city services shared sites with businesses so that it served both entities. Property trades?</li> <li>• Logging industry does that all the time. City needs to decide where they want an industry and then searches out the businesses. MW: could be a strategic opportunity.</li> <li>• City needs a trail that goes all the way around Tigard Triangle, benefits users and connects theater users and home</li> <li>• Likes North Dakota St near her house, but missing sections of sidewalk make it harder to get around.</li> <li>• Likes the new sidewalk/trail section by the bike shop</li> <li>• Dislikes walking on the street (Johnson St.) until she can get back into Fanno Creek trail/parks</li> <li>• Likes coming downtown in early evenings if stores stayed open a little later, had things to do after eating</li> <li>• Would love lighting along some of the pathways, near parking lots – Example used was Tualatin Skatepark – lit up bright as day while Cook Park and trails are pitch black for walkers and bike commuters.</li> <li>• Some walkways/paths are overgrown – would walk areas more when lighting is available or brush is cut back so not as scary</li> <li>• Encourage better crosswalk service – people don’t stop for pedestrians</li> <li>• Complete Fanno Creek Trail</li> <li>• Get the power line trail done</li> <li>• Open trail from Mistletoe to Sunrise Park (paved road under blackberries)</li> <li>• Sidewalks - make commitment to have sidewalks for the entire length of 99W through the city</li> <li>• Commitment to install sidewalks on all streets within a few blocks of</li> </ul>

Date & Group	# of People	Feedback
		<p data-bbox="540 302 638 331">schools</p> <ul data-bbox="496 342 1471 1864" style="list-style-type: none"> <li data-bbox="496 342 1162 371">• Make sure there is sidewalk at all tri-met bus stops</li> <li data-bbox="496 382 1471 485">• Would like to see a paved path around the “lake” at one end of Cook Park. Currently can only go ¾ of the way around it. Needs 4<sup>th</sup> leg from behind CWS to the Tualatin/Durham park entry.</li> <li data-bbox="496 495 1471 842">• Vision for Tigard - trails and sidewalks are important - not many ride bikes. Getting to the library is important, missing links on Hall and McDonald for sidewalks, need to hook up trails to walk and bike to Tualatin. Riding on Hall Blvd is not safe. Looking to connect trails. Also we want to connect to Cook Park, Bridgeport, Lower Boones Ferry and sidewalks. The Durham Rd improvement is great. There is a safety problem NB on 99W from Royalty Parkway with bus stops and people who walk across the street. I (resident) would walk to Goodwill or church from my house, but really need to improve safety there. What is the timing for ODOT to improve this?</li> <li data-bbox="496 852 1471 924">• The city council allows fishing in Summerlake Park. This has depleted the lake of fish which leads to more mosquitos.</li> <li data-bbox="496 934 1471 1005">• Pathways create crime. Criminals can use paths to easily leave the area and meld into the population.</li> <li data-bbox="496 1016 1406 1045">• Dead ends are good because they leave no egress for criminals in cars.</li> <li data-bbox="496 1056 1471 1159">• I lived in SE Portland years ago and there was more interaction between neighbors because of the sidewalks. It is different in Tigard because of the lack of sidewalks.</li> <li data-bbox="496 1169 1471 1241">• The city should concentrate more on the older areas of Tigard than on the Tigard Triangle. Build up downtown Tigard instead.</li> <li data-bbox="496 1251 1471 1323">• Uses the trails to go to the library and the post office. Likes not having to ride a bike on the road.</li> <li data-bbox="496 1333 1146 1362">• Would like a trail going all the way to Cook Park.</li> <li data-bbox="496 1373 1471 1476">• I like not having sidewalks. We chose our neighborhood because of the rural feel. Not having sidewalks has not meant fewer interactions with neighbors. We just stand in the street as our road has light car traffic.</li> <li data-bbox="496 1486 1471 1558">• Likes to see rainwater go right into the soil rather than running down concrete sidewalks.</li> <li data-bbox="496 1568 1471 1671">• Sidewalks are OK for new neighborhoods where the streets are built wide enough but adding them to existing streets may cut into people’s property too much.</li> <li data-bbox="496 1682 1471 1785">• Be careful when making the downtown community. You may not be able to draw enough people to the downtown. Ask if the investments made will work.</li> <li data-bbox="496 1795 1471 1866">• There are limitations and putting sidewalks everywhere is unaffordable. Concentrate only where there is a lot of traffic, such as Walnut Street or McDonald Street.</li> </ul>

Date & Group	# of People	Feedback
		<ul style="list-style-type: none"> <li>• We will not move from a car-oriented society.</li> <li>• I was not advocating putting sidewalks in everyone's yard. Just put them where they are needed for school and safety reasons.</li> <li>• Thanks to the City of Tigard for stop signs and speed humps installation on 110th Avenue.</li> <li>• Is there a plan for bike paths to connect with the Tigard Street Trail?</li> <li>• This is a nice vision for Tigard.</li> <li>• Experience from real estate: people want to live where they can walk, bike, take transit. This is why the eastside is booming right now</li> </ul>
8/10/2014 Bull Mt. Farmer's Mrkt	4	<ul style="list-style-type: none"> <li>• Yes, I like this vision; I would like to see Fanno Creek trail extended even further.</li> <li>• I like the vision but worry about safe routes, my daughter wants to walk to Fred Meyer, but there are not safe routes.</li> <li>• I am not sure, what will it cost, who will pay and how will you keep walkers safe, more lights and increased safety will be important.</li> <li>• Yes, I like the vision, Buy our own speed bumps, we would like to be able to petition to get bumps on our road if enough neighbors agree, we would like to be able to get some funding support.</li> <li>• There were only about 20 or so people there and they were focused on shopping so only a few were game for speaking to us...Dana</li> </ul>
8/23/14: Terrific 10 Birthday Blast @ the Library	2-475	Set-up poster and handouts an hour before the program and spoke with 2 people about the Strategic Plan. There were 475 people at the program who were quite interested in cake and flashlights, but walked by the poster. – Teresa
8/16/14 Downtown Street Fair	Aprox. 200	Talked with passers-by, filled two chalk boards with answers to the question: "Here is Where I Would Like to Walk"... (Images of chalk board comments available at ...)
8/24/14 Farmers Market	59	Longer conversations with participants than at the Street Fair. Filled one chalk board with answers to the question: "Here Is Where I Would Like to Walk..." (Images of chalk board comments available at...)
Twality Middle School	50	Had a table and many conversations with families at Back to School night for the middle school.
Charles Templeton Elementary		Back to School night conversations.
Metzger Elementary		Back to School night conversations.
Alberta Ryder Elementary		Back to School night conversations.
PSO/PTA Presidents TTSD 9/18		5 minute talk on Strategic Plan and Safe Routes to Schools
Summerfield	2	Discussion with members of the board on SP

Date & Group	# of People	Feedback
Lincoln Ctr	4	Discussion with members of the management team on SP
Senior Center	20	Interested in walking/using trails. Lighting becomes more of an issue for seniors. Glad this is a priority for Tigard.
Walk the Walk (ice cream project)	500	<p><a href="#">Textizen Survey</a> see responses in survey via link.</p> <ul style="list-style-type: none"> <li>Applewood Subdivision</li> <li>East Butte Park</li> <li>Pathfinder Genesis Trail</li> <li>Summer Lake Park</li> <li>95<sup>th</sup> &amp; SW North Dakota</li> </ul> <p>Response from residents was overwhelmingly positive.</p>
CPO 4M	32	Distributed brochures. Everyone in attendance took one! Several questions about sidewalk connections and sidewalk maintenance responsibility.
9/7-13/14: Walk 'n' Roll to the Library Week	55	<p>37 walkers/runners and 18 bikers/rollers checked in to get prizes (blue flashing lights were especially popular) and high fives during the first Walk 'n' Roll to the Library Week, for a total of 55. City Strategic Plan brochures and input cards were on display, along with walking and biking maps. At least half of participants checked in on the last day of the week, so we might make it two weeks next year to give people more time to catch on to the concept. We got quite a few <a href="#">Tigard Tour de Parks</a> participants on 9/13, so that was a nice bit of serendipity. Here are the comments recorded by library staff:</p> <ul style="list-style-type: none"> <li>• Biked to Take It Outside library program, first time biking to the library with 4-5 year old. Did not know about Walk 'n' Roll.</li> <li>• Likes to ride bike when well (3 miles)</li> <li>• Usually walk – lives close</li> <li>• Sidewalks past City Hall would be nice.</li> <li>• Lives close enough to walk here</li> <li>• Hard to walk here with stroller from 99 and McDonald because of lack of sidewalks.</li> <li>• "It's nice living within a mile of the library so we can use the trail."</li> <li>• Always rides his bike here from Raleigh Hills – didn't know about Walk 'n' Roll until someone saw him in bike gear and told him.</li> <li>• "Is this the week we walk to the library?" ☺</li> <li>• Walked here from Transit Center</li> </ul>
10/4/14 MG Walk	120	Set up basket with handouts and swag at registration table. Talked with passers-by. Most interest was from walk organizers with national organization based in New York. They were interested in city's focus on health. Walk map and bags were very popular.
10/11/14 TM Doggie Dash	60	Set up basket with handouts and swag at picnic tables. Talked with passers-by. Crowd size was reduced by rain and first time for event. Wide variety of interest. One person who walks a lot was interested in providing details of missing

Date & Group	# of People	Feedback
		sidewalks and filled out a card. Walk map and blinkey lights were very popular. Dogs were very excited.
10-19-14 Tigard Farmers Market	20-25	<p>Nearly all of the people we spoke with were supportive of the proposed vision statement. A number use the Fanno Creek trail and the parks. Would like areas lighted so they can be used when it is dark.</p> <p>We also received the following feedback; some of which was not related to the strategic plan.</p> <p>Citizen expressed concern over the amount of money spent on the Burnham Street and Main Street projects. Complained about the loss of parking spaces in association with Main Street project. She would have rather seen money spent on sidewalks, projects that would improve pedestrian and cyclist safety throughout the city. Also felt the WalMart development was sneaky.</p> <p>Citizen mentioned loss of Downtown parking in conjunction with water quality facilities.</p> <p>Citizen said walkability is awesome. Supports tying connections with mass transit. Kudos on Downtown work and green street work. Like idea the walkability, but needs to have more pockets with mixed use so there are destinations to walk to. Need more small-scale urban centers.</p> <p>Citizen inquired about when a public plaza was coming. She wants to see community events held at such a site. She complained about the lack of recreational opportunities near her home. She has to pay out-of-district fees to exercise at THPRD.</p> <p>Citizen suggested we post the upcoming council meetings on the strategic plan on the website.</p> <p>Citizen complained about boarding house operating next to her home. Neighborhood is unsafe. Would like to see better enforcement of city ordinances to prohibit such boarding houses. Lives on cul-de-sac near Hall &amp; Bonita. Also complained about regional traffic and congestion issues.</p> <p>Citizen requested lighting along Fanno Creek Trail from Main Street to Hall Boulevard. She also requested more vigilant patrol and removal of transients who live or hang out along the trail. People would feel safer and the trail would be used more.</p>
1/19/14 email	1	Sidewalks on North Dakota between Greenburg/Tiedeman and the Fanno Creek trail – very dangerous with pedestrians, bikes and cars.
Anonymous comment card	1	"I would like to see a sidewalk put in on SW N Dakota St. Lots of people use this road but hard to walk without sidewalks all the way through."

Date & Group	# of People	Feedback

## TEXTIZEN Survey

Timestamp:first	Do you support this Vision of a more walkable Tigard? (option value)	Why do you like this Vision for a more walkable city?	Why don't you like this Vision for a more walkable city?	Where would you walk if you could?	Why don't you walk there now?
10/14/2014 13:05	Yes	Exercise is good for you and the environment.		Parks	Too far away
10/13/2014 21:18	Yes				
10/13/2014 20:49	Yes	Safety and community		Fanno creek trail	Safety on n Dakota or tie demean
10/13/2014 20:21	Yes	Because everyone should be able to walk anywhere whenever		Down town tigard.	Cause there aren't sidewalks
10/13/2014 20:20	Yes	It would make it easier to have a more active lifestyle. It would make Tigard a nicer place to live.		The park and just around my neighborhood in general for exercise	I don't feel safe. I walk with my baby and our dog and I always have to be very aware of vehicles since we have to walk on the road.
10/13/2014 20:16	Yes	It's nice		To school	Because of the busy highway
10/13/2014 20:08	Yes	Because walking from the corner of 95th Avenue and North Dakota to fanno Creek Trail is scary		Everywhere	Inadequate sidewalks on streets with heavy traffic.
10/13/2014 19:32	Yes	Our family enjoys walking and thus is our City.		To downtown Tigard and around our neighborhood.	We sometimes do, but sidewalks are sparse. Most of our walk does not have sidewalks.
10/6/2014 22:26	Yes	Getting out of our homes and out of our cars creates more opportunities to engage with the neighbors that are our community.		Fanno Creek, Bull Mtn., Tualatin River environs, the developed trail under the power lines, any natural area with a hint of a trail.	We do. We walk everywhere. Streets, trails, neighborhood created paths thru green ways...

10/6/2014 20:47 Yes	Because I love to walk and be healthy and protect the environment	To the mall..and on walnut street	Because there is no sidewalk
10/6/2014 20:37 Yes	Enjoy our community more	Where u can do the least natural habitat change	Dont get it
10/6/2014 20:34 Yes	Love walking our dog.here	Summer Lake	I do...
10/6/2014 20:33 Yes	It builds community and sustainability.	The library (walk or bike)	Too many busy streets
10/6/2014 20:32 Yes	Because we like to walk and it attracts nice families, promotes health, and fitness	Near Bull Mountain or in any continuous trail that I could bike to.	No trails and lots of traffic. I don't like to walk on the road as much as a trail
10/6/2014 20:26 Yes	We use city trails .	Parks, trails.	We do, but not all of them connected, not all of them safe.
10/6/2014 20:12 Yes	I love walking, biking, using mass transit and would like to be able to do it more.	To restaurants and grocery stores.	So much is along busy streets, and I don't feel safe with my kids walking or biking along such dangerous roads.
10/6/2014 19:52 Yes	For dog lovers	Downtown	Too far
10/6/2014 19:48 Yes	I love a community I feel safe walking around with kids on bikes and a stroller. I support pouring more sidewalks all around tigard. Some neighborhoods are in much need.	All around my neighborhood.	In some places there aren't sidewalks.
10/6/2014 19:45 Yes	It makes for a friendlier, more enjoyable place to live.	To downtown Tigard	Pretty far, and we just moved here and don't know what's there.
10/6/2014 19:44 Yes	I walk daily	Progress Ridge	Have not tried need walking map
10/6/2014 19:42 Yes	Safer for children and this is a vet family oriented community. Also promotes health and wellness with easier walking and green space	Tigard YMCA, when it gets built :)	Doesn't exist, yet...
9/30/2014 18:31 Yes	Safer feeling when enjoying the outdoors like running, biking and taking walks with our children	Along Fonner St and 78th avenue	No sidewalks and narrow roads

9/29/2014 20:28 Yes	It is a healthier lifestyle and will improve our quality of life and our property values	To the library, to a restaurant downtown, to the post office, to a thrift shop, coffee shop, grocery store	There are areas that involve a lot of traffic.
9/29/2014 20:26 Yes	I like walking the trails with my kids and wife	All over Tigard	Traffic
9/29/2014 19:55 Yes	Yes	Na	Blocked sidewalks and not repaired in the genesis area
9/29/2014 19:46 Yes	Yes		
9/29/2014 19:41 Yes	Good for community relations.	Walnut to Woodard Park	No trail available. I walk around on streets.
9/22/2014 20:30 Yes	Health, community connections Dr. Judy Miller	Templeton Grade school and Tuality Middle school via Murdock street Dr. Judy Miller	Have to walk in the street with traffic Dr. Judy Miller
9/22/2014 20:08 Yes	If it is easier to walk more people will.	I walk to safeway on 99 sometimes but there is not a sidewalk. I would also walk to the library.	I feel the road is to busy & there is not a sidewalk.
9/22/2014 20:07 Yes	Sidewalks make it more safe!	We already walk all over, would prefer to be on sidewalks rather than the road	We do
9/22/2014 19:51 Yes	Walk 30-40 miles a week in tigard	Every where	Traffic
9/18/2014 20:32 Yes	Yes	Everywhere	lack of sidewalks in high traffic areas
9/15/2014 20:42 Yes	I would love to feel more safe walking to work every day. I end upwelling down 99w because of the lack of sidewalks. People on 99w. Don't pay much attention and it feels like a gauntlet	To the library, to work, and downtown in general.	Because of the lack of sidewalks on roads like McDonald and some of the neighborhood streets
9/15/2014 20:31 Yes	Make it safer for kids and families to go for a walk.	Downtown Tigard through cook park.	Not safe/enjoyable to walk on side of street.
9/15/2014 20:31 Yes	Yes	Fanno creek path needs to conect to Beaverton	Does not connect
9/15/2014 20:22 Yes	It would make the community more cohesive, healthy, and sustainable.	The library, grocery stores, restaurants, downtown	Hall Boulevard lacks a continuous sidewalk so it can be dangerous to walk down it.

9/15/2014 20:19 Yes	I have a 9 year old son. He has lots of energy and I want him to be able to use it outdoors	Grocery stores and restaurants	We walk to plaid pantry, but it's too far to go to any other places by foot. We have biked to alberstons and Starbucks.
9/15/2014 20:18 Yes	Sense of community. Good for business and health.	Downtown Tigard. Farmers Market	Traffic mainly. We do it once in a while but traffic is busy on Hall.
9/15/2014 20:16 Yes	Exercise, better for the environment.	Bridgeport	Not a safe pathway
9/15/2014 20:08 Yes	We walk the dog and ride bikes all over Tigard, so I only see it as an improvement!	Down Hall Blvd. - there isn't a full sidewalk the entire way near us (b/w McDonald and Durham).	As mentioned, not fully separated from the street and that makes me nervous with dog, child, bicycle, etc.!
9/15/2014 19:54 Yes	Yes	Yes	No sidewalks
9/15/2014 19:49 Yes	Good exercise and clean air	The beach	Too many cars
9/15/2014 19:49 Yes	I would love to feel safe walking around	Grocery store	Library
9/15/2014 19:48 Yes			
9/15/2014 19:44 Yes	I love walking, it's healthy, great to be outside and is environmentally better.	The library, Bridgeport village, Washington square mall, Nyberg Crossing	Missing sidewalk connections, but I do get out there and walk there anyway but it's dangerous due to having to walk on shoulder of road.
9/15/2014 19:43 Yes	People get meet and communicate	Anywhere with a store especially starbucks	Too far
9/15/2014 19:35 Yes	Reduce the need for driving everywhere.	Lake Oswego	No trails that I know of
9/15/2014 19:33 Yes	Creates a healthy and beautiful lifestyle and promotes a healthier lifestyle	Bridgeport village	Lack of sidewalks on hall towards durham st. Not safe
9/15/2014 19:32 Yes	Fewer cars, less traffic. Exercise.	Places with my kids	Accessibility on some roads.

9/15/2014 19:28 Yes

Because I like to walk rather than use my gas guzzler around town. Would like more accessibility to any errands I may have to go to. Already walk to shop, library, homedepot, bank , downtown Tigard etc

Maybe more sidewalks over by twality I do..but not safe as they have added a park and it does get dangerous in that neighborhood area

9/15/2014 19:28 Yes

I love walking around tigard and would love more walking options.

More on hall and would love better sidewalks from Hall to Bridgeport lower boones ferry)

I do but it would be a lot nicer to walk on consistent sidewalks, especially with the stroller.

## Tigard Walks

If there is anything else you would like to share with us about walking in your neighborhood please write it down in the section below:

80

- 1 Lack of sidewalks make me less comfortable on busy streets.
- 2 safety on 121st would increase trail use for many I presume
- 3 79th Street between Bonita and Durham is dangerous to walk down because it is too narrow at points, has hills and has no sidewalks for most of the street. Drivers tend to drive in the very middle of the street making accidents likely to happen.
- 4 Walking in my neighborhood is unpleasant because of the high velocity of cars, and the neighborhood quickly deteriorates into unkempt duplexes and houses. The apartment complex has tenants moving in and out, and the balconies are an eyesore.
- 5 I feel that having safe, designated places to walk AND ride bikes is a democratic issue. Why is a car given more status (aka space) than a sidewalk or bike? I cannot afford a car so I feel like I am a 3rd class citizen at times. Of particular concern to me is the Hall and Pfaffle intersection. There is no light and people do not yield to pedestrians. My child was almost hit by a vehicle running through the pedestrian crossing at Greenburg and SW Center St. I had to grab him by the coat and pull him out of the path of the car. Also I hope it is worth mentioning the increase in air pollution that my neighborhood will incur as the area becomes more populated and more people are living/driving from Sherwood and beyond. I have asthma. I also feel it is a democratic issue when other people have a choice of living and driving elsewhere but I am left breathing bad air from Hwy 217, Hwy 99 and I-5. I feel it is imperative to ramp up mass transit in the area. We need more sidewalks (all along SW Commercial St, all along Hall, SW Tiedeman, etc.)
- 6 All Trails need to lead to Downtown Tigard Need a city volunteer coordinator to get people to work on our parks and trails Need YMCA in Downtown Tigard
- 7 We live in a wonderful neighborhood, but walking is a bit challenging due to steep hills.
- 8 The project is excellent! Keep up the good work!
- 9 Comfort with waling varies with time of day; not as safe at night. Also, some of the off-street trails can be isolated, and I worry about the lack of visibility from passersby.
- 10 My husband and I love the Fanno Creek Trail and use it as often as we can. We love jogging through our neighborhood, but would appreciate more sidewalks and lighting to make it safer to do so when its dark.
- 11 Summerlake Park Is quite good. I would like to see the power line trail on top of Bull Mtn. extended.
- 12 Need more driver education with regards to walking and biking in Tigard. Local government and law enforcement needs support and focus on improving traffic safety on residential streets.
- 13 I bike more than walk when needing to get from point A to point B, but now that I have grandchildren, I'll walk more with them. However, walking with small children is difficult because the park is a long way (and up hill) and the library requires walking along Hall, which is really busy.
- 14 Would LOVE to see some community gardens within walking distance.
- 15 Stop wasting money on light rail and give us roads and sidewalks!!!!
- 16 Need more trails. City might consider fostering more grass-roots trail builders and maintainers (scouts, religious grps, neighborhood grps, hiking grps, etc)
- 17 Look at connecting routes from Metzger Park east to connect with Portland's trail 5 which goes through Dickinson Park and then east to the Willamette. See SWTRAILS.ORG

- 18 I would love to see more walking/biking paths in Tigard that would connect us to other areas/neighborhoods.
- 19 Drivers need to be educated to look out for pedestrian as they drive in Tigard.
- 20 I love that we actually have restaurants and retail that's walkable in our progress ridge area but I worry that the sidewalks aren't complete on Barrows. I see school kids in the mornings, people running or walking their dogs on my way home and that one stretch near the Verizon building is dangerous and it's such a short stretch I don't understand why it wasn't completed. Also, please, please no speed bumps but can we reduce the speed limit? Sometimes I swear its like a freeway...especially with large trucks bombing down Barrows. Thank you so much for allowing me to put my two cents in!
- 21 Access to all kinds of great parks, retail shops, cinema and restaurants via foot from Barrows & Anna Ct but safety is an issue due to lack of connecting sidewalks. Unsafe for us adults, let alone kids. However, must walk on street in order to connect with sidewalk.
- 22 This is very important and will determine whether or not we continue to live in this neighborhood as our family grows. Thank you for letting us provide feedback and voice our opinions/concerns!
- 23 We are a growing planned community with several of our HOA members now having children and without sidewalks it is difficult to walk from the unpaved side of the street to the portion that has sidewalks. Barrows is also a busy street with fast moving traffic.
- 24 A continuous sidewalk down Barrows would improve neighborhood walkability.
- 25 We need a sidewalk on Barrows near Anna Ct
- 26 Homeless camps along trails are a concern.
- 27 A great neighborhood for walking and a shopping center is nearby. The main challenge is a lack of public transit to other areas.
- 28 Bull Mountain road really needs bike lanes and/or sidewalks. That would really open up the area for better walking.
- 29 It would be very helpful if McDonald had sidewalks all the way through
- 30 Living on the west side of Tigard, I'd appreciate anything that would take me to downtown Tigard in a safe way. Bike lanes and sidewalk the entire span of Walnut Street or a trail connection from Summer Lake Park to the downtown area would allow safer transit.
- 31 Please, please, please recommend a sidewalk between Quail Hollow and Walnut on 121st. It would open up a myriad of walking options for a large group of Tigard citizens. Widening 121st must become a city priority. With the new fire station on Walnut, it is very dangerous to be anywhere on 121st between Walnut and Gaarde if there is a firetruck on 121st. I have been scared out of my wits going north around the dog-leg in the road near Quail Hollow with a firetruck coming south while responding to an emergency. The road is too narrow. Sidewalks and a widening of 121st will vastly improve our safety and accessibility. I worry that a tragedy is just one driver or pedestrian away.
- 32 We cannot safely walk our children to Durham Elementary because no sidewalks on 79th
- 33  
If we have kids 3 blocks from Durham elementary there are no sidewalks on 79th so we will move where kids can walk and bike safely
- 34 79th is a major road that runs directly into Durham Elementary and it doesn't have sidewalks on most of it. the sidewalk stops 3 blocks from the school and no bike lanes either.
- 35 Need sidewalks on 79th...you can't walk a child to Durham Elementary safely...
- 36 Re your question about using park trails more often, the being dark at night issue, aren't they all day use only?
- 37  
79th has been there for 30-40 years or more and so has Durham Elementary but 79th still doesn't have sidewalks 3 blocks from Durham Elementary and it is a collector type of road that T-bones into Durham Elementary...it is not even safe to walk your child to school...that is just one example of how pathetically UNWALKABLE this city is... but they keep spending money on Bull Mountain, the Progress Ridge Area, old downtown, Gaarde, Walnut...I guess you have to be west of 99W to be important enough to have or get sidewalks...look at the lack of sidewalks on major roads like MacDonald and Hall... HOWEVER TO BE HONEST I THINK WE NEED BETTER ROADS AND NO LIGHT RAIL...EVERYONE DRIVES AND NOBODY WILL RIDE THE LIGHT RAIL...LOOK AT WES IT IS ALWAYS EMPTY...
- 38 Many people walk on North Dakota from Fanno Creek Park (and sidewalks) to Tiedeman and Greenburg. This is a dangerous area without side walks and many vehicles.

- 39 I have to walk on 121st just to get out of my neighborhood, and every time I want to walk or ride somewhere I have to take my life into my hands and pray I don't get run over. The City has been promising to at least put up signs warning cars of pedestrians and bicycles on 121st, but in the last 8 years they haven't done anything. I'd walk to Walgreens (1.25 miles from home) or anything on 99W if I could just get out of my neighborhood and to the sidewalked streets safely.
- 40 I like the fact that there are trails available to walk on, but getting to those trails is unsafe. No sidewalks on either Walnut or 121st- car speeds 30+ mph (not complaining about that BTW)
- 41 The downtown area doesn't feel like a town center. It feels like an industrial area. You never really know where downtown Tigard is and where to walk. No center community area.
- 42 Better signage for trail heads and gaps between trails. City of Tigard to sponsor walks/runs to promote the trail system.
- 43 better sidewalks near Metzger Elementary School, School zone speed limits inconsistent (sometimes always 20 mph, sometimes 20 mph only when flashing)
- 44 Safety/Traffic
- 45 Your race question is supposed to be multiple choice but actually allows only one response. You should fix that ASAP.
- 46 More crosswalks.
- 47 Brighter street lights.
- 48 Sidewalk on 121st between Scholls Ferry and Greenway is very dangerous particularly closer to Scholls Ferry.
- 49 Enchanting trails make Oregon wonderful. Have trail parties to get people walking
- 50 The traffic on Hall is a bit fast. It would be better if it was 30 mph in the area that we like to walk (between Durham and the library/fanno creek trails). Also the lack of sidewalks on that stretch of Hall limits the amount that we walk/bike on Hall. It's too fast and busy with cars to feel safe walking on that street with our kids.
- 51 I live on the outskirts of both Portland and Tigard, so am unsure if the City of Tigard could ever help us get sidewalks. I would be interested in finding out more information about partnerships with the City to perhaps create an LID to install sidewalks. I am also very concerned with the amount of walking that happens along Pine Street with the very few street lights we have.
- 52 Traffic enforcement (for cars mainly) would help reduce many problems/barriers. i.e. Speeding, not yielding to pedestrians at crosswalks (yes, even marked ones), Rolling through stop signs, etc.
- 53 Fanno Creek Trail needs re-paved and lighting
- 54 I love the trails, would use them more but my exercise priority is at fitness facility.
- 55 I love the interconnected parks and trails off the roads, and it's something to be proud of.
- 56 Again 121st should have a high priority, someone is going to be injured walking along this stretch of road.
- 57 Biggest barrier to walking is lack of continual sidewalks and connecting streets.
- 58 Fanno Creek trail is a half block from my home, it's very handy and we use it daily
- 59 My husband and I walk the paths around Cook Park whenever the weather is good - sometimes going from our home to Bridgeport Village, but more usually through Cook Park to the Bridge over the Tualatin River.
- 60 I really wish there were more sidewalks where I live. I was hit by a car as a pedestrian and my leg was broken as a result. I would love to get to the beautiful nearby trails but am scared to walk where there aren't sidewalks. Thanks for working on this issue!
- 61 I have said for many years to anyone who would listen that sidewalks would change the world in Tigard. It will build community, increase property values, make the neighborhoods more safe (more people out), improve our health, decrease accidents, and more. I am very excited that you are doing this project and will try to get involved and help.
- 62 I would like to see more connected sidewalks in my neighborhood. It seems many are sidewalks to places without sidewalks which causes a safety and security risk for me as I have a 16 month old typically with me while walking.
- 63 Please encourage the development of sidewalks along Murdock Street from 103rd to Templeton/Twality schools, on 103rd, on Sattler from 98th to 100th, and on the corner of 100th and Lady Marion.
- 64 The corner of SW 72nd and SW Locust Street is very dangerous, but an important way to get from the Metzger Neighborhood to Fred Meyer at Hwy 99 West.
- 65 The bridge on North Dakota (just down from Tiedman and the rail road tracks) is SO dangerous. I've walked it several times and was fearful each time. As a motorist it makes me very nervous to drive across that bridge with a pedestrian there. It's an accident waiting to happen and I hope something is done about it before there is an accident or tragedy!

- 66 Nope
- 67 An extension of the walk/bike path from 108th to Albertson's so you didn't have to walk along Durham would be huge.
- 68 SW 130th Ave that loops past Summerlake Park and continues on to Scholls Ferry desperately needs speed bumps. There are a lot of other speed bumps in this neighborhood, but they're really lacking right around Winterlake turns into 130th.
- 69 I'm very excited to see this project. I'd ride my bike more for exercise if I didn't have to contend with all the traffic.
- 70 the unleashed dog situation seems to be getting worse recently
- 71 Please place lights on the tualatin bridge on sw pacific hwy. we all need these lights for the walkers safety,
- 72 Generally pleasant, though I would like to see more connectivity of trails or at least more sidewalks along major thoroughfares (North Dakota, 121st, etc.).
- 73 need bushes and trees away from walk, better lights, less garbage, more waste disposals and cigarette butt disposals at trijet stops.
- 74 Sidewalks, sidewalks, sidewalks. I usually cross into Beaverton where it's safer to walk for recreation but when I need to go places in Tigard, it's dangerous to walk. I try to stay off the trails because of the fast bikes.
- 75 There is so little parking in the neighborhood with all the infill that even where there are sidewalks it is not uncommon for vehicles to park overhanging their driveways and block the sidewalks. There are also narrow streets where people are operating business in residential areas and the added vehicles impede foot traffic.
- 76 No
- 77 Tigard safe
- 78 I am interested in the improvements being made at Jack Park - e.g. its connection to the Fire Station in Walnut
- 79 I live in a friendly neighborhood
- 80 heard city going for grant to get sidewalks several months ago and I wrote a letter of support but haven't heard anything since...keeping interested and engaged citizens in the loop about plans, progress and yes, even disappointments is always a good thing

**Washington County Public Health Division  
Downtown Tigard Brownfields and Public Health  
Final Report**

**September 2014**



## **Project Description**

For several years, the City of Tigard and community members have envisioned a more vibrant and prosperous downtown. The downtown Tigard vision envisions the area as a walkable mixed use urban village with improved access to public space, trails, and transit. While some progress has been made in achieving this vision, there is still a need to assess some downtown properties for potential environmental issues. The city is undertaking the Tigard Brownfields Initiative to proactively address this key obstacle to achieving the downtown vision.

Downtown Tigard's residents include high numbers of children, seniors and Latinos. Many of these people live in the limited residential development in the downtown area which is primarily low-income multi-unit housing. For those living in this area, the prevalence of high traffic corridors surrounding the downtown and older, underused buildings creates barriers to accessing necessary services. Many residents have to cross major highways to reach full service grocery stores, healthcare and other essential services.

Washington County Public Health Division (WCPH) partnered with the City of Tigard to utilize the Agency for Toxic Substances and Disease Registry (ATSDR) Action Model to solicit community input on redevelopment in downtown Tigard. The goals of the project were:

Goal 1: By September 2014, Washington County Public Health Division will support equitable community engagement and the provision of the public health perspective in City of Tigard's Brownfields Initiative.

Goal 2: By September 2014, Washington County Public Health Division will build capacity for public health involvement in local brownfield and land revitalization efforts.

## **Activities Conducted**

To conduct the community engagement, WCPH staff utilized the ATSDR Action Model questions to guide discussion at already established community meetings. Initial outreach was done by having informal, one-on-one coffee meetings with community leaders. These meetings were intended to build trust, educate on land-reuse in Tigard and gain participation in a brownfield advisory committee. One of the challenges with this process was that many of these community leaders were already extremely overextended and did not have the capacity to participate in an advisory committee role. Although this caused a minor set back with the initially proposed project activities, WCPH staff used these brief, one time meetings as a way to discuss the benefits of community engagement within city planning activities and to gain entry into community meetings within these organizations.

WCPH successfully facilitated 3 community engagement events at: Metzger Elementary Parent Service Organization meeting, Greenburg Oaks tenant meeting, and The Knoll at

Tigard meet the manager event. Through this outreach, feedback was gathered from 38 people living within and adjacent to the downtown redevelopment area including low-income seniors, parents, and people with disabilities. Staff encouraged participants from these sessions to remain engaged in city planning efforts by applying for the city advisory committees. Applications were made available at all sessions. WCPH used the information gleaned from this engagement to provide recommendations to the City of Tigard on land reuse as well as valuable feedback on continuing to keep vulnerable populations engaged in this process.

### Outcomes

The community shared numerous concerns regarding Tigard’s downtown. The majority of the concerns were related to safety. Community members were very concerned with lack of sidewalk connections and safe crossings to get downtown. Many residents travel along roadways covered in blackberry bushes or over railroad tracks to reach the downtown. Another concern was a lack of appealing, affordable things to do downtown. One mother said, “I just walk through downtown, I don’t spend time there because there’s nothing to see”. The library was the greatest draw for most to the downtown area including seniors and families with small children. Many expressed concern that the library is closed on Thursday.

Figure 1: Word Visualization of Community Issues



When asked what community members would like to see in downtown Tigard to make it a healthier community most expressed the need for more sidewalks. One man said, “spend less money on trees and more money on sidewalks”. Generally people do not feel safe walking to and from downtown, particularly at night. More focus on safe walking routes to the downtown including connected sidewalks and street lighting will enable community members to better utilize assets such as the Fanno Creek trail and the Tigard Library. Another recommendation to consider is the development of an

affordable full service grocery store closer to the downtown. Most participants in the community engagement sessions reported using Winco for groceries, which is not easily accessible by walking. To address this lack of access to healthy, fresh, affordable food the City can consider incentivizing full scale grocery stores to develop in this area or provide economic development assistance to small corner stores to provide healthier and more affordable options.

Figure 2: Word Visualization of Community Desires



### Lessons Learned

Through the community engagement process WCPH determined that using the term “land reuse” resonated more with the community than attempting to talk about “brownfields”. Time was limited in many of the engagement sessions and it was difficult to educate on the concept of brownfields without specific examples, while at the same time allowing for enough time for meaningful discussion. Additionally, WCPH learned that it took a lot more time than anticipated to get community leaders on board. As an outside organization groups were much more reluctant to partner and it took a lot of convincing to conduct engagement in their organizations. Staff learned that it can be hard to enter a community when there may already be some distrust built due to previous engagement conducted by the City.

### Strategies for Tracking Health Benefits

The City of Tigard was recently awarded funding from the EPA’s Brownfield Assessment program. Through this opportunity WCPH hopes to continue to stay involved in Tigard’s downtown redevelopment by serving in an advisory capacity. WCPH is committed to continuing to share health data and best practices for healthy community design with the City and will advise on community engagement efforts to ensure equitable engagement is conducted and the health concerns of the community are considered.

## **Collaborations**

Through this funding opportunity WCPH developed new or strengthened existing collaborations with the following organizations and groups:

- City of Tigard – Sean Farrelly, Planner
- Community Partners for Affordable Housing – Sheila Greenlaw-Fink, Executive Director
- Good Neighbor Center - Jack Schwab, Executive Director
- Metzger Elementary PSO
- St. Anthony’s Catholic Church ESL Program – Bob and Derene Meurisse
- Tigard City Center Advisory Commission – Elise Shearer

## **Attachment A: Tigard Brownfield Initiative Community Engagement Notes**

### **Metzger Elementary PSO (4/8/14) – 10 people**

- Playground
- Community Center
- Outdoor plaza like Beaverton has
- Sidewalks and pedestrian crossings (have to cross major streets to get downtown 217, Greenburg, Hall – need safe pedestrian crossings)
- Sidewalk on 80<sup>th</sup>
- Appealing affordable vendors
- Grocery store
- Spend less money on trees and more money on sidewalks to get downtown
- It's hard to go downtown because it's not easy to get to. Have to load kids into the car to go use Fanno Creek trail

### **Greenburg Oaks Apartment Complex (6/3/14) – 5 people**

- Bus stops and sidewalks to get to key destinations
- Dog park closer (the existing one is too long of a walk)
- Hold events on the weekends in the open parking lots downtown
- Community gardens
- Walking group to familiarize people with Tigard and get people to meet their neighbors
- Family oriented events and spaces (“I just walk through downtown, but there's nothing to see”). It's hard because the library is closed on Thursday, kids want things to do.
- Safe Crossings – blinking yellow light at Greenburg gives people false sense of security, cars don't stop. Crossing Main at drycleaners is difficult
- Cars fly through the viaduct on Commercial, there are no sidewalks there and scary people at night with no lighting
- No street access to Metzger Park
- Lighting – many places are scary at night because there isn't lighting (Park by library, Commercial Park is scary)
- Tenants are crossing the railroad tracks to get downtown. It's dangerous
- More ways to get seniors out
- Make a nature path through the wetland by Winco (similar to Fanno Creek)
- Public art
- Colorful flowers
- Music and parades
- Places to get bike fixed
- There used to be places to buy groceries downtown (Safeway, Albertsons)
- Reasons people going downtown: pick berries along Fanno Creek, go eat at Max's, go to the library, access the transit center, dog park

- Ways to keep people involved: send reminders and invitations about events, offer food, place flyers in apartment complex, they would use things online

### **The Knoll at Tigard tenant meeting (6/5/14) – 23 people**

- Feelings about public space:
  - Where is it?
  - Will it get flooded in the winter?
  - Keep coyotes away (there are a lot at Max's Fanno Creek)
  - Seats – older people need resting place
  - Accessibility – curb cuts
  - Horseshoe pits
  - Concern about gang kids
  - Symposium coffee kiosk offering hot and cold drinks
  - Instead of creating a public space you should use the money to keep the library open on Thursdays
  - Old people won't use public space
- Downtown not very pedestrian friendly
- Nothing happens – the City's been making plans for so long Vision 2020, Vision 2030
- To get to Fanno Park have to walk down Hall or the railroad tracks
- Sidewalks would be nice on the Knoll side of the street
- Drinking fountains
- No hills
- Sidewalk on Scoffins so can get to Rite Aid
- Long distance to safe crossing
- Can't walk safely to library – no sidewalks, lots of traffic
- Many go to the library – wish it was open on Thursdays
- Have to drive to grocery store, can't walk (most go to Winco)
- Need to be able to get to new shopping center by Costco – bus doesn't drop off close by
- Hot topics: sidewalks, feeling safe
- Offer a downtown shuttle to get from one end to another
- Concern about light rail – where will it be?
- First aid station
- Covered walkways for businesses along Burnham
- Streetlights on Main Street
- Hard to walk down Hall because of berry bushes and not much shoulder
- Lots of noise at the Knoll – fire department noise, traffic noise
- The Knoll get's very hot, not very good insulation

AIS-1787

5.

**Workshop Meeting**

**Meeting Date:** 11/18/2014

**Length (in minutes):** 55 Minutes

**Agenda Title:** Review Results of Water and Sewer Rate Studies

**Prepared For:** Toby LaFrance, Financial and Information Services

**Submitted By:** Liz Lutz, Financial and Information Services

**Item Type:** Update, Discussion, Direct Staff      **Meeting Type:** Council  
Workshop  
Mtg.

**Public Hearing:** No

**Publication Date:**

**Information**

**ISSUE**

Presentation of results of water and sewer rate studies.

**STAFF RECOMMENDATION / ACTION REQUEST**

Staff seeks a direction from Council on which water and sewer rate option to bring to hearing on December 9, 2014.

**KEY FACTS AND INFORMATION SUMMARY**

**Water Rate Study**

**Background**

- In November 2010, Council set water rates and charges intended to pay for Tigard's share of the Lake Oswego / Tigard Water Partnership (LOTWP) which will provide Tigard Water customers with their own water source allowing the city to no longer depend on Portland Water.
- The result of the 2010 study increased water rates over five years, with increases of 34% in the first year followed by three years of 14% increases. Tigard is set to implement the final 4.3% increase on January 1, 2015.
- In February 2012, Tigard issued \$97 million in water revenue bonds to pay for the start of the LOTWP project. At the time of issuance, it was known that a second bond issue would be needed to finish the project. It is projected that the proceeds from the first bond will be completely used by February/March 2015.
- Last year, Tigard City Council agreed to change the partnership to increase Tigard's share in the water source by an additional 4 million gallons per day (mgd). This will increase Tigard's share in the project costs. Prior to making the decision to purchase the 4 mgd share, Council was advised that the purchase would most likely result in the need to further increase water rates.

- In August 2014, Tigard contracted with HDR Engineering to have Joe Healy perform a water rate analysis to determine the additional revenue required that will permit Tigard to issue a second water revenue bond in February 2015.

## **Result**

Tigard does require a further water rate increase to permit issuing water rate bonds in February 2015 and fund the completion of the LOTWP. To meet the revenue requirements necessary to issue bonds, HRD recommends one of the two following across the board rate increase scenarios:

- Scenario #1: Replace the upcoming 4.3% increase set for January 1, 2015 with three years of 5.3% rate increases. This will be followed by rate increases of 2% annually starting in 2018.
- Scenario #2: Replace the upcoming 4.3% increase set for January 1, 2015 with a 10.5% increase. This will be followed by rate increases of 2% annually starting in 2016.

The details of the consultant's findings are in the attached report.

## **Sewer Rate Study**

### **Background**

- On April 21, 2014 the City of Tigard Budget Committee instructed staff to pursue a local revenue source for the sewer system. The Sewer Fund of the city does not have sufficient resources to pay for operations and capital. The Budget Committee determined that service level decreases would put Tigard in jeopardy of violating environmental rules. To prevent the fund from running out of money, additional local revenue such as a surcharge, will be examined and brought to Council for consideration.
- Sewer rates and the city's share of the revenues are set by the region's sewer provider, Clean Water Services (CWS). Tigard has set a 5% franchise fee on sewer services. For every dollar that a customer pays, \$0.84 goes to CWS and \$0.16 goes to Tigard. Of the Tigard \$0.16, \$0.05 goes to the General Fund as the Franchise Fee, and \$0.11 goes to the Sewer Fund.
- Recent case law has confirmed that home rule cities such as Tigard, can charge utility districts a franchise fee. This presents the opportunity for an equitable split of the franchise fee. In this second option, the franchise fee is paid first and the remaining is shared via the 84/16% split. This would result in for each \$1 paid, \$0.05 goes to the Franchise Fee approximately \$0.80 goes to CWS, and approximately \$0.15 goes to the Sewer Fund.
- The City of Tigard is the only city inside of CWS's service area that hasn't implemented a sewer surcharge.
- In August 2014, Tigard contracted with FCS Group to perform a Sewer rate analysis to determine the additional revenue required that will permit Tigard to adequately fund Sewer services and capital.

### **Results**

Tigard does require a new local sewer revenue source. FCS Group examined billing data, the Capital Improvement Plan, system depreciation, and master plans. FCS Group recommends:

- Tigard maintain reserves of:

- 60 Days operations
- Approximately \$1 million for emergency repairs
- Tigard fully funds depreciation related system reinvestment of \$611,000 to \$726,000 per year.
- Tigard fully funds a modest Capital Improvement Plan, including River Terrace projects and system master plan.
- HDR examined two funding scenarios:
  - Scenario #1: Tigard pays 5% franchise fee out of the 16% share it receives from CWS. This results in a deficit of \$5.1 million over the next five fiscal years.
  - Scenario #2: Tigard and CWS share the franchise fee equitably based on the 84/16% split set by CWS. With the decreased franchise fee, this results in a deficit of \$2.5 million.
- HDR recommends that Tigard adopt one of the following local sewer charge scenarios:
  - Under funding Scenario #1: Tigard sewer customers pay \$3.55 per dwelling unit equivalent (DUE) per month.
  - Under funding Scenario #2: Tigard sewer customers pay \$1.95 per DUE per month.
- HDR recommends that Tigard's new sewer charge be adjusted annually based on the Engineering News Record (ENR) City of Seattle index with a minimum floor set at 2.00 percent.

## **OTHER ALTERNATIVES**

Council can choose to instruct staff not to bring water and sewer rates forward for a hearing or to delay the hearing. The result of this alternative action will be to place the LOTWP in an unfunded status and would allow the current financial condition of the Sewer Fund to continue.

## **COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS**

LOTWP Bond #2

## **DATES OF PREVIOUS COUNCIL CONSIDERATION**

August 12, 2014 - Approval of contract for Sewer Rate Study

July 8, 2014 - Briefing on Infrastructure Financing Project including water and sewer rates

April 14, 2014 - Budget Committee considered Sewer local revenue

December 10, 2013 - Council adopts IGA on LOTWP to purchase additional 4 mgd of water

July 23, 2013 - Council Executive Session on potential water rate impact of additional 4 mgd of water.

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## **Attachments**

[Water Rate Study](#)

[Water Rate Presentation](#)

[Sewer Rate Study](#)

[Sewer Rate Study Appendix](#)

[Sewer Rate Presentation](#)

# Memo

Date: Tuesday, October 21, 2014

Project: Infrastructure Financing Services: Water

To: Toby LaFrance, John Goodrich

From: Joe Healy

Subject: Water Revenue Requirements Summary

Thank you for the opportunity to serve the City of Tigard (City). HDR is pleased to continue supporting the City with its water infrastructure financing needs.

## Introduction to the Financial Plan Analysis

The first major task of this study was to review rate revenue scenarios that prudently fund the City's future revenue requirements under alternative capital improvements plans and cost assumptions.

HDR met at the City's offices for a financial planning workshop on September 4, 2014. During the workshop, HDR and the City analyzed all of the assumptions within the financial planning model, including capital improvements plan (CIP) costs, operations and maintenance (O&M) costs, debt service repayments, rate and non-rate revenues, system development charge (SDC) collections, reserve funds, and various assumptions around interest rates and escalation factors for future years of the projection period.

Once all of the assumptions had been reviewed and agreed to, HDR and the City calibrated the financial planning model to develop the optimal solution to meeting the City's water revenue requirements going forward. The forecast scenarios included fiscal year (FY) 2015 through FY2044<sup>1</sup>, and examined the impacts of funding capital improvements with a mix of rate revenue, reserves, and future debt financing. By forecasting costs over an extended time-period, Tigard can anticipate and plan for significant needs in operating and capital requirements. By planning around these anticipated needs, Tigard may also minimize short-term rate impacts and overall long-term rates. Softening rate impacts was the goal of the first scenario presented in this memorandum. The two scenarios analyzed include:

1. **Smoothed Rate Impact** – This scenario is based on the City's capital projects to identify optimal amounts of new debt and rates to pay for projects while minimizing short-term rate impacts to the City's customers.
2. **One-Time Rate Hike in 2015** – The City requested an analysis of the water financial forecast given a large rate adjustment in 2015, and holding future annual rate adjustments to approximately 2% or less.

<sup>1</sup> In this analysis, FY2015 represents fiscal year ending in 2015, or FY2014-15.

The scenarios presented in this memorandum are based on the agreed upon CIP assumptions, budget numbers, and collective estimates of interest rates and escalation factors. Each scenario raises sufficient rate revenue to meet the City’s future revenue requirements<sup>2</sup>, maintain prudent reserve fund balances, and achieve target debt service coverage ratios.

## Overview of the Revenue Requirement Calculation

The financial plan, or revenue requirement analysis, is the first analytical step in a water rate study process. This analysis determines the overall adequacy of Tigard’s water rates. From this analysis, a determination can be made as to the overall level of water rate revenue adjustment needed to provide adequate and prudent funding for both operating and capital needs. Typically, the main objective of a water financial plan is to develop a plan to meet future revenue requirements, while attempting to minimize the impacts to the City’s customers. A major focus of most revenue requirement analyses (including the City’s) is the funding of capital improvements.

Financial planning for utilities is based on a “cash-flow” approach, also known as the “cash basis” approach. This approach matches revenue with costs over time such that over the planning period, annual revenues will be equal to or greater than the utility’s annual costs. Table 1 provides a summary of the cash basis methodology used to develop the City’s water revenue requirements.

**Table 1: Overview of the “Cash Basis” Revenue Requirement Methodology**

+	Operations and Maintenance Costs
+	Taxes/Transfer Payments
+	Capital Projects Funded from Rates
+	Debt Service Repayments (P + I)
	<hr/>
=	Total Revenue Requirement
-	Miscellaneous Revenues
	<hr/>
=	Net Revenue Requirement from Rates

Each of these components is described below.

## Water Revenue Requirements Assumptions

The primary financial inputs in this process were the City’s accounting and billing records, capital plan, and budget. Provided below is a detailed discussion of the steps and key assumptions contained within the development of the City’s water utility revenue requirement.

<sup>2</sup> Revenue requirements include cash-funded capital improvements, debt service, and operational expenses.

## Capital Improvements

Capital improvements typically consist of large and costly additions to utility facilities that oftentimes occur infrequently and at irregular intervals. Capital improvement projects are designed to fulfill a range of needs including:

- Compliance with new state and federal regulations,
- Enhancement of the level and reliability of the service provided,
- Meet ongoing demands of system growth and economic development, and
- Replacement and refurbishment of existing system infrastructure.

Table 2 provides a summary of the City's CIP over the next seven years and totals over the 30-year projection period. In addition to the water supply costs of the Partnership, the City has a significant capital improvement program that includes water storage, pipelines, and other system improvements. All amounts include the effects of assumed cost escalation.<sup>3</sup> To improve visibility in years with actual expenditures, HDR shaded the zeroes in years with no projected expenditures.

**Table 2: CIP Summary (millions)**

Description	Fiscal Year Ending							2015-44 Totals
	2015	2016	2017	2018	2019	2020	2021	
Water Meter Replacement Program	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$10.7
Water Main Line Oversizing	0.2	0.2	0.2	0.2	0.2	0.2	0.2	8.0
Aquifer Storage & Recovery Well #3	0.3	0.0	0.0	0.0	3.6	0.0	0.0	3.8
Lake Oswego-Tigard Water Partnership	72.8	22.9	1.3	0.0	0.0	0.0	0.0	96.9
LO-Tigard Water Partnership Internal Expenses	0.4	0.2	0.0	0.0	0.0	0.0	0.0	0.6
Water Line Replacement Program	0.1	0.1	0.1	0.2	0.2	0.2	0.2	7.5
Fire Hydrant Replacement Program	0.2	0.1	0.1	0.1	0.1	0.1	0.1	5.4
Main Street/Waterline Replacement	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
New Water Source Systemwide Improvements	0.3	0.2	0.1	0.1	0.0	0.0	0.0	0.7
Pipeline Connecting 550 Zone to 530 Zone	0.0	0.0	0.0	0.0	2.5	0.0	0.0	2.5
Annual Fire Flow Improvement Allocation	0.1	0.1	0.1	0.1	0.1	0.1	0.1	4.8
Tigard HS Well Abandonment	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Barrows/Scholls Ferry 16" Line Extensions (River Road)	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Pacific Highway/Gaarde Utility Casing Bore Crossing	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Cach Reservoir and Pump Station Design	0.0	0.0	0.0	1.1	0.0	5.8	6.0	13.0
550 Pressure Zone Connection to Price Reservoir	0.3	1.8	0.0	0.0	0.0	0.0	0.0	2.0
Vehicles	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.4
<b>Totals</b>	<b>\$75.6</b>	<b>\$25.7</b>	<b>\$2.1</b>	<b>\$2.1</b>	<b>\$6.8</b>	<b>\$6.6</b>	<b>\$6.9</b>	<b>\$157.3</b>

## Debt Service Costs

The next component of Tigard's water revenue requirement is debt service. Debt service relates to the City's annual debt repayment obligations (principal and interest), incurred when capital projects are financed with long-term borrowing.

<sup>3</sup> Partnership project cost estimates already included assumed capital cost escalation. Tigard provided all other capital improvement plan costs using a FY2015 cost-basis. The assumed escalation rate for future costs began at 2.0% in FY2016, increasing by 0.5% annually to a maximum annual escalation rate of 4.0% in FY2020 and beyond.

Utilities frequently finance major capital improvements by issuing long-term debt for two primary reasons. First, the financial resources required for these types of projects typically exceed the utility's available resources from the normal operation of its system. Second, spreading the debt service costs for the project over the repayment period effectively spreads the financial burden of financing large improvements to both existing and future users of the system. This burden sharing allows the utility to sequence the cost of improvements with those customers using the improvements.

### **Existing Debt Service**

Tigard is currently making repayments for two outstanding debt issues, revenue bonds issued in 2012 and ARRA debt. The City's annual debt service payments are scheduled at \$4.88 million in FY2015 and FY2016, and \$6.72 million annually thereafter through FY2032. The Series 2012 repayments of \$6.56 million annually are scheduled through FY2043, while the final payment on the ARRA debt is FY2033.

As a part of the rate covenants associated with this outstanding debt, the City must maintain minimum debt service coverage (DSC) ratios. DSC is the ratio of the City's net revenues to its annual debt service subject to coverage requirements. With input from the City's financial advisor, HDR assumed that the City must maintain a minimum 1.15 DSC ratio if SDCs are included in the calculation of net revenues. In other words, the City's net revenue<sup>4</sup> must, at a minimum, exceed its annual debt service by 15%. If SDCs are excluded from the calculation of net revenue, a 1.10 DSC ratio is required.

Based on recommendations from HDR and the City's financial advisor, the City chose to set its minimum debt ratio targets higher than the minimum required. This is a matter of prudent financial policy, in which the City will strive to achieve a higher standard than the minimum requirements set forth in its bond covenants. Utilities commonly adopt higher standards to achieve better financial performance, and thereby, a higher bond rating. Additionally, by achieving target net revenue higher than its minimum requirements, the City will provide itself a degree of safety from technical default on its bonds in the case of unforeseen expenditures or revenue shortfalls in the future.

For the purposes of this analysis, the target DSC ratio is 1.40 for all years if SDCs are included in the calculation of net revenues; 1.25 for all years if SDCs are excluded from the calculation of net revenues. Based on this assumption, HDR estimates that the City will exceed the minimum requirements and meet target DSC ratios throughout the planning period.

### **Future Debt Service**

Given the large expenditures related to the City's capital improvements program, HDR and the City anticipate the need for new debt financing in FY2015 (nearly \$40 million) and FY2019 (approximately \$7 million). For debt service related to future borrowing, HDR and the City assumed that future debt issues would have a 5.0% interest rate and term to coincide with the final repayment of the Series 2012 debt. HDR and the City also assumed that new debt would be subject to the same DSC covenants as the City's existing debt.

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<sup>4</sup> Net revenue is gross revenues less operating expenses. Operating expenses do not include depreciation expense.

## Total Debt Service

By combining the City's existing debt service repayments with the projected additional debt service, HDR developed estimated debt repayments. Table 3 presents the next 20 years of annual debt service for the CIP scenario presented in Table 2. Note the significant increase in FY2017. This is due to an increase in the annual repayments on the Series 2012 debt and the assumed structuring of the anticipated FY2015 debt financing. The City's financial advisor suggested that the City will structure the new debt so that they may defer principal repayments for 2 years from the time the debt is issued. Therefore, interest-only payments are projected to occur in FY2015 and FY2016, with total repayments (principal and interest) for the FY2015 debt issuance forecasted to begin in FY2017.

Table 3: Annual Debt Service

Year	Annual DS*	Year	Annual DS*
FY2015	\$5.5	FY2025	\$9.7
FY2016	6.8	FY2026	9.7
FY2017	9.2	FY2027	9.7
FY2018	9.2	FY2028	9.7
FY2019	9.5	FY2029	9.7
FY2020	9.7	FY2030	9.7
FY2021	9.7	FY2031	9.7
FY2022	9.7	FY2032	9.7
FY2023	9.7	FY2033	9.7
FY2024	9.7	FY2034	9.7

\* Note: Projected costs rounded to millions.

Given the assumptions of this scenario, HDR and the City projected the structure of the future debt issue in a way that would provide for level annual debt repayments through FY2043 when combined with the currently scheduled repayments on existing debt.

## Operations and Maintenance Costs

Tigard incurs operation and maintenance expenses (O&M) for reliable water supply resources and delivery to the City's customers. O&M costs account for most of the day-to-day expenditures for operating a water utility. O&M costs include labor, benefits, insurance, water purchases, etc. The City's budget O&M costs were used as a starting point for the O&M forecast. O&M costs were projected to escalate from FY2015 data at various annual rates, specific to line item. For planning purposes, O&M costs were accounted for during the current year and were not capitalized or amortized over an extended period of years.

HDR and the City walked through the line-item budget to identify and confirm the appropriate cost escalation rates by item. Based on the FY2015 budget assumptions and the cost escalation rates ranging from 2.5% to 4.0% annually (in most instances<sup>5</sup>), the City's total annual O&M costs are expected to increase from \$8.4 million in FY2013 to \$9.0 million in FY2016. In FY2017, the City expects a significant decrease in O&M costs as water from the Partnership replaces the City's current supply from the City of Portland.

<sup>5</sup> Medical benefits were projected to increase at a rate of 6.65% annually.

The annual O&M cost projection is included in Table 4. Only the first 20 years of the projection period are included. It is assumed that costs will continue escalating in future years.

**Table 4: Total Annual O&M Costs** (millions)

Year	Annual O&M*	Year	Annual O&M*
FY2015	\$8.4	FY2025	\$9.2
FY2016	9.0	FY2026	9.6
FY2017	6.9	FY2027	9.9
FY2018	7.2	FY2028	10.3
FY2019	7.4	FY2029	10.7
FY2020	7.7	FY2030	11.0
FY2021	8.0	FY2031	11.5
FY2022	8.3	FY2032	11.9
FY2023	8.6	FY2033	12.3
FY2024	8.9	FY2034	12.8

\* Note: Projected costs include escalation.

## Forecast of Other Revenue

The City collects other revenue that offsets the revenue needed from customer rates. Other revenue includes non-rate revenue and system development charge collections.

### Non-Rate Revenue

For planning purposes, non-rate revenue includes minor amounts of miscellaneous sales and fees. Together, these line items amount to approximately \$165,000 in FY2015. This amount is projected to increase by 0.3% annually thereafter.

### System Development Charges

The City receives SDCs from new development. For the revenue requirements calculation, the City uses SDCs to offset capital costs, including future debt service costs when applicable. In FY2015, the City will receive approximately \$944,000 from water SDCs.

For the duration of the forecast, the City and HDR forecasted future SDC collections conservatively. Future SDC collections were projected using the City's existing customer data and an assumed growth rate of 0.3% annually. Table 5 provides the projected SDC revenue.

**Table 5: Total Annual SDC Revenue**

Year	SDCs*	Year	SDCs*
FY2015	\$944	FY2025	\$824
FY2016	559	FY2026	860
FY2017	583	FY2027	898
FY2018	609	FY2028	938
FY2019	636	FY2029	979
FY2020	664	FY2030	1,023
FY2021	693	FY2031	1,068
FY2022	724	FY2032	1,115
FY2023	756	FY2033	1,164
FY2024	789	FY2034	1,215

\* Note: Projected revenue rounded to thousands.

The City will collect more than the projected SDCs with the future development of River Terrace. However, until SDCs are actually collected from developers, HDR recommends that the City use the lower future SDC estimates as a matter of prudent financial planning for the purpose of funding capital projects and issuing bonds.

### Interest Earnings

Interest earnings on the City’s reserve fund balances also reduce pressure on rate revenue requirements. Interest earnings on the City’s reserve funds were calculated based on interest rates of 0.5% or less in 2015. The assumed annual interest rates were increased over time until each reached 1.5% in FY2021. HDR and the City left the assumed interest rate at 1.5% annually thereafter.

### Reserve Funds

For its minimum reserve fund balance, the City targets 90 days of projected annual O&M costs, plus \$2 million of emergency reserves. Based on the analysis and assumptions contained in this memorandum, the City will meet this reserve target for the duration of the projection period.

## Summary Results from the Water Financial Plan

The water financial planning model that HDR developed for the City is designed to calculate the annual water rate revenue adjustments needed to meet the City’s existing and future water revenue requirements. Based on the revenue requirements described above, less non-rate revenues and SDCs, HDR calculated the rate revenue adjustments that meet the City’s goals, while meeting all of the needs of the water utility’s operations and capital infrastructure.

As discussed in the introduction, the financial planning model included FY2015 through FY2044 (30 years). However, for the purposes of this memorandum and potential adoption by the City Council, only the next five years of rate revenue adjustments are presented in this section.

### Scenario 1 – Smoothed Rate Impact

Summaries of the annual water rate revenue adjustments and example customer impacts for this scenario are shown in Table 6.

Table 6: Summary of Customer Impacts – Scenario 1

Description	Current	Fiscal Year Ending				
		2015	2016	2017	2018	2019
Rate Adj.		5.30%	5.30%	5.30%	2.00%	2.00%
Monthly Bill	\$45.92	\$48.35	\$50.91	\$53.61	\$54.68	\$55.77
Bill Increase		2.43	2.56	2.70	1.07	1.09

Table 7 (next page) presents a summary of the water revenue requirements (sources and uses of funds). The first five years of the projection period are shown so that the new bond issues associated with major capital improvements could be presented. The rate revenue presented in Table 7 includes the proposed annual water rate revenue adjustments shown in Table 6. With

these proposed annual rate revenue adjustments, the total sources and uses of funds (pertaining to the City’s water revenue requirements) balance for each year of the forecast.

**Table 7: Scenario 1 Summary of Revenue Requirements Analysis** (millions)

	Fiscal Year Ending				
	2015	2016	2017	2018	2019
<b>Sources of Funds</b>					
Rate Revenue	\$17.0	\$18.0	\$19.0	\$19.7	\$20.2
Non-Rate Rev. & SDCs	1.2	0.8	0.8	0.8	0.9
New Bond Issues	38.4	0.0	0.0	0.0	7.1
Spending Reserves	37.3	22.6	0.0	0.0	0.0
<b>Total Sources</b>	<b>\$94.0</b>	<b>\$41.4</b>	<b>\$19.8</b>	<b>\$20.6</b>	<b>\$28.2</b>
<b>Uses of Funds</b>					
Capital Improvements	\$75.6	\$25.7	\$2.1	\$2.1	\$6.8
Debt Repayments	5.4	6.6	9.2	9.2	9.5
Debt Issuance Costs	4.6	0.0	0.0	0.0	0.8
O&M Expenses	8.4	9.0	6.9	7.2	7.4
Increasing Reserves	0.0	0.0	1.5	2.1	3.5
<b>Total Uses</b>	<b>\$94.0</b>	<b>\$41.4</b>	<b>\$19.8</b>	<b>\$20.6</b>	<b>\$28.2</b>

In Table 7, to improve visibility for active years the same formatting was used as in Table 2. This is helpful for new debt activity and changes in the overall balance of reserve funds.

## Scenario 2 – One-Time Rate Hike in 2015

Summaries of the annual water rate revenue adjustments and example customer impacts for this scenario are shown in Table 8.

**Table 8: Summary of Customer Impacts – Scenario 2**

Description	Current	Fiscal Year Ending				
		2015	2016	2017	2018	2019
Rate Adj.		10.50%	2.00%	2.00%	2.00%	2.00%
Monthly Bill	\$45.92	\$50.74	\$51.76	\$52.80	\$53.86	\$54.94
Bill Increase		4.82	1.02	1.04	1.06	1.08

Table 9 (next page) presents a summary of the water revenue requirements (sources and uses of funds). The first five years of the projection period are shown so that the new bond issues could be presented. The rate revenue presented in Table 9 includes the proposed annual water rate revenue adjustments shown in Table 8.

**Table 9: Scenario 2 Summary of Revenue Requirements Analysis (millions)**

	Fiscal Year Ending				
	2015	2016	2017	2018	2019
<b>Sources of Funds</b>					
Rate Revenue	\$17.4	\$18.6	\$19.0	\$19.4	\$19.9
Non-Rate Rev. & SDCs	1.2	0.8	0.8	0.8	0.9
New Bond Issues	38.4	0.0	0.0	0.0	7.1
Spending Reserves	36.9	22.0	0.0	0.0	0.0
<b>Total Sources</b>	<b>\$94.0</b>	<b>\$41.4</b>	<b>\$19.8</b>	<b>\$20.3</b>	<b>\$27.9</b>
<b>Uses of Funds</b>					
Capital Improvements	\$75.6	\$25.7	\$2.1	\$2.1	\$6.8
Debt Repayments	5.4	6.6	9.2	9.2	9.5
Debt Issuance Costs	4.6	0.0	0.0	0.0	0.9
O&M Expenses	8.4	9.0	6.9	7.1	7.4
Increasing Reserves	0.0	0.0	1.5	1.8	3.3
<b>Total Uses</b>	<b>\$94.0</b>	<b>\$41.4</b>	<b>\$19.8</b>	<b>\$20.3</b>	<b>\$27.9</b>

## Scenario Comparison

The City’s CIP includes planned infrastructure improvements amounting to \$129 million over the next 10 years. These costs, and planning a strategy to fund them, were the primary drivers for the City’s water financial plan analysis.

HDR developed two alternative rate revenue impact scenarios.

1. **Smoothed Rate Impact** – This scenario is based on the City’s capital projects to identify optimal amounts of new debt and rates to pay for projects while minimizing short-term rate impacts to the City’s customers.
2. **One-Time Rate Hike in 2015** – The City requested an analysis of the water financial forecast given a large rate adjustment in 2015, and holding future annual rate adjustments to approximately 2% or less.

In each of these scenarios, HDR assumed that Tigard would incur additional debt only to the amount needed to meet the lower limit of the water utility’s financial and reserve targets. In other words, HDR used its utility financial planning model to calibrate each scenario to the lowest rate revenue adjustments possible to meet reserve fund balance targets and DSC targets.

The results of the two financial forecasts listed above are included in Table 10 (next page). For each scenario, Table 10 presents the overall rate revenue adjustments for the next 5 years and the impacts that those adjustments have on an example single-family residential bill.<sup>6,7</sup>

<sup>6</sup> Rate adjustment percentage is the required overall average adjustment to total rate revenue from all customers.

<sup>7</sup> Example bill assumes monthly billing and 700 cubic feet of water consumed per month.

**Table 10: Rate Adjustments and Bill Impacts by CIP Scenario**

Year	Smoothed Rates		2015 Rate Hike	
	Adj.	Ex. Bill	Adj.	Ex. Bill
Current		\$45.92		\$45.92
FY2015	5.3%	48.35	10.5%	50.74
FY2016	5.3%	50.92	2.0%	51.76
FY2017	5.3%	53.62	2.0%	52.79
FY2018	2.0%	54.69	2.0%	53.85
FY2019	2.0%	55.78	2.0%	54.92

## Conclusion of the Financial Planning Analysis

Based on the assumptions and results of this analysis, HDR determined that the City could meet all of its water utility financial targets with either annual rate adjustments of 5.3% for the next three years, or a one-time rate hike of approximately 10.5% in FY2015. From FY2018 and beyond, annual rate revenue adjustments could be minimal or intermittent under the assumptions included in this analysis. HDR and Tigard view this scenario as a very positive development for Tigard’s existing and future water customers.

### Recommendations

The City should continue to take great care to mitigate risk by following prudent management practices. This includes reviewing rates and revenues annually to see if additional adjustments are necessary. The City should give special attention to its water rates and revenue requirements once it completes the change in governance and costs from a water purchaser to an operator of a water treatment plant. When the City is off the Portland system and operating the Partnership facilities, it should consider undertaking another comprehensive rate study.

### Limitations

Many assumptions are employed in an analysis like this. For this reason, results are not concrete in nature but are necessarily estimates.

HDR

- 
- 01** Review of water utility financial planning and revenue requirements calculation
  - 02** Discuss the assumptions, findings, and preliminary conclusions



01

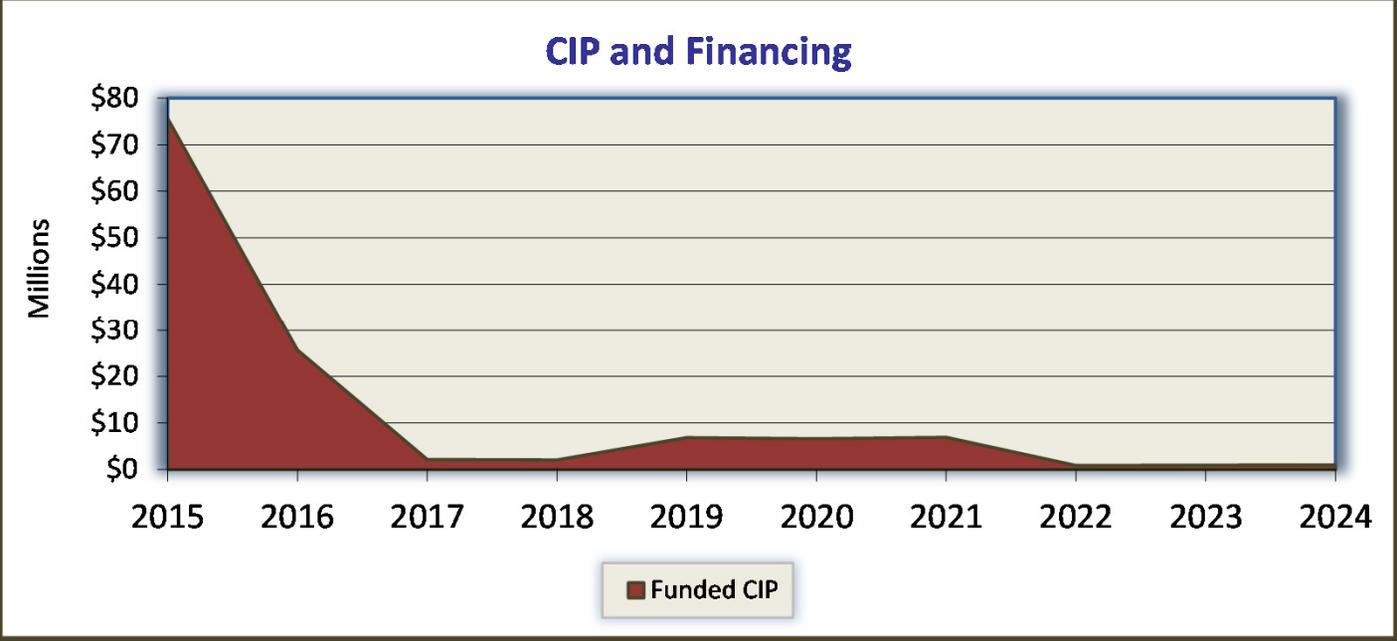
**REVIEW OF WATER UTILITY  
FINANCIAL PLANNING AND  
REVENUE REQUIREMENTS  
CALCULATION**

# KEY OBJECTIVES OF THE STUDY

## Goals and Objectives

- Determine water rate revenue adjustments necessary to meet future revenue requirements
- Adequately and properly fund capital infrastructure projects

# FUTURE REVENUE REQUIREMENTS INCLUDE SIZEABLE CAPITAL-RELATED EXPENDITURES



## PROJECTED ANNUAL CAPITAL EXPENDITURES

Year	CIP Costs*
FY2015	\$75.6
FY2016	25.7
FY2017	2.1
FY2018	2.1
FY2019	6.8
FY2020	6.6
FY2021	6.9
FY2022	0.9
FY2023	0.9
FY2024	1.0

L.O.-Tigard Water Partnership

ASR #3

Pipeline: 550 Zone to 530 Zone  
Cach Reservoir and P.S.

\* Note: Projected costs include escalation.

# FINANCIAL PLANNING FOR UTILITIES IS BASED ON A “CASH-FLOW” APPROACH

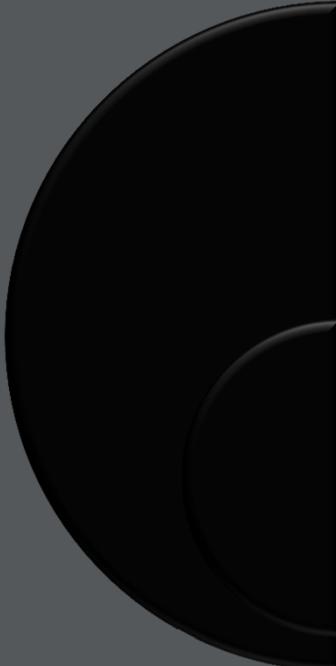
- Over time, revenue must be equal to or greater than the utility’s costs

+ O&M Expenses  
+ Transfer Payments  
+ Debt Service (P&I)  
+ Rate-Funded Capital Projects  
= Total Revenue Requirements  
– Miscellaneous Revenues  
= Balance Required from Rates

+ Total Capital Projects  
– Bond Proceeds (Revenue Bonds)  
– Grants  
– Customer Contributions (e.g. SDCs)  
= Capital Projects Funded from Rates



# FINANCIAL PLANNING IS A LONG-TERM FOCUS ON CASH FLOW AND FINANCIAL HEALTH



## Cash-Flow Perspective

- How much is needed?
- When do we need it?
- Where will it come from?

## Long-Term Focus

- 30-year planning period
- Rate revenue adjustments
- Targets and benchmarks

## A DYNAMIC FINANCIAL PLANNING PROCESS HELPS THE UTILITY ASSESS POLICIES AND GOALS

Consider  
Financing  
Options

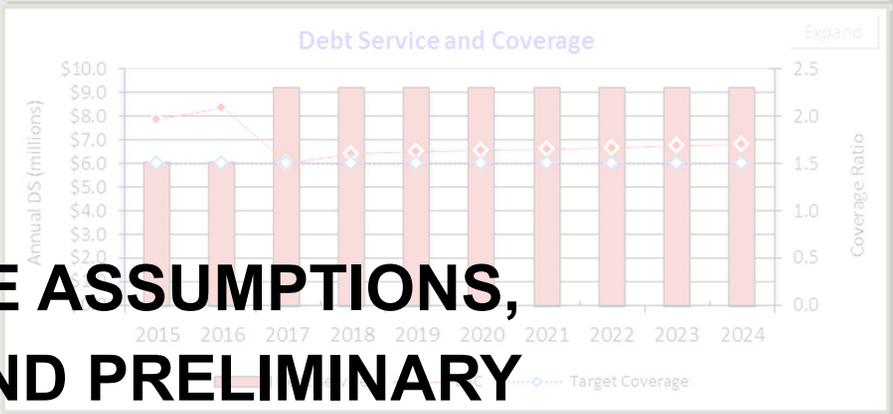
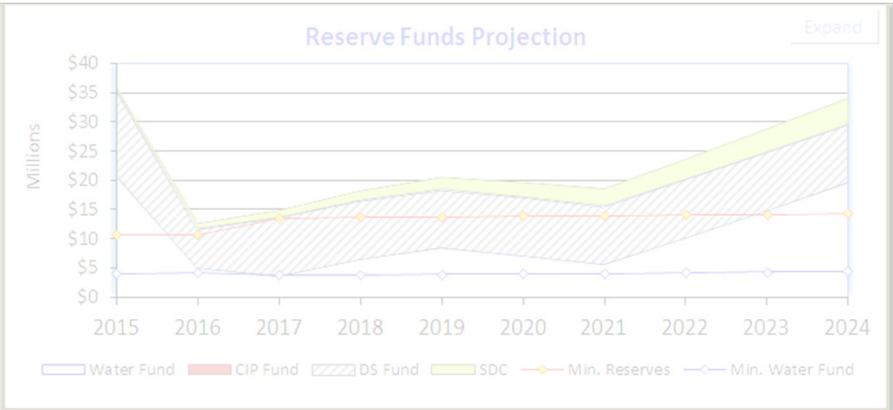
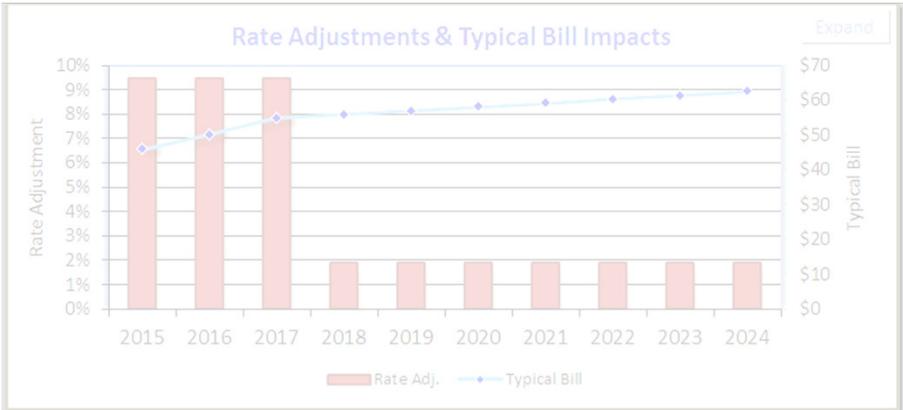
Long-term  
debt

Cash and  
reserves

Lower,  
Smoother  
Rate Changes

Send price  
signals

Avoid rate  
shock



02

**DISCUSS THE ASSUMPTIONS,  
FINDINGS, AND PRELIMINARY  
CONCLUSIONS**



## PRELIMINARY CONCLUSION

- HDR analyzed the City's data and developed scenarios with City staff.
- Two scenarios are up for consideration:
  - Smoothed Rate Impact
  - One-Time Rate Hike in 2015
- Either scenario will meet the City's revenue requirements, target reserve levels, and financial benchmarks.
- The next slides show the assumptions, explain the scenarios, and give you a snapshot of future fund balances.

## ANNUAL O&M EXPENSES

Year	Annual O&M*	Year	Annual O&M*
FY2015	\$8.4	FY2025	\$9.2
FY2016	9.0	FY2026	9.6
FY2017	6.9 ←	FY2027	9.9
FY2018	7.2	FY2028	10.3
FY2019	7.4	FY2029	10.7
FY2020	7.7	FY2030	11.0
FY2021	8.0	FY2031	11.5
FY2022	8.3	FY2032	11.9
FY2023	8.6	FY2033	12.3
FY2024	8.9	FY2034	12.8

\* Note: Projected costs include escalation.

## EXISTING DEBT SERVICE

Year	Annual DS*	Year	Annual DS*
FY2015	\$4.9	FY2025	\$6.7
FY2016	4.9	FY2026	6.7
FY2017	6.7	FY2027	6.7
FY2018	6.7	FY2028	6.7
FY2019	6.7	FY2029	6.7
FY2020	6.7	FY2030	6.7
FY2021	6.7	FY2031	6.7
FY2022	6.7	FY2032	6.7
FY2023	6.7	FY2033	6.7
FY2024	6.7	FY2034	6.6

\* Note: Projected costs rounded to millions.

## ANNUAL CAPITAL EXPENDITURES

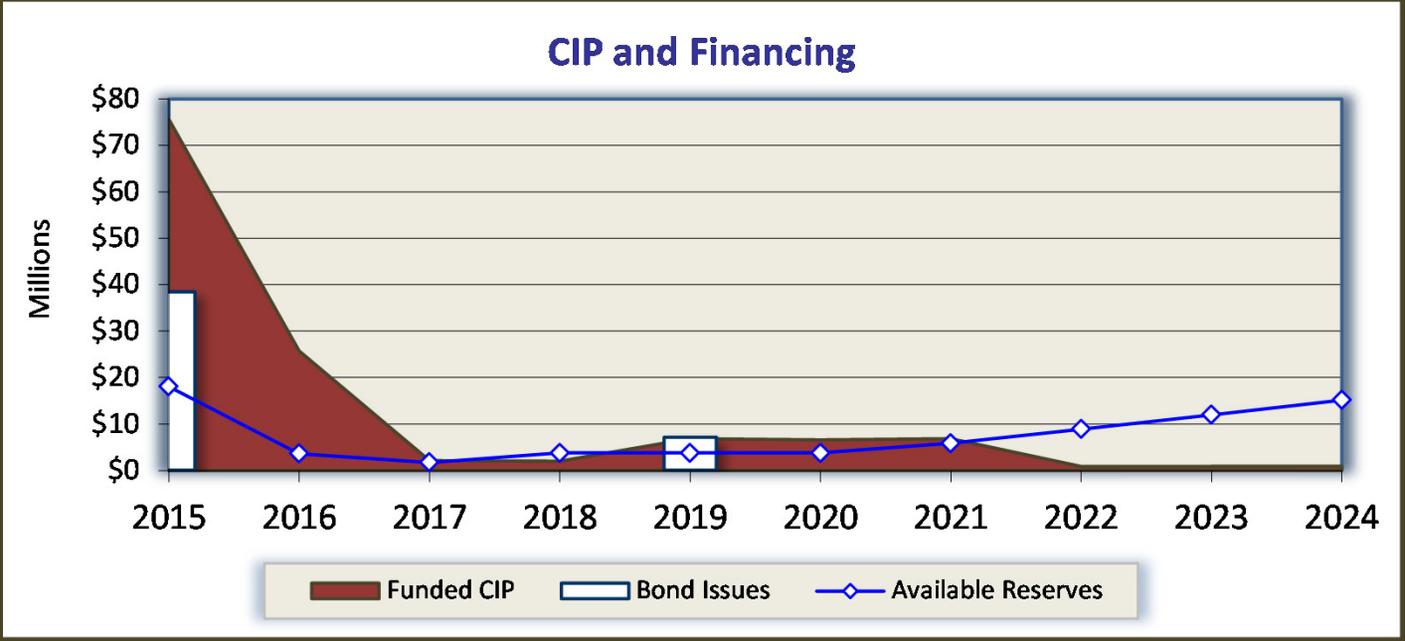
Year	CIP Costs*
FY2015	\$75.6
FY2016	25.7
FY2017	2.1
FY2018	2.1
FY2019	6.8
FY2020	6.6
FY2021	6.9
FY2022	0.9
FY2023	0.9
FY2024	1.0

\* Note: Projected costs include escalation.

## THE CITY'S CAPITAL PROGRAM RELIES ON WATER RATES & SDC REVENUE

- Improvements are built in phases with sufficient capacity to meet projected increases in demands for several years.
- Collection of SDC revenue is spread over a number of years before/after the improvement is built.
- Any difference in initial funding is covered by rates, from cash reserves or long-term debt financing that is repaid from rate revenue.

# CAPITAL EXPENDITURES AND FUTURE DEBT FINANCING



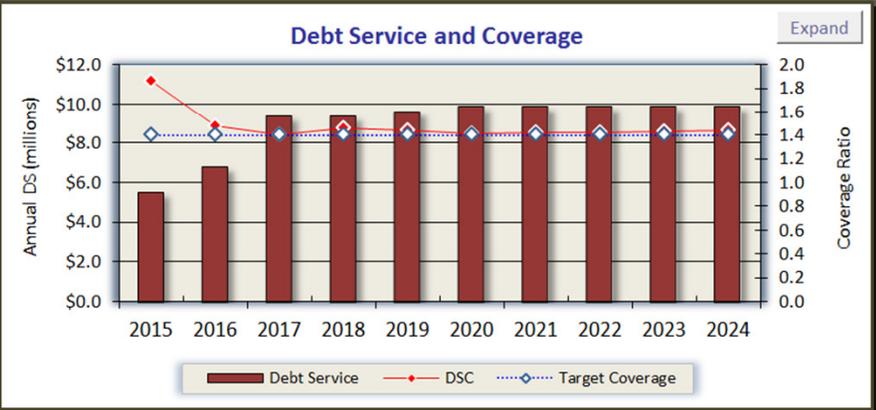
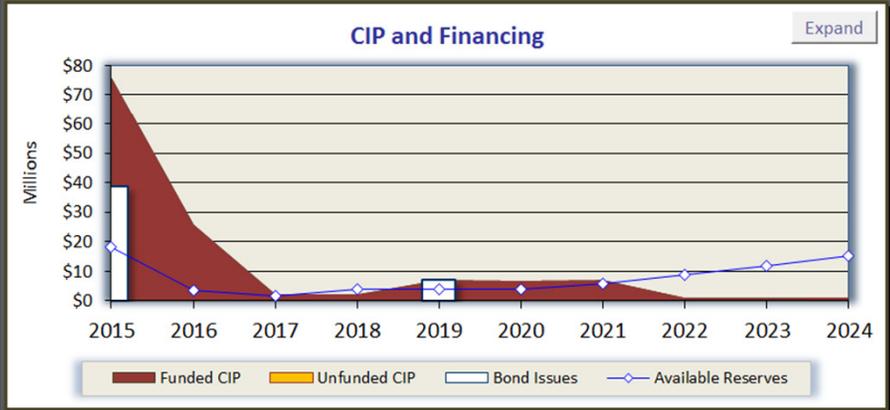
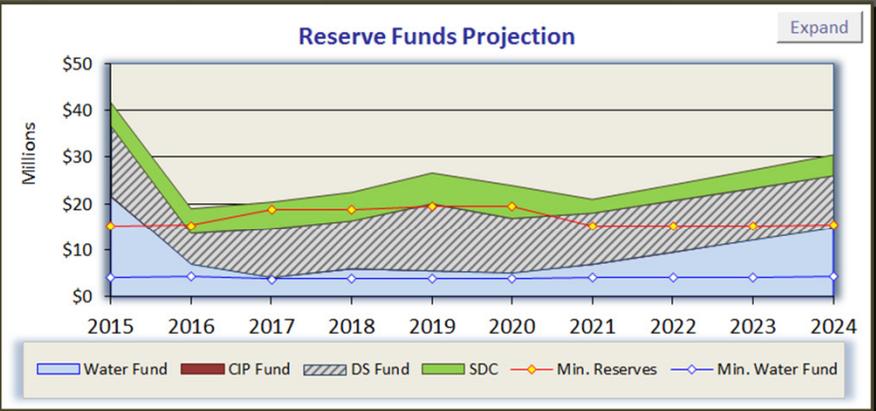
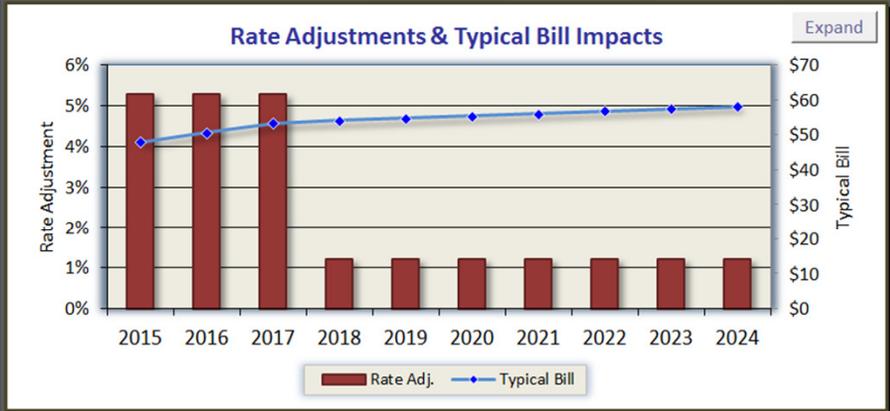
## ANNUAL CASH-FINANCED CIP

Year	CIP Costs	Prior Bond Proceeds	Reserves & SDCs	New Bond Proceeds	CIP from Cash
FY2015	\$75.6	\$48.3	\$0.0	\$25.4	\$1.9
FY2016	25.7	0.0	17.3	8.4	0.0
FY2017	2.1	0.0	0.2	0.0	1.9
FY2018	2.1	0.0	0.3	0.0	1.8
FY2019	6.8	0.0	0.3	2.9	3.7
FY2020	6.6	0.0	0.3	2.8	3.5
FY2021	6.9	0.0	4.8	0.7	1.4
FY2022	0.9	0.0	0.3	0.0	0.5
FY2023	0.9	0.0	0.3	0.0	0.6
FY2024	1.0	0.0	0.3	0.0	0.7

## TOTAL ANNUAL DEBT SERVICE

Year	Annual DS*	Year	Annual DS*
FY2015	\$5.5	FY2025	\$9.7
FY2016	6.8	FY2026	9.7
FY2017	9.2	FY2027	9.7
FY2018	9.2	FY2028	9.7
FY2019	9.5	FY2029	9.7
FY2020	9.7	FY2030	9.7
FY2021	9.7	FY2031	9.7
FY2022	9.7	FY2032	9.7
FY2023	9.7	FY2033	9.7
FY2024	9.7	FY2034	9.7

\* Note: Projected costs rounded to millions.

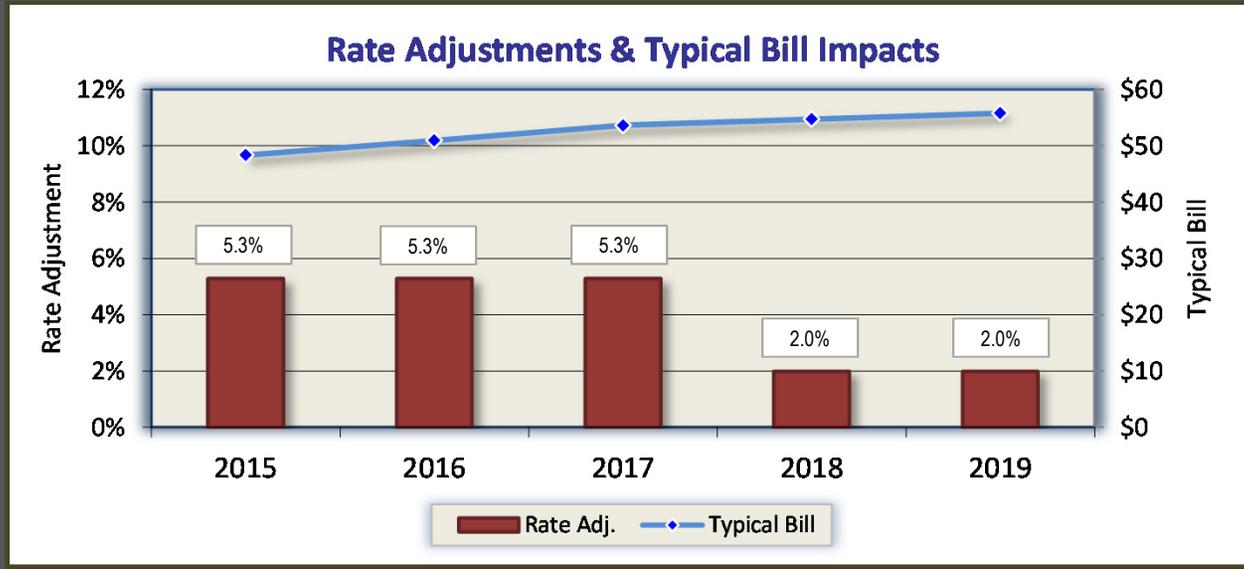


# ANALYSIS USING HDR'S FINANCIAL PLANNING MODEL

## REVIEWED TWO RATE FORECAST OPTIONS

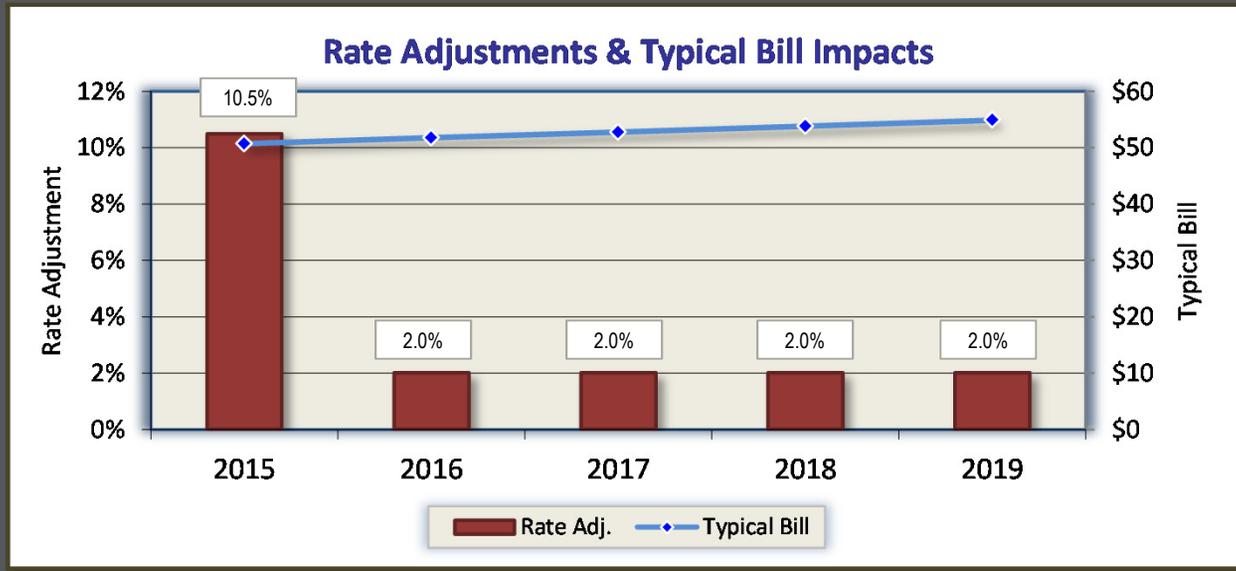
1. **Smoothed Rate Impact** – An analysis to identify optimal amounts of new debt and rates to pay for projects while minimizing short-term rate impacts.
2. **One-Time Rate Hike in 2015** – A financial forecast given a large rate adjustment in 2015, while holding future annual rate adjustments to 2% or less.

# SUMMARY OF CUSTOMER IMPACTS – SMOOTHED RATES



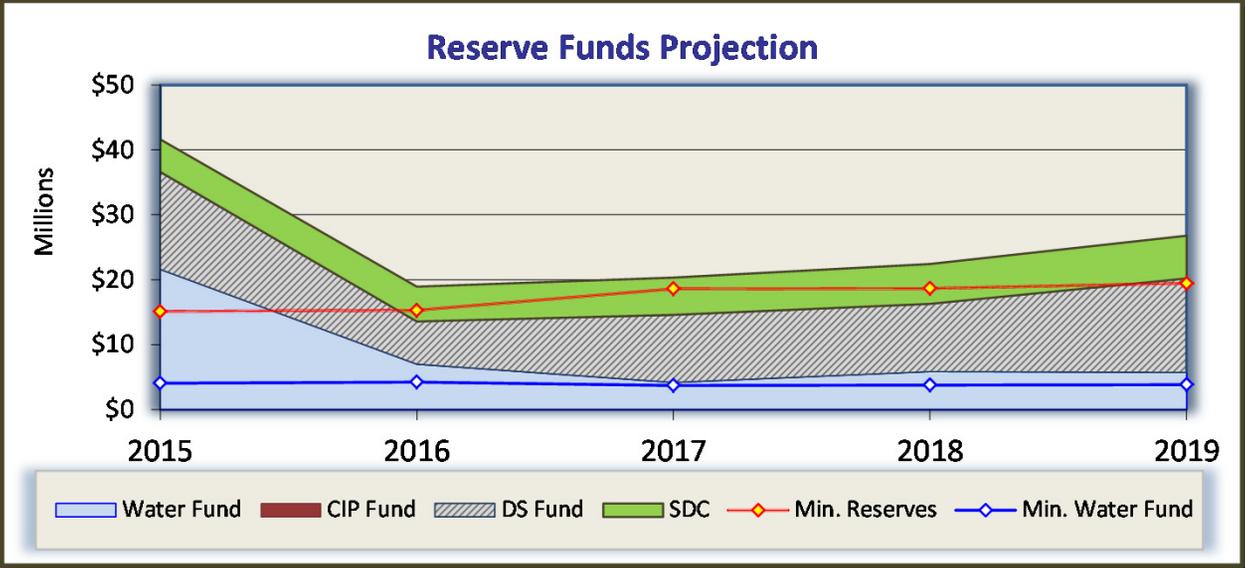
Description	Fiscal Year Ending				
	2015	2016	2017	2018	2019
Rate Adj.	5.30%	5.30%	5.30%	2.00%	2.00%
Monthly Bill	\$48.35	\$50.91	\$53.61	\$54.68	\$55.77
Bill Increase		2.56	2.70	1.07	1.09

# SUMMARY OF CUSTOMER IMPACTS – RATE HIKE

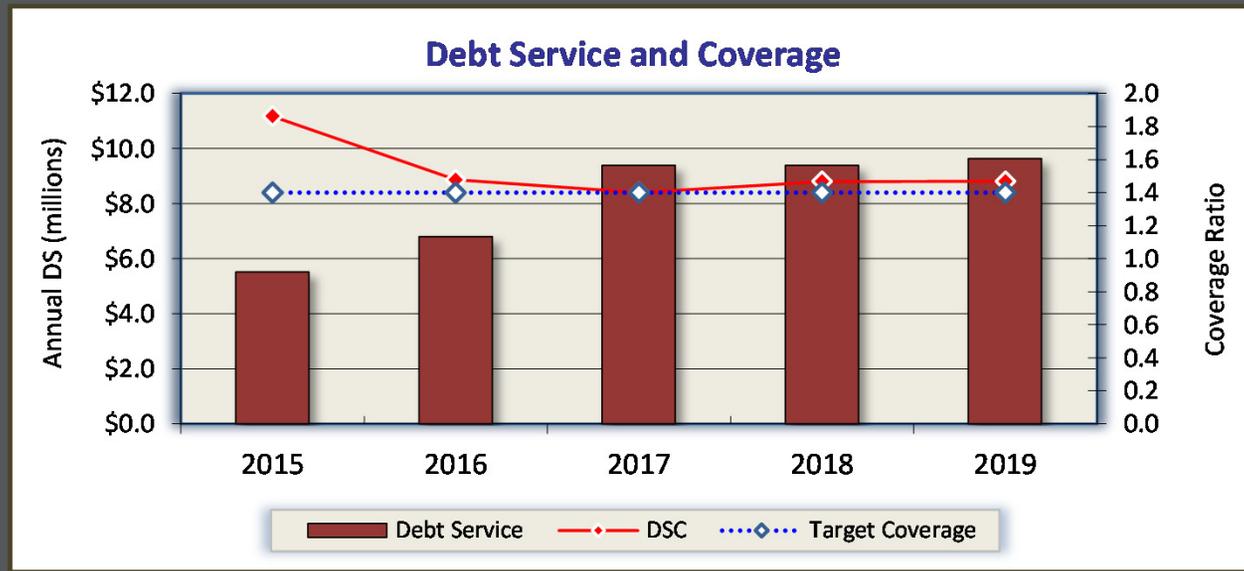


Description	Fiscal Year Ending				
	2015	2016	2017	2018	2019
Rate Adj.	10.50%	2.00%	2.00%	2.00%	2.00%
Monthly Bill	\$50.74	\$51.76	\$52.80	\$53.86	\$54.94
Bill Increase		1.02	1.04	1.06	1.08

# PROJECTED RESERVE FUND BALANCES



# PROJECTED DEBT SERVICE AND ESTIMATED DSC



HDR

City of Tigard



SANITARY SEWER  
INFRASTRUCTURE  
FINANCING SERVICES  
Tigard Sewer Surcharge  
Draft Report

October 29, 2014

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This entire report is made of readily recyclable materials, including the bronze wire binding and the front and back cover, which are made from post-consumer recycled plastic bottles.

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## SECTION I: INTRODUCTION

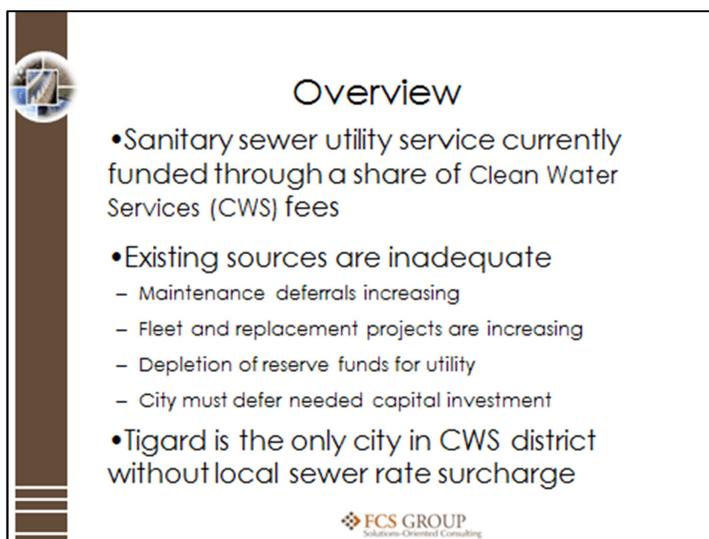
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The City of Tigard (City) Sanitary Sewer Division maintains and operates a safe and reliable wastewater collection system that protects public health, protects the environment, and meets or exceeds all regulatory standards. In addition to managing and operating 167 miles of pipe, the Sanitary Sewer Division provides a wide range of services such as line repairs and replacements, twenty four hour seven days per week emergency response, line cleaning, video inspection of sanitary lines and utility locates.

The City operates and maintains the public sanitary sewer system in accordance with an intergovernmental agreement with Clean Water Services (CWS). CWS acts as the overall permit holder with the Department of Environmental Quality (DEQ) and sets the performance standards for operation and maintenance best management practices. The cities within CWS boundaries are expected to meet or exceed those performance standards and provide periodic reports to CWS to keep them updated and to fulfill their individual obligations as a co-implementer of the permit. The City participates with CWS and the other cities through a variety of periodic meetings to ensure ongoing cooperation and collaboration as to any necessary changes in performance standards.

CWS provides sanitary sewer treatment and sets all fees related to these services contracting with the City for billing and collection of sanitary sewer charges within the city's limits. The city currently retains approximately 16 percent of these revenues and sends the remaining 84 percent to CWS each month. Approximately 5 percent of the retained revenues are related to franchise fees, which are transferred to the General Fund. There are currently no local charges assessed by the city.

This report evaluates the sufficiency of the City's share of CWS revenues to meet its ongoing operating and capital expenses and evaluates an option of establishing a local charge to assist in funding any revenue deficiencies. In addition, this report provides a sensitivity analysis of the local sewer surcharge rate under the current CWS franchise fee allocation, and under a potential revised franchise fee allocation.

A slide titled "Overview" with a decorative vertical bar on the left side containing a circular icon with a grid pattern. The slide lists three main bullet points with sub-points. The FCS GROUP logo is at the bottom right.

**Overview**

- Sanitary sewer utility service currently funded through a share of Clean Water Services (CWS) fees
- Existing sources are inadequate
  - Maintenance deferrals increasing
  - Fleet and replacement projects are increasing
  - Depletion of reserve funds for utility
  - City must defer needed capital investment
- Tigard is the only city in CWS district without local sewer rate surcharge

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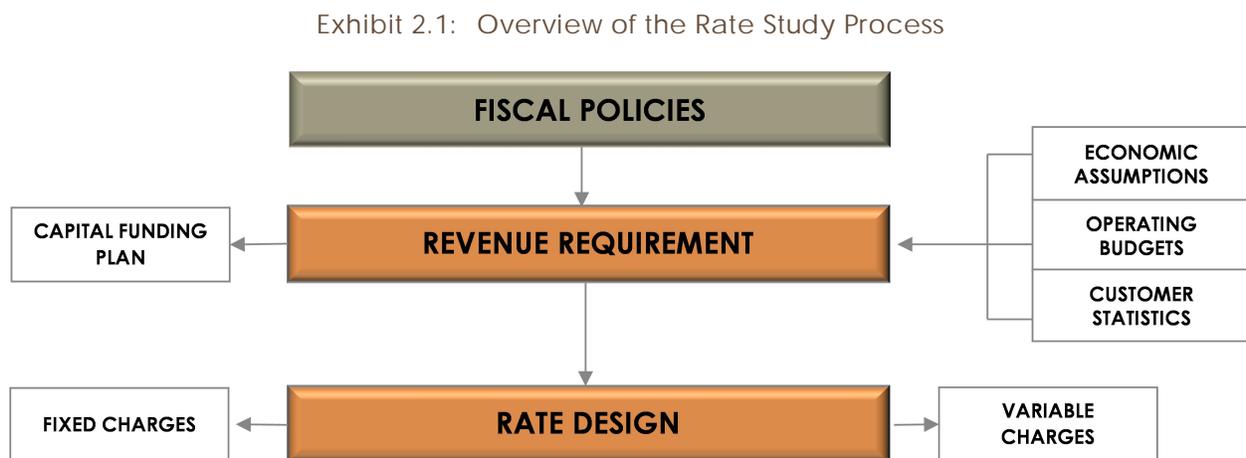
## SECTION II: RATE STUDY METHODOLOGY

---

### A. RATE SETTING PRINCIPLES AND METHODOLOGY

The methods used to establish user rates are based on principles that are generally accepted and widely followed throughout the industry. These principles are designed to produce rates that equitably recover costs from each class of customer by setting the appropriate level of revenue to be collected from ratepayers, and establishing a rate structure to equitably collect those revenues.

**Exhibit 2.1** illustrates the primary tasks of the rate study process.



### B. FISCAL POLICIES

The stewardship of public funds is one of the greatest responsibilities given to the officials and the managers of the City. Therefore, the establishment and maintenance of wise fiscal policies enables the City officials to protect public interest and ensure public trust.

This study incorporates formal and informal fiscal policies of the City to ensure that current policies are maintained, including reserve levels, capital/ system replacement funding and debt service coverage.

### C. REVENUE REQUIREMENT

A revenue requirement analysis forms the basis for a long-range financial plan and multi-year rate management strategy for the sanitary sewer system. It also enables the City to set utility rate structures which fully recover the total cost of operating the sanitary sewer system: capital improvement and replacement, operations, maintenance, general administration, fiscal policy attainment, cash reserve management, and debt repayment. Linking rate levels to a financial plan such as this helps to enable not only sound financial performance for the City's sanitary sewer fund,

but also a clear and reasonable relationship between the costs imposed on utility customers and the costs incurred to provide service.

A revenue requirement analysis includes the following core elements to form a complete portrayal of the sanitary sewer utility's financial obligations.

- ◆ Operating Forecast. Identifies future annual non-capital costs associated with the operation, maintenance, and administration of the system.
- ◆ Capital Funding Plan. Defines a strategy for funding the City's capital improvement/equipment replacement program, including an analysis of available resources from rate revenues, debt financing, and any special resources that may be readily available (e.g. grants, outside contributions, etc.). Identifies if additional funding sources are needed.
- ◆ Revenue Sufficiency Testing. Evaluates the sufficiency of revenues in meeting all financial obligations, including any coverage requirements associated with long-term debt.
- ◆ Rate Strategy Development. Designs a forward-looking strategy for adjusting rates to fully fund all financial obligations on an annual basis over the projection period.

## D. RATE DESIGN

The principal consideration of rate design is for the rate structure to generate sufficient revenues for the system which are reasonably commensurate with the cost of providing service. The pricing structure is largely dictated by the objectives of the system. Most rate structures consist of a combination of fixed and variable charges. Fixed charges typically attempt to cover system costs that do not vary with usage, but in practice only recover a portion of those costs (as the majority of utility costs are fixed in nature). Variable charges typically serve two functions, equitably recovering variable costs such as chemicals and electricity and encouraging customers to use the system efficiently (e.g. conservation).

## SECTION III: REVENUE REQUIREMENT

---

### A. INTRODUCTION

A revenue requirement analysis forms the basis for a long-range financial plan and multi-year rate management strategy. The analysis is developed by completing an operating forecast that identifies future annual operating costs and a capital funding plan that defines a strategy for funding the capital improvement needs of the City.

### B. OPERATING FORECAST

The purpose of the operating forecast is to determine whether the existing rates and charges are sufficient to recover the costs the City incurs to operate and maintain the sanitary sewer system. The fiscal year (FY) 2015 Budget provided the primary basis for developing a multi-year forecast for FY 2016 through FY 2034 expenses. The main focus of the report is on the first five (5) year projection period FY 2015 through FY 2019. The complete forecast can be found in the technical appendix. The ensuing discussion highlights the key assumptions used to develop the sanitary sewer operating forecast.

#### Reserves

- ◆ Operating Reserves. A minimum of 60 days of operating and maintenance (O&M) expenses (\$353,000 to \$427,000, per industry standards and discussion with City staff).
- ◆ Capital Contingency Reserves. A target of \$1.00 million for emergency repairs and unanticipated capital (per discussion with City staff).

#### Operating Non Rate Revenue

- ◆ Non-Rate Revenue. Non-rate revenue consists primarily of the City's share of CWS revenue, bad debt, interest earnings and recovered expenditures.
  - CWS revenue projections were derived by applying the FY2015 rate structure to detailed customer statistics (dwelling units and billed usage) from the City's billing system, adjusting for expected growth. Based on the previous four years of increases, it was assumed that CWS will raise rates at 3.00 percent per year. This increases the share the City receives from CWS annually.
- ◆ Customer Growth. All existing customer accounts, dwelling units and consumption were escalated with 0.45 percent annual growth rate based on the assumptions from the Tigard River Terrace analysis.
  - In addition to growth in the existing system, the medium growth option of the Tigard River Terrace analysis was incorporated starting in FY2017 with 80 to 120 new dwelling units per year through FY2035.

- ◆ Interest Earnings. 0.50 percent per year through 2034 (based on latest trends and discussion with City staff).

#### O&M Expenses

- ◆ General Cost Inflation. 3.00 percent per year (based on discussion with City staff).
- ◆ Construction Cost Inflation. 4.00 to 4.50 percent per year (based on discussion with City staff).
- ◆ Labor Cost Inflation. 3.40 to 4.00 percent per year (based on City internal analysis).
- ◆ Medical Benefit Cost Inflation. 5.67 to 6.67 percent per year (based on City internal analysis).
- ◆ Contractual Services Inflation. 4.00 percent per year (based on discussion with City staff).
- ◆ Franchise Fees. City franchise fees are calculated based on projected revenue and the prevailing fee of 5.00 percent. The fee is collected in the sanitary sewer fund and transferred out to the general fund.

#### Debt Service

- ◆ Existing Debt. The City's sanitary sewer utility does not have any existing debt service.
- ◆ New Debt. No new debt is anticipated within the projection period.

#### System Reinvestment

- ◆ System reinvestment funding policies aim to ensure system integrity through reinvestment in capital infrastructure. There are a variety of funding benchmarks – at a minimum most utilities use annual depreciation expense to establish an annual funding provision.
- ◆ This study assumed the sanitary sewer is funding full depreciation at \$611,000 to \$726,000 per year for FY2015 through FY2019.

## C. CAPITAL FUNDING PLAN

The sewer utility's capital plan includes \$21.32 million in capital costs in the 20-year projection period. There is approximately \$8.70 million in the first five year period FY2015 through FY2019. Costs represented in this plan are based on inflated dollars to the year of construction. The projects include:

- ◆ Citywide Sanitary Sewer Extension Program
- ◆ Derry Dell Creek Sewer Interceptor Relocation
- ◆ East Tigard Sewer Replacement
- ◆ Krueger Creek Slope Stabilization
- ◆ Sewer Rehabilitation Program; and
- ◆ Various renewal and replacement projects.

In addition to the existing system, the CIP also include two projects related to Tigard River Terrace:

- ◆ Scholls Ferry Trunk Extension Phase 1; and
- ◆ Beef Bend Road Line Upsizing.

The capital funding strategy envisions funding these project through a mix of available cash balances (including interest), rate funded system reinvestment, City's share of CWS System Development

Charges (SDCs) and transfers from other funds. **Exhibit 3.1** provides a summary of the funding sources for the capital funding expenditures. A detailed capital plan can be found in the Technical Appendix.

Table 3.1: Sanitary Sewer Capital Funding Summary

Year	Capital Costs	Transfers In	SDCs	Cash/Rate Funding	Total Funding
FY2015	\$ 2,912,500	\$ 1,622,400	\$ 74,506	\$ 1,215,594	\$ 2,912,500
FY2016	2,864,832	262,853	23,547	2,578,433	2,864,832
FY2017	634,562	273,892	40,997	319,673	634,562
FY2018	1,114,395	285,670	46,623	782,101	1,114,395
FY2019	1,163,428	298,239	52,551	812,638	1,163,428
<b>Subtotal</b>	<b>\$ 8,689,717</b>	<b>\$ 2,743,054</b>	<b>\$ 238,224</b>	<b>\$ 5,708,439</b>	<b>\$ 8,689,717</b>
FY2020+	12,628,012	-	1,026,360	11,601,652	12,628,012
<b>Total</b>	<b>\$ 21,317,729</b>	<b>\$ 2,743,054</b>	<b>\$ 1,264,584</b>	<b>\$ 17,310,092</b>	<b>\$ 21,317,729</b>

## D. SUMMARY OF REVENUE REQUIREMENT

The operating forecast components of O&M expenses, debt service and rate-funded system reinvestment come together to form the multi-year revenue requirement. The revenue requirement compares the overall revenue available to the sanitary sewer system to the expenses and evaluates the sufficiency of rates on an annual basis.

Two scenarios were developed to evaluate the sanitary sewer’s revenue requirement based on the collection of Franchise Fees.:

1. **Scenario 1:** existing franchise fee collection – this scenario evaluates “business as usual”, where the City pays the 5.00 percent franchise fee out of its 16.00 percent share of CWS revenue leaving 11.00 percent to be used towards meeting ongoing sanitary sewer expense.
2. **Scenario 2:** proportional franchise fee collection between the City and CWS – this scenario evaluates the impact of collecting the franchise fees from CWS and the City proportionally. Instead of taking out the full 5.00 percent franchise fees from the City’s revenue share, it would be proportionally deducted from the City and CWS share. Based on this distribution, the City would retain 15.20 percent of revenue instead of 11.00 percent to be used towards meeting ongoing sanitary sewer expenses. Implementation of this scenario will require close coordination with CWS.

**Table 3.2** provides the cost sharing differences between the two scenarios.

Table 3.2: Franchise Fee Cost Sharing

Revenue	S1: EXISTING		S2: PROPORTIONAL	
	CWS	City	CWS	City
Revenue Share	84.00%	16.00%	84.00%	16.00%
less: Franchise Fee	0.00%	5.00%	4.20%	0.80%
<b>Net Revenue Share</b>	<b>84.00%</b>	<b>11.00%</b>	<b>79.80%</b>	<b>15.20%</b>

## D.1 Scenario 1 Summary Existing Franchise Fee Collection

Key findings of the sanitary sewer revenue requirement scenario 1 analysis include:

- ◆ Current rate revenue levels are not sufficient to meet the sanitary sewer utility’s existing financial obligations; the annual deficiency is \$853,000 in FY2015, increasing to \$1.24 million by FY2019.
- ◆ Deficiencies are due to:
  - Capital infrastructure needs to maintain the system and associated rate funded system reinvestment
  - Cost increases that are greater than growth in the system

The City currently does not set sanitary sewer utility rates; therefore, in order to cover the forecasted needs it is proposed that a local sanitary sewer utility charge be established. The level of the charge will be discussed in Section IV Rate Design.

**Exhibit 3.1** and **Table 3.3** provide a summary of the sanitary sewer system revenue requirement forecast for scenario 1.

Exhibit 3.1: Sanitary Sewer Utility Revenue Requirement Summary  
 – Scenario 1

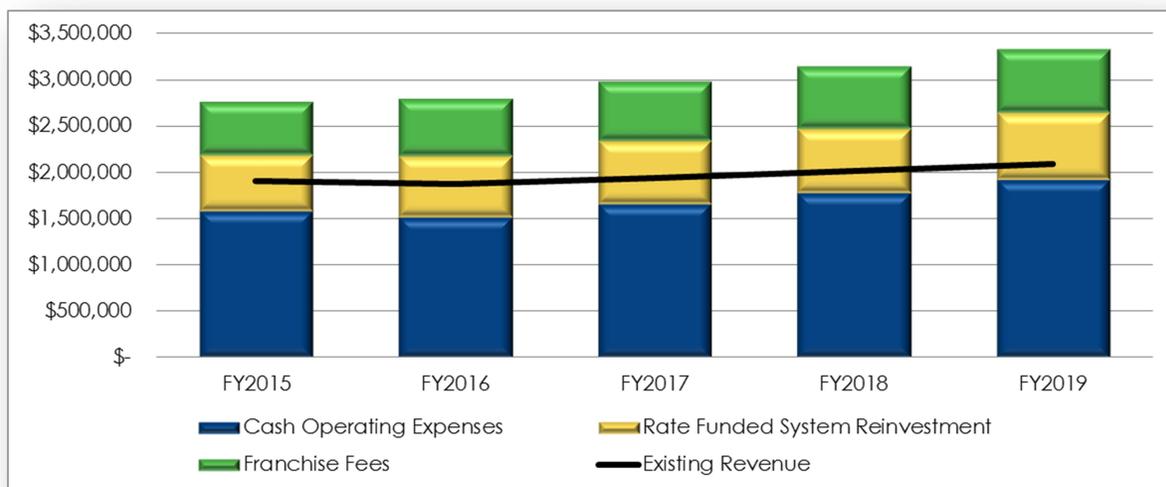


Table 3.3: Sanitary Sewer Utility Revenue Requirement Summary  
– Scenario 1

Revenue Requirement Summary	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Revenues</b>					
Share of CWS Revenue	\$ 1,783,834	\$ 1,845,787	\$ 1,915,687	\$ 1,989,697	\$ 2,068,048
Non-Rate Revenues	120,670	22,101	22,089	22,223	22,338
<b>Total Revenue</b>	<b>\$ 1,904,504</b>	<b>\$ 1,867,889</b>	<b>\$ 1,937,777</b>	<b>\$ 2,011,920</b>	<b>\$ 2,090,386</b>
<b>Expenses</b>					
Cash Operating Expenses	\$ 1,575,168	\$ 1,513,713	\$ 1,654,501	\$ 1,770,987	\$ 1,912,474
Franchise Fees	571,560	618,249	639,983	663,013	687,410
Rate Funded System Reinvestment	610,716	668,013	680,704	702,992	726,260
<b>Total Expenses</b>	<b>\$ 2,757,444</b>	<b>\$ 2,799,975</b>	<b>\$ 2,975,187</b>	<b>\$ 3,136,992</b>	<b>\$ 3,326,145</b>
<b>Surplus (Deficiency)</b>	<b>\$ (852,940)</b>	<b>\$ (932,086)</b>	<b>\$ (1,037,411)</b>	<b>\$ (1,125,072)</b>	<b>\$ (1,235,759)</b>

## D.2 Scenario 2 Summary Proportional Franchise Fee Collection

Key findings of the sanitary sewer revenue requirement scenario 2 analysis include:

- ◆ Current rate revenue levels are not sufficient to meet the sanitary sewer utility's existing financial obligations; the annual deficiency is \$386,000 in FY2015, increasing to \$689,000 by FY2019.
- ◆ Deficiencies are due to:
  - Capital infrastructure needs to maintain the system
  - Cost increases that are greater than growth in the system
- ◆ Similarly to scenario 1, the City currently does not set sanitary sewer utility rates; therefore, in order to cover the forecasted needs it is proposed to establish a local sanitary sewer utility charge. The level of the charge will be discussed in Section IV Rate Design.

**Exhibit 3.2** and **Table 3.4** provide a summary of the sanitary sewer system revenue requirement forecast for scenario 2.

Exhibit 3.2: Sanitary Sewer Utility Revenue Requirement Summary  
– Scenario 2

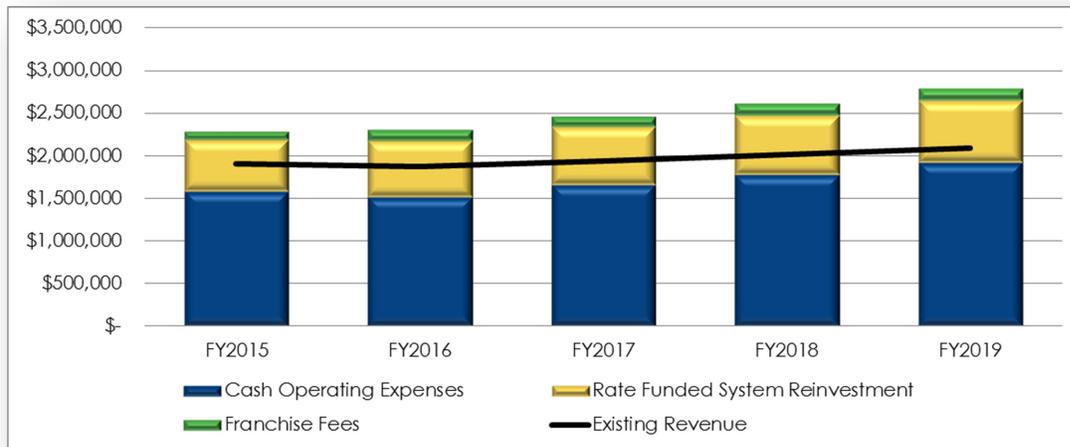


Table 3.4: Sanitary Sewer Utility Revenue Requirement Summary  
– Scenario 2

Revenue Requirement Summary	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Revenues</b>					
Share of CWS Revenue	\$ 1,783,834	\$ 1,845,787	\$ 1,915,687	\$ 1,989,697	\$ 2,068,048
Non-Rate Revenues	120,670	21,717	21,682	21,802	21,903
<b>Total Revenue</b>	<b>\$ 1,904,504</b>	<b>\$ 1,867,505</b>	<b>\$ 1,937,369</b>	<b>\$ 2,011,499</b>	<b>\$ 2,089,951</b>
<b>Expenses</b>					
Cash Operating Expenses	\$ 1,575,168	\$ 1,513,713	\$ 1,654,501	\$ 1,770,987	\$ 1,912,474
Franchise Fees	104,354	122,751	127,999	133,960	140,685
Rate Funded System Reinvestment	610,716	668,013	680,704	702,992	726,260
<b>Total Expenses</b>	<b>\$ 2,290,238</b>	<b>\$ 2,304,477</b>	<b>\$ 2,463,204</b>	<b>\$ 2,607,939</b>	<b>\$ 2,779,420</b>
<b>Surplus (Deficiency)</b>	<b>\$ (385,735)</b>	<b>\$ (436,972)</b>	<b>\$ (525,835)</b>	<b>\$ (596,440)</b>	<b>\$ (689,469)</b>

## SECTION IV: RATE DESIGN

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### A. INTRODUCTION

The principal objective of the rate design stage is to develop sanitary sewer rate structures that collect the appropriate level of revenue. The City currently does not assess local charges for sanitary sewer service. In order to fund the ongoing deficiencies identified in the revenue requirement section above, it is recommended that a local charge be formed.

### B. EXISTING SANITARY SEWER RATES CHARGED BY CWS

The existing sanitary sewer rates charges by CWS are composed of a fixed monthly charge and a variable consumption charge per one hundred (100) cubic feet (CCF) for individual customer’s average winter usage. The City currently does not assess a local service fee. **Exhibit 4.1** provides a summary of the existing CWS monthly sanitary sewer rates.

Table 4.1: Existing CWS Monthly Sanitary Sewer Rates

Charge	FY2015
Monthly Base Charge (per DU or DUE)	\$25.85
Use Charge (per ccf)	\$1.72
<b>Notes:</b>	
DU = Dwelling units	
DUE = Dwelling unit equivalents	

### C. PROPOSED LOCAL SANITARY SEWER RATES

The primary driver behind the projected annual revenue deficiencies in both scenarios are tied to ongoing capital renewal and replacement needs. These expenses are fixed in nature; therefore, the local service fee is proposed to be collected through a monthly fixed fee per dwelling unit or dwelling unit equivalent consistent with the monthly base charge methodology currently in the CWS rate structure. **Table 4.2** and **Table 4.3** provide a summary of the proposed rates for the five-year period for scenarios 1 and 2. Consistent with existing City practices, the charge would be escalated

annually with the Engineering News Record (ENR) City of Seattle index with a minimum floor set at 2.00 percent annually.

Table 4.2: Proposed Local Rates – Scenario 1 Existing Franchise Fee Collection

CWS Fees	FY2015	FY2016	FY2017	FY2018	FY2019
Monthly Base Charge (per DU or DUE)	\$25.85	\$26.63	\$27.42	\$28.25	\$29.09
Use Charge (per ccf)	\$1.72	\$1.77	\$1.82	\$1.88	\$1.94

Local Fees	FY2015	FY2016	FY2017	FY2018	FY2019
Monthly Base Charge (per DU or DUE)	\$3.55	\$3.66	\$3.77	\$3.88	\$4.00

**Notes:**  
 DU = Dwelling units  
 DUE = Dwelling unit equivalents  
 Assumes a 3.00% increase in CWS charges starting in FY2016

Table 4.3: Proposed Local Rates – Scenario 2 Proportional Franchise Fee Collection

CWS Fees	FY2015	FY2016	FY2017	FY2018	FY2019
Monthly Base Charge (per DU or DUE)	\$25.85	\$26.63	\$27.42	\$28.25	\$29.09
Use Charge (per ccf)	\$1.72	\$1.77	\$1.82	\$1.88	\$1.94

Local Fees	FY2015	FY2016	FY2017	FY2018	FY2019
Monthly Base Charge (per DU or DUE)	\$1.95	\$2.01	\$2.07	\$2.13	\$2.19

**Notes:**  
 DU = Dwelling units  
 DUE = Dwelling unit equivalents  
 Assumes a 3.00% increase in CWS charges starting in FY2016

## SECTION V: SUMMARY

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Sanitary sewer revenues at current levels are not sufficient to fund ongoing sanitary sewer system obligations. Two scenarios were evaluated for the sanitary sewer system based on the method of collection of Franchise Fees. The revenue deficiencies identified in Scenario 1 Existing Franchise Fee Collection range from \$853,000 in FY2015 increasing to \$1.24 million in FY2019. Scenario 2 Proportional Franchise Fee Collection deficiencies identified range from \$386,000 in FY2015 increasing to \$689,000 in FY2019. The main difference between the two scenarios is that Scenario 1 collects 11.00 percent of revenue versus 15.20 percent in scenario 2 to be used towards ongoing sanitary sewer requirements.

The City sanitary sewer utility's current source of revenue to cover expenses in either scenario are tied the amount of revenue CWS collects on an annual basis, with the City having no control of the level of revenue the sanitary sewer utility generates. In order to meet future revenue needs it is proposed that the sanitary sewer utility establish a local fee based on dwelling units or dwelling unit equivalents. The fee would be escalated on an annual basis using the Seattle ENR construction cost index with a minimum of 2.00 percent per year consistent with other utility rate practices within the City.

We recommend that the City revisit the study findings during the budget cycle to check that the assumptions used are still appropriate and no significant changes have occurred that would alter the results of the study. The City should continue to monitor the financial status of the sanitary sewer utility, adjusting the sanitary sewer rate strategy as needed.

The detailed technical exhibits developed as part of the sanitary sewer study can be found in the Technical Appendix.

# TECHNICAL APPENDIX

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# City of Tigard Sanitary Sewer Study Capital Improvement Program

No	Description	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
1	<b>CIP Budget</b>	\$	\$	\$	\$	\$	\$
2	Citywide Sanitary Sewer Extension Program	191,200	-	-	-	-	-
3	Sanitary Sewer Major Maintenance Program	90,000	93,690	97,625	101,823	106,303	-
4	Fanno Creek Slope Stabilization (Arthur Court)	-	832,800	-	-	-	-
5	Derry Dell Creek Sewer Interceptor Relocation	1,135,000	-	-	-	-	-
6	East Tigard Sewer Replacement	-	1,233,585	-	-	-	-
7	Krueger Creek (Benchviewe) Slope Stabilization (Gallin Court)	611,300	-	-	-	-	-
8	Sewer Rehabilitation Program	495,000	515,295	536,937	560,026	584,667	-
9	72nd Avenue Sewer Modification (Bonita Road)	-	-	-	452,546	472,458	-
10	Barrows Road/ Scholls Ferry Road Sewer Line Extension (Phase 2)	390,000	-	-	-	-	-
11	Red Rock Creek Corridor Sewer Study	-	189,462	-	-	-	-
12		-	-	-	-	-	-
13		-	-	-	-	-	-
14		-	-	-	-	-	-
15		-	-	-	-	-	-
16	<b>River Terrace CIP</b>	-	-	-	-	-	-
17	Total Cost	-	-	-	-	-	1,162,707
18		-	-	-	-	-	-
19		-	-	-	-	-	-
20		-	-	-	-	-	-
21	<b>2010 Tigard Sanitary Sewer Master Plan (excludes any projects listed above)</b>	-	-	-	-	-	-
22	I & I Abatement (\$2M cost spread over 5 years)	-	-	-	-	-	-
23	Commercial Street Sag	-	-	-	-	-	-
24	D-410 SW Katherine Lateral (replacement, upsize from 12")	-	-	-	-	-	-
25	D-525 128th Ave. Lateral (replacement, upsize from 8")	-	-	-	-	-	-
26	D-530 Shore Drive Trunk (replacement, upsize from 8")	-	-	-	-	-	-
27		-	-	-	-	-	-
28	<b>R&amp;R Projects</b>	-	-	-	-	-	-
	<b>Total Capital Projects</b>	\$ 2,912,500	\$ 2,864,832	\$ 634,562	\$ 1,114,395	\$ 1,163,428	\$ 1,162,707



# City of Tigard Sanitary Sewer Study Capital Improvement Program

No	Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
1	<b>CIP Budget</b>	\$	\$	\$	\$	\$	\$
2	Citywide Sanitary Sewer Extension Program	-	-	-	-	-	-
3	Sanitary Sewer Major Maintenance Program	-	-	-	-	-	-
4	Fanno Creek Slope Stabilization (Arthur Court)	-	-	-	-	-	-
5	Derry Dell Creek Sewer Interceptor Relocation	-	-	-	-	-	-
6	East Tigard Sewer Replacement	-	-	-	-	-	-
7	Krueger Creek (Benchview) Slope Stabilization (Gallin Court)	-	-	-	-	-	-
8	Sewer Rehabilitation Program	-	-	-	-	-	-
9	72nd Avenue Sewer Modification (Bonita Road)	-	-	-	-	-	-
10	Barrows Road/ Scholls Ferry Road Sewer Line Extension (Phase 2)	-	-	-	-	-	-
11	Red Rock Creek Corridor Sewer Study	-	-	-	-	-	-
12		-	-	-	-	-	-
13		-	-	-	-	-	-
14		-	-	-	-	-	-
15		-	-	-	-	-	-
16	<b>River Terrace CIP</b>	-	-	-	-	-	794,043
17	Total Cost	-	-	-	-	-	-
18		-	-	-	-	-	-
19		-	-	-	-	-	-
20		-	-	-	-	-	-
21	<b>2010 Tigard Sanitary Sewer Master Plan (excludes any projects listed above)</b>	-	-	-	-	-	-
22	I & I Abatement (\$2M cost spread over 5 years)	571,906	597,641	624,535	652,639	682,008	-
23	Commercial Street Sag	128,679	-	-	-	-	-
24	D-410 SW Katherine Lateral (replacement, upsized from 12")	-	-	-	-	-	-
25	D-525 128th Ave. Lateral (replacement, upsized from 8")	-	-	-	-	-	-
26	D-530 Shore Drive Trunk (replacement, upsized from 8")	-	-	-	-	-	-
27		-	-	-	-	-	-
28	<b>R&amp;R Projects</b>	-	-	-	-	-	-
<b>Total Capital Projects</b>		<b>\$ 700,584</b>	<b>\$ 597,641</b>	<b>\$ 624,535</b>	<b>\$ 652,639</b>	<b>\$ 682,008</b>	<b>\$ 794,043</b>



# City of Tigard Sanitary Sewer Study Capital Improvement Program

No	Description	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
1	<b>CIP Budget</b>	\$	\$	\$	\$	\$	\$
2	Citywide Sanitary Sewer Extension Program	-	-	-	-	-	-
3	Sanitary Sewer Major Maintenance Program	-	-	-	-	-	-
4	Fanno Creek Slope Stabilization (Arthur Court)	-	-	-	-	-	-
5	Derry Dell Creek Sewer Interceptor Relocation	-	-	-	-	-	-
6	East Tigard Sewer Replacement	-	-	-	-	-	-
7	Krueger Creek (Benchview) Slope Stabilization (Gallin Court)	-	-	-	-	-	-
8	Sewer Rehabilitation Program	-	-	-	-	-	-
9	72nd Avenue Sewer Modification (Bonita Road)	-	-	-	-	-	-
10	Barrows Road/ Scholls Ferry Road Sewer Line Extension (Phase 2)	-	-	-	-	-	-
11	Red Rock Creek Corridor Sewer Study	-	-	-	-	-	-
12		-	-	-	-	-	-
13		-	-	-	-	-	-
14		-	-	-	-	-	-
15		-	-	-	-	-	-
16	<b>River Terrace CIP</b>	-	-	-	-	-	-
17	Total Cost	-	-	-	-	-	-
18		-	-	-	-	-	-
19		-	-	-	-	-	-
20		-	-	-	-	-	-
21	<b>2010 Tigard Sanitary Sewer Master Plan (excludes any projects listed above)</b>	-	-	-	-	-	-
22	I & I Abatement (\$2M cost spread over 5 years)	-	-	-	-	-	-
23	Commercial Street Sag	-	-	-	-	-	-
24	D-410 SW Katherine Lateral (replacement, upsized from 12")	724,289	-	-	-	-	-
25	D-525 128th Ave. Lateral (replacement, upsized from 8")	595,816	-	-	-	-	-
26	D-530 Shore Drive Trunk (replacement, upsized from 8")	-	610,953	-	-	-	-
27		-	-	-	-	-	-
28	<b>R&amp;R Projects</b>	-	-	869,165	886,548	904,279	922,364
<b>Total Capital Projects</b>		<b>\$ 1,320,104</b>	<b>\$ 610,953</b>	<b>\$ 869,165</b>	<b>\$ 886,548</b>	<b>\$ 904,279</b>	<b>\$ 922,364</b>



# City of Tigard Sanitary Sewer Study Capital Improvement Program

No	Description	FY 2033	FY 2034	TOTAL ESCALATED COSTS
1	<b>CIP Budget</b>	\$	\$	\$
2	Citywide Sanitary Sewer Extension Program	-	-	191,200
3	Sanitary Sewer Major Maintenance Program	-	-	489,441
4	Fanno Creek Slope Stabilization (Arthur Court)	-	-	832,800
5	Derry Dell Creek Sewer Interceptor Relocation	-	-	1,135,000
6	East Tigard Sewer Replacement	-	-	1,233,585
7	Krueger Creek (Benchviewe) Slope Stabilization (Gallin Court)	-	-	611,300
8	Sewer Rehabilitation Program	-	-	2,691,925
9	72nd Avenue Sewer Modification (Bonita Road)	-	-	925,004
10	Barrows Road/ Scholls Ferry Road Sewer Line Extension (Phase 2)	-	-	390,000
11	Red Rock Creek Corridor Sewer Study	-	-	189,462
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16	<b>River Terrace CIP</b>	-	-	-
17	Total Cost	-	-	1,956,751
18		-	-	-
19		-	-	-
20		-	-	-
21	<b>2010 Tigard Sanitary Sewer Master Plan (excludes any projects listed above)</b>	-	-	-
22	I & I Abatement (\$2M cost spread over 5 years)	-	-	3,128,729
23	Commercial Street Sag	-	-	128,679
24	D-410 SW Katherine Lateral (replacement, upsize from 12")	-	-	724,289
25	D-525 128th Ave. Lateral (replacement, upsize from 8")	-	-	595,816
26	D-530 Shore Drive Trunk (replacement, upsize from 8")	-	-	610,953
27		-	-	-
28	<b>R&amp;R Projects</b>	940,812	959,628	5,482,796
<b>Total Capital Projects</b>		<b>\$ 940,812</b>	<b>\$ 959,628</b>	<b>\$ 21,317,729</b>

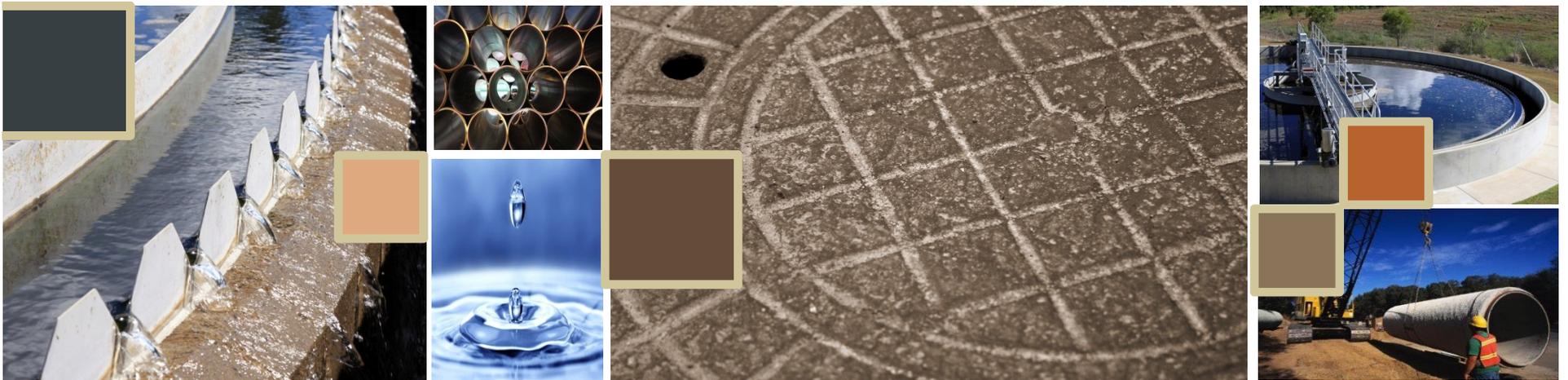


# City of Tigard

City Council Work Session

## Sanitary Sewer Surcharge Analysis

November 18, 2014





# Overview

- Sanitary sewer utility service currently funded through a share of Clean Water Services (CWS) fees
- Existing sources are inadequate
  - Maintenance deferrals increasing
  - Fleet and replacement projects are increasing
  - Depletion of reserve funds for utility
  - City must defer needed capital investment
- Tigard is the only city in CWS district without local sewer rate surcharge



# Financial Plan Overview

- A multi-year forecast that allows for thoughtful planning and is consistent with capital planning
- Determines the amount of revenue needed to meet all utility system financial obligations
  - Operating and maintenance costs
  - Capital improvement projects
  - Fiscal policies
- Develops annual rate strategy
- “Living” forecast to be checked annually during budget process



# Financial Plan Key Factors

- Approved budget FY 2015 used as baseline
- Customer growth 0.45 % per year
  - Includes Tigard River Terrace growth starting in FY2017
- CWS revenues increases - 3.00% per year
- Franchise fees are 5.00%
- Incorporated fiscal policies:
  - 60 day O&M expense operating target
  - \$1.0 million emergency capital contingency



# Capital Costs

- CIP consists of:
  - 5-year adopted CIP
  - 2010 Sanitary Sewer Master Plan
  - Tigard River Terrace Study
- Funding sources:
  - Existing reserves and cash
  - Transfers from other funds
- No debt service (existing or anticipated)

Year	Capital Costs
FY2015	\$ 2,912,500
FY2016	2,864,832
FY2017	634,562
FY2018	1,114,395
FY2019	1,163,428
Subtotal	\$ 8,689,717
FY2020+	12,628,012
Total	\$ 21,317,729



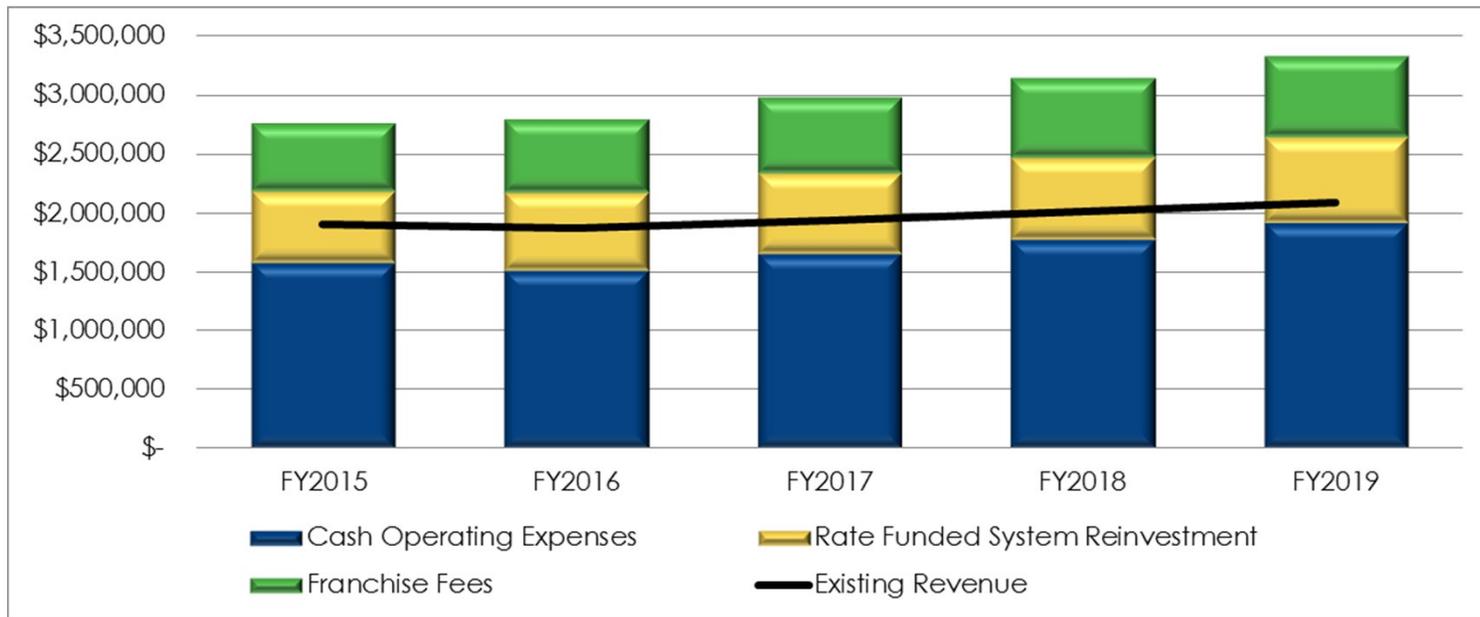
# Revenue Requirement Scenarios

- Two scenarios evaluated based on franchise fee collection:
  - Scenario 1: existing franchise fee collection
  - Scenario 2: proportional franchise fee collection between CWS and City

Revenue	S1: EXISTING		S2: PROPORTIONAL	
	CWS	City	CWS	City
Revenue Share	84.00%	16.00%	84.00%	16.00%
less: Franchise Fee	0.00%	5.00%	4.20%	0.80%
Net Revenue Share	84.00%	11.00%	79.80%	15.20%



# Scenario 1 Results: Existing Franchise Fee





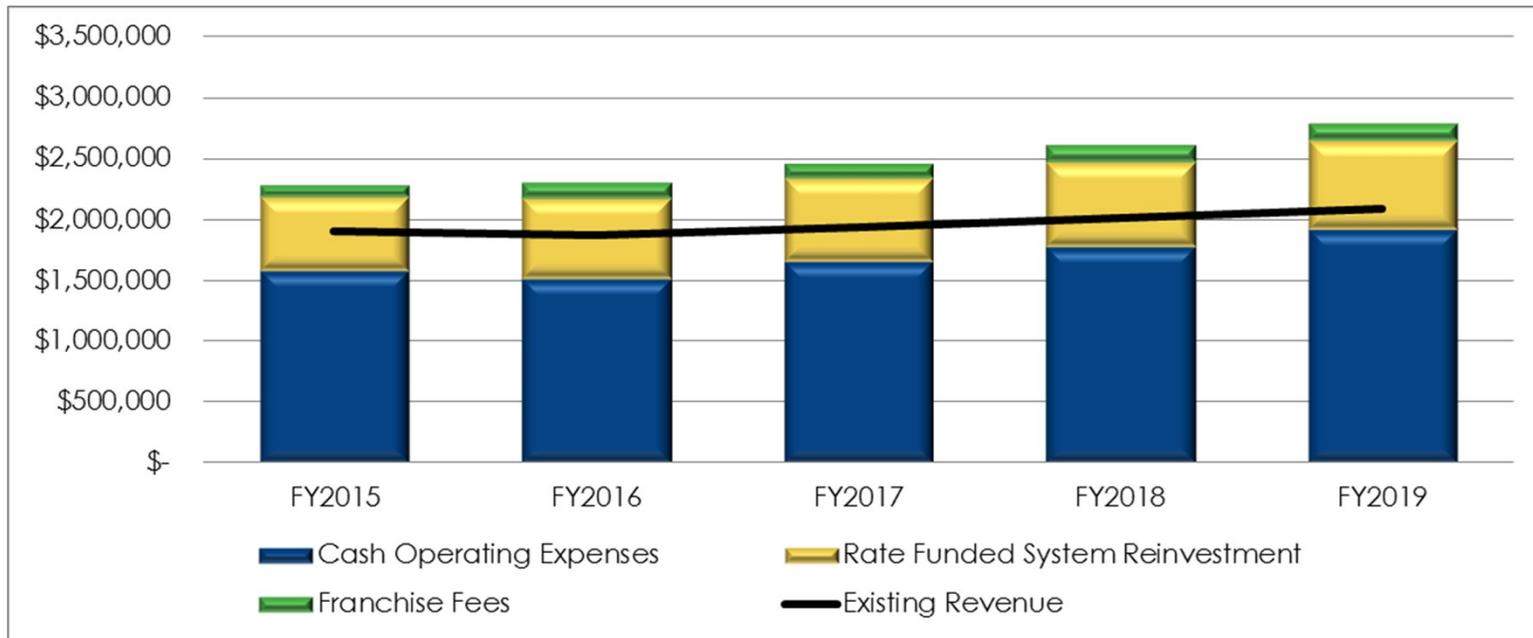
## Scenario 1 Results: Existing Franchise Fee

Revenue Requirement Summary	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Revenues</b>					
Share of CWS Revenue	\$ 1,783,834	\$ 1,845,787	\$ 1,915,687	\$ 1,989,697	\$ 2,068,048
Non-Rate Revenues	120,670	22,101	22,089	22,223	22,338
<b>Total Revenue</b>	<b>\$ 1,904,504</b>	<b>\$ 1,867,889</b>	<b>\$ 1,937,777</b>	<b>\$ 2,011,920</b>	<b>\$ 2,090,386</b>
<b>Expenses</b>					
Cash Operating Expenses	\$ 1,575,168	\$ 1,513,713	\$ 1,654,501	\$ 1,770,987	\$ 1,912,474
Franchise Fees	571,560	618,249	639,983	663,013	687,410
Rate Funded System Reinvestment	610,716	668,013	680,704	702,992	726,260
<b>Total Expenses</b>	<b>\$ 2,757,444</b>	<b>\$ 2,799,975</b>	<b>\$ 2,975,187</b>	<b>\$ 3,136,992</b>	<b>\$ 3,326,145</b>
<b>Surplus (Deficiency)</b>	<b>\$ (852,940)</b>	<b>\$ (932,086)</b>	<b>\$ (1,037,411)</b>	<b>\$ (1,125,072)</b>	<b>\$ (1,235,759)</b>

- Existing revenue sources are not sufficient to meet ongoing needs
- A local fee of \$3.55 per dwelling unit is necessary to meet ongoing needs starting in FY2015
  - Escalated with Seattle ENR into the future years FY2016 and thereafter with a minimum floor of 2.0%



# Scenario 2 Results: Proportional Franchise Fee





## Scenario 2 Results: Proportional Franchise Fee

Revenue Requirement Summary	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Revenues</b>					
Share of CWS Revenue	\$ 1,783,834	\$ 1,845,787	\$ 1,915,687	\$ 1,989,697	\$ 2,068,048
Non-Rate Revenues	<u>120,670</u>	<u>21,717</u>	<u>21,682</u>	<u>21,802</u>	<u>21,903</u>
Total Revenue	\$ 1,904,504	\$ 1,867,505	\$ 1,937,369	\$ 2,011,499	\$ 2,089,951
<b>Expenses</b>					
Cash Operating Expenses	\$ 1,575,168	\$ 1,513,713	\$ 1,654,501	\$ 1,770,987	\$ 1,912,474
Franchise Fees	104,354	122,751	127,999	133,960	140,685
Rate Funded System Reinvestment	<u>610,716</u>	<u>668,013</u>	<u>680,704</u>	<u>702,992</u>	<u>726,260</u>
Total Expenses	\$ 2,290,238	\$ 2,304,477	\$ 2,463,204	\$ 2,607,939	\$ 2,779,420
Surplus (Deficiency)	<u>\$ (385,735)</u>	<u>\$ (436,972)</u>	<u>\$ (525,835)</u>	<u>\$ (596,440)</u>	<u>\$ (689,469)</u>

- Existing revenue sources are not sufficient to meet ongoing needs
- A local fee of \$1.95 per dwelling unit is necessary to meet ongoing needs starting in FY2015
  - Escalated with Seattle ENR into the future years FY2016 and thereafter with a minimum floor of 2.0%



# Local Fee Scenarios

Avg. Monthly Fees (per DU or DUE)	FY2015	FY2016	FY2017	FY2018	FY2019
Current Monthly Base Charge	\$25.85	\$26.63	\$27.42	\$28.25	\$29.09
Current Avg. Use Charge (per 6 ccf)	\$10.32	\$10.63	\$10.95	\$11.28	\$11.62

## Local Sewer Surcharge Scenarios

Scenario 1	\$3.55	\$3.66	\$3.77	\$3.88	\$4.00
Scenario 2	\$1.95	\$2.01	\$2.07	\$2.13	\$2.19

Notes:

DU = Dwelling units

DUE = Dwelling unit equivalents

Assumes a 3.00% increase in CWS charges starting in FY2016

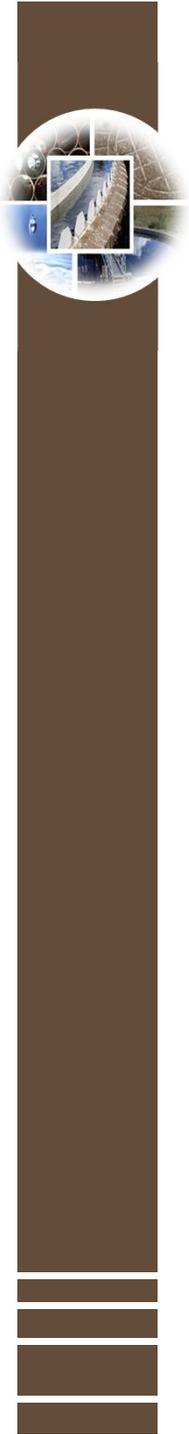
Total Avg. Monthly Fees (per DU or DUE)	FY2015	FY2016	FY2017	FY2018	FY2019
Status Quo (current charge)	\$36.17	\$37.26	\$38.37	\$39.52	\$40.71
Scenario 1	\$39.72	\$40.91	\$42.14	\$43.40	\$44.71
Scenario 2	\$38.12	\$39.26	\$40.44	\$41.65	\$42.90

- CWS fees at current levels plus future rate increases
- Local sewer fee is in addition to CWS fees
- New fee enables City to make major capital investments



# Next Steps

- Incorporate feedback now and at Nov. 18 City Council work session
- Dec. 9, Public Hearing, sewer and water rates
- New Rates to be effective on March 1, 2015



# Discussion