

## CITY OF REEDSPORT

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May 5th, 2025

### **House Committee On Emergency Management, General Government, and Veterans**

Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

**Re: Senate Bill 1062, Support-Local rate setting authority**

Chair Thuy Tran, Vice Chair Dacia Grabor, Vice Chair Rick Lewis and Committee Members;

I am submitting testimony today as the City Manager for the City of Reedsport, a small community on Oregon's Southern coast. The City of Reedsport supports SB1062 because it ensures that the communities of the South Coast have equal access to grant and loan funding, allowing them to make critical improvements to our utility infrastructure.


The City of Reedsport is home to approximately 4,400 mainly low to moderate income residents and provides utility services (water and sewer) to both unincorporated communities to the north and south.

The City of Reedsport has been operating under the constraints of a citizen initiated City Charter amendment that says that any creation or increase in any tax or public utility rate, shall not be effective unless ratified by a majority of the city's qualified electors who cast a ballot (May 2012). To compound the issue, the City had not had a water rate increase since 2006.

The reality is that most small rural communities do not generate enough revenue to be able to keep up with maintenance, operations and capital improvements of their utility services and are reliant on outside funding sources such as grants or loans. By not being able to raise rates, we do not qualify for any of these resources. This forces the City utility crews to be in a reactive maintenance mode instead of proactive. Public health, environmental compliance and community viability are at serious risk.

We have a proposed housing development that is stalled because of the high cost of infrastructure repairs needed to increase the capacity of the system. I urge you to support this vital legislation.

Sincerely,

  
Deanna Schafer, City Manager  
City of Reedsport