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FOR IMMEDIATE RELEASE

**CLEAN WATER SERVICES' BOARD OF DIRECTORS TO HOLD
PUBLIC HEARING ON FISCAL YEAR 2007 BUDGET
Includes 3.5 percent sewer rate increase**

The Clean Water Services' Board of Directors will hold a public hearing on Tuesday, June 20 to consider the 2006-2007 budget that would increase sewer rates by 3.5 percent and fund nearly \$52.5 million of capital infrastructure to improve and protect water quality in the Tualatin River Watershed. On May 12, Clean Water Services' Budget Committee unanimously recommended the proposed budget to the Board for adoption.

The Board will meet to consider the 2006-2007 fiscal year proposed budget during their regular meeting beginning at 10 a.m. on Tuesday, June 20 in the Shirley Huffman Auditorium at the Public Services Building, 155 N First Avenue in Hillsboro.

Clean Water Services' proposed 3.5 percent sanitary sewer rate increase will be effective July 1, 2006. The increase is about 97 cents per month for the average residential customer. There is no proposed increase for the Surface Water Management (SWM) fee, which has remained at \$4.00 per month for residential customers since 1998.

The modest increase is necessary to meet increasing federal water quality requirements, pay debt service on bonds issued for the upgrade and expansion of Clean Water Services' four wastewater treatment facilities and the public drainage system, and protect public health and the environment in the Tualatin River Watershed.

“Despite a growing customer base and increased costs, we have been able to hold rates down by utilizing new technologies, centralizing our facilities and significantly reducing our workforce,” said General Manager Bill Gaffi. “Since the inception of Clean Water Services in 1970, the District has invested more than \$718 million in wastewater treatment facilities, the sewer collection system, drainage and stream enhancement projects, water supply projects and other clean water infrastructure.”

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In the last ten years, Clean Water Services' customer base has grown by 22.6 percent from 399,000 in 1996 to 489,000 today. During the same period, budgeted District staffing levels have decreased by 18 percent from 366 positions in the Fiscal Year 1996 Budget to 300 positions in the proposed Fiscal Year 2007 Budget.

To ensure new construction pays its fair share of capital costs related to growth, the District is also recommending a \$100 increase in the one-time System Development Charge (SDC) for new connections. The sanitary sewer SDC would increase from \$2,600 to \$2,700 per connection. The surface water management SDC remains unchanged at \$500 per new connection.

Clean Water Services' total proposed fiscal year 2007 budget is \$192.9 million, which includes the following major components: \$52.5 million for capital construction, \$38.4 million for operating expenses, \$7.5 million in capitalized expenses, \$28.0 million for debt service, \$12.0 million for contingency, \$1.2 for other costs and \$53.3 million for fund transfers. Fund transfers must be reflected in the budget, but do not represent actual expenditures.

The proposed budget also includes a planned bond sale of \$55 million to meet the sanitary sewer and surface water management expansion and upgrade needs identified in the District's five-year capital improvements plan.

The sanitary sewer capital budget includes \$46.8 million in capital improvements to meet new state and federal treatment and conveyance capacity requirements. Major sanitary sewer capital projects include:

- Nearly \$20 million of improvements to the Durham Advanced Wastewater Treatment Facility in Tigard, including the completion of a new influent pump station, improvements to the facility to handle peak wet weather flows and meet growth in the service area, and modifications to the odor control system.
- \$7 million for sewer rehabilitation work in Hillsboro to relieve peak winter flows in Turner Creek subbasin.
- \$2 million to fund the Tualatin Basin Water Supply Project environmental impact statement.
- Over \$1 million for the design of the Lower Tualatin Force Main and pump station project to construct 11,300 feet of new pipe to handle projected flow increases from new industrial development in the City of Tualatin.
- Almost \$1 million to rehabilitate sewer mainlines and private sewer laterals in the City of Beaverton. This investment represents Clean Water Services' 50 percent share of the project.

The capital budget also identifies \$5.7 million of investments in the public drainage system to manage flooding and protect and improve water quality in the Tualatin River and its urban tributaries. Major

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surface water management projects include the North Plains Main Street Storm Sewer (\$717,000); SW 67th & Mayo Storm Sewer Project (\$415,000); and Ash Creek Storm Upgrades (\$405,000).

Clean Water Services' Budget Committee includes the five Board of Directors and five citizens. The Budget Committee will review the proposed budget and submit an approved budget to Clean Water Services' Board of Directors for adoption.

Clean Water Services is the sanitary sewer and surface water management utility for urban Washington County and small portions of Multnomah County, Clackamas County, Lake Oswego, and Portland. Clean Water Services operates four wastewater treatment plants, constructs and maintains flood management and water quality projects and manages flow in the Tualatin River to improve water quality and protect fish habitat. Although Clean Water Services maintains a close working relationship with Washington County government, it is a separately managed and financed public utility.

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