

Q. What interim steps have been taken to extend the life of the existing plant until the new plant is constructed?

A. The City implemented a series of minor improvements to the existing plant that are expected to extend its life and allow it to continue to meet water quality standards and serve projected growth until the new facility is completed early in 2010. In 2006 the City performed pilot testing on portable equipment that could be used to extend the life of the plant, if necessary.

The City continues to have success with cooperating businesses in reducing waste loading and in reducing the high winter treatment flows through detecting and eliminating inflow and infiltration.

If you think you know of locations where there might be inflow into the collection system or any other abuse of the wastewater system you are encouraged to contact Public Works at 332-8820 or email: pwmail@ci.blaine.wa.us.

Proposed Blaine Wastewater Rate Increase 2008

Questions & Answers

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Proposed Wastewater Rate Increase
Questions and Answers

Q. Why are we raising wastewater rates?

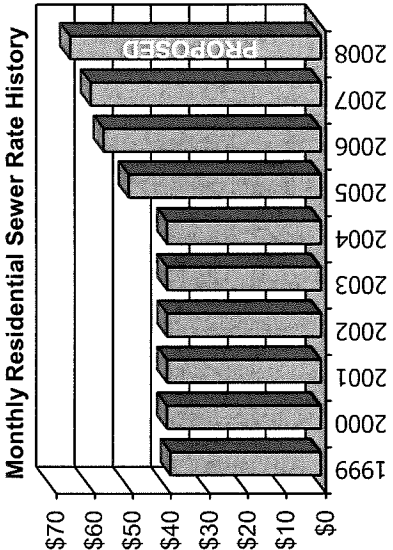
A. The City of Blaine is finalizing the design of Lighthouse Point Water Reclamation Facility at the west end of the park on Marine Drive and construction is expected to begin in 2008. Our current plant on the Semiahmoo Spit is 28 years old and wearing out and cannot be expanded due to archeological issues. This year we completed the first phase – a wastewater detention tank under Marine Drive - within budget. Construction of the new plant is expected to take 2 years and be completed in the spring of 2010. The cost to construct this facility is estimated at \$30M.

Q. What steps have we taken to identify an appropriate rate increase?

A. A rate model has been developed by experts that specialize in rate analysis. As the project progresses and the City identifies grant and loan funds, we have continued to refine our estimates and update the model. The planned rate increase for this year will move us toward a rate that will cover the costs of construction and operation of a new wastewater facility.

Q. How much will you pay as a result of the proposed increases?

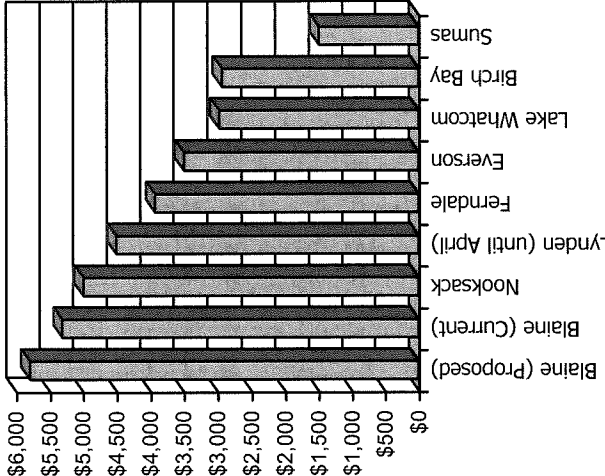
A. The current residential rate is \$59.80 per month. For 2008 we are looking at raising residential rates to **\$65.19** per month. This is part of a series of rate increases over the next several years that are projected to increase the monthly rate to about \$84 by 2012. This is based on projected grants and loan funding for the project. The rate increase history for the utility for the past 10 years is shown in the following chart:



Q. Are the monthly rates paying for growth?

A. Growth is primarily paid for by connection fees and these are also being increased. In 2008 wastewater connection fees are scheduled to increase from \$5,316 to **\$5,794** and are projected to increase to about \$7,500 by 2012. Our current and proposed fees are compared below with other current connection fees in the county:

Connection Fee Comparison
per equivalent residential unit (ERU)



Q. How will this affect the rates for senior citizens?

A. Blaine will continue to offer a discounted rate for qualifying senior citizens and disabled customers. This rate will increase slightly from \$45.93 to **\$48.75**.

Q. What are we doing to minimize the amount of the rate increase?

A. We have been working closely with state and federal agencies to secure grants and low interest loans (as low as 1/2%). This past year the City applied for Federal and State grants in addition to the low interest state Public Trust Fund loans. In January 2008 the City expects confirmation on the entire funding package before advertising for plant construction.

Q. Will residents who temporarily suspend service pay a reduced monthly fee?

A. Yes. Residential users who suspend their water and wastewater service will pay a reduced wastewater fee of **\$32.60** per month (50% of the full rate). This recognizes that fixed costs for the plant continue even during these periods. This is much like homeowners continuing to make mortgage payments even while they are on vacation. It is also a common policy with other wastewater utilities.

Q. What has been done to prevent sanitary sewer overflows?

A. This past year the City completed construction of a permanent 400,000 gallon tank under Marine Drive to provide short term storage to prevent overflows during heavy prolonged rain events. No more temporary bladders! Public Works crews continue to identify and repair areas where storm water is entering the wastewater system during heavy rains. This past year the City Council passed an ordinance which allows triple rates to be charged to property owners who don't promptly correct plumbing that directs rain water into the system.