



**FOR IMMEDIATE RELEASE**

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## Milwaukie and County settle on short term sewer rates

**Milwaukie, Ore.** – The City of Milwaukie and Clackamas County have reached a tentative agreement on new sewer rates for residents of the City that will open the door for a series of rate increases over the next three years. The new rate increases will equate to doubling the charges currently paid by users by 2012, but brings to an end an ongoing dispute.

“We have reached a tentative agreement that reduces the County’s original proposal to charge residents \$25 per equivalent dwelling unit (EDU) per month down to \$20 per month,” said Milwaukie Mayor Jeremy Ferguson. “It also brings to a close a costly legal process and stabilizes sewer rates in Milwaukie for the next three years,” he added.

Under a tentative three-year agreement announced by Clackamas County Commissioner Ann Lininger, that reduces the County’s original proposed rate from \$25 treatment rate to \$20 per household per month for August 2009 through June 2010. The rate goes up to \$23 for 2010-11 and to \$26 for 2011-12. Milwaukie ratepayers are currently paying \$12 per equivalent dwelling unit (EDU) to have sewage treated by the County.

Milwaukie and the County have been involved in a dispute over sewer rates for more than two years stemming from the County’s unilateral cancelation of its contract with the City. When the County then threatened to cut off services, the City sought relief from the state legislature in February 2010. As a result, the two agencies agreed to try to negotiate a mutually acceptable resolution.

The latest agreement also requires the City to pay \$650,000 to the County as a one-time “true up” change. A “true up” charge is the term that is used to identify the final fees that bring the account between the City and County to a zero balance at the end of a service period.

The agreement still leaves many issues unaddressed, such as what the rates will be after three years. It also does not determine the methodology for assessing the rate will be in the future or provide any solution to the status of the Kellogg Creek Treatment Facility.

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“There are still several critical issues that still must be addressed,” stated Milwaukie Mayor Jeremy Ferguson. “We must settle how improvements to the Kellogg Facility will be resolved and what happens to the rates after year three years. These are serious matters that must be addressed as quickly as possible.”

The Milwaukie City Council must still adopt the rate agreement and rescind a current surcharge that was adopted in anticipation of the arbitration decision.

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