



## Tigard to consider 30 percent water rate hike, bigger increase in fixed charges

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**Eric Florip, The Oregonian**

TIGARD -- Residential water rates could spike by 30 percent starting next year, as the city continues to gather revenue for a planned **joint water system** with **Lake Oswego**.

The proposed rate hike was outlined before the **City Council** on Tuesday. It would follow a much smaller increase already set to take effect next month.

Here's how it looks: The average household now pays about \$28 per month for water, according to the city. On Oct. 1, that will jump to about \$30.

Should the latest increase take effect, expect that same monthly bill to climb to \$38 after Jan. 1.

Tigard residents also pay a fixed base charge for water service each month. Under the proposal presented Tuesday, that number would increase almost five-fold from \$3.43 to \$15.78 each month for most users. But base charges would be higher for bigger water consumers -- a change city officials said spreads the costs of a new system more fairly. Currently, every water user pays the same base fee no matter how much they use.

Proposed tiered rates would also raise the per-gallon cost of water as usage goes up. Councilors said Tuesday they hope that will encourage better conservation.

Also on the rise are "system development charges," which are one-time fees assessed when new homes enter the water system. Those increases won't affect current residents.

New York-based **Red Oak Consulting**, with an office in Portland, crafted the new water rate proposal. The council didn't vote Tuesday, but expressed mixed feelings about the numbers.

"Any way you look at it, this is going to be painful for all of us," Mayor Craig Dirksen said, while acknowledging the changes are necessary to secure the city's long-term water needs. Councilor Gretchen Buehner called it "short-term pain for long-term gain."

Of the **\$200 million price tag** for the joint water system, Tigard's share is about \$118 million. The city will finance the project mostly through debt and water rate increases.

Tigard now buys its water from the **city of Portland**. City leaders have said the new system with Lake Oswego would cost less in the long run, and give Tigard greater control over its own rates. The plant would draw from the Clackamas River.

For Tigard citizens, at least some help is on the way. The city plans to draw from reserves to soften rate increases, Buehner said Tuesday. An assistance program will be set up for low-income families who need help paying their water bills.

The proposed rate changes will come back to the council for approval in November.

-- **Eric Florip**

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