

Town of Garfield

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Starting January, 2009, water, sewer, and garbage rates for the Town of Garfield will be increasing. The town council will decide how much the rate increases will be at one of our December meetings. We have quite a bit of research and planning to work out before we decide on a set amount for an increase.

Water rates will be increasing for the following reasons: The town is almost finished with our new Water System Master Plan. This master plan lays out our maintenance plan and schedule for the water system based on current conditions, Dept. of Health rules and regulations, fire flow, and needed water capacity. In the plan, there is \$700,000 worth of work that needs to be done to our water system by 2022. Certain items in the water plan have been added recently due to new Dept. of Health rules that came into effect in June of this year. In addition to our water system plan, we have hired RCAC (Rural Community Assistance Corp.) to complete a water rate study for us, at no cost to the town. This rate study will highlight how much we need to increase rates to pay for annual maintenance on the system, as well as put some money away in reserve funds to keep on top of future maintenance needs and comply with Dept. of Health regulations. Some of the suggestions from that rate study include changing our water overage rates as well as the basic monthly charge. Currently we charge a flat rate for any water used over the basic allotment, generally 5,000 gallons. We are looking at a tiered overage rate system, the more you use, the more you pay, instead of our current flat rate system. The tiered rate system also puts us in compliance with the Dept. of Health on current water conservation rules, which we currently do not comply with. In addition, our water loss is at 35% and it needs to be down below 10% as required by the state. Water loss is the amount of water that our pumps say we pumped minus the total gallons of all meter reads for the year. The solution involves leak detection, replacement of pipes, and replacement of older water meters. At this point, we are looking at water rates increasing by \$3-\$5 per month for the basic monthly rate. The council has looked at four different tiered rate systems, and we will have that narrowed down when the water rate study is finished in mid November.

Garbage rates will be increasing for the following reasons: Our garbage collection has been losing money for a few years now, and we need to correct that problem. After many meetings with the auditor last year, we found that a few of the town's expenses were not in the right line items or funds. Some of those expenses should have been under garbage expenses, but in the past were put in other funds instead. Following the auditor guidelines, this year we had to move those costs to garbage collection, making our ending fund loss even greater. In addition, Whitman County has raised dumping fees by \$4 per ton for 2009 for us to haul to their transfer station. Also, our liability insurance increased 28% for 2009. The council is looking at a \$5-\$6.50 increase per month, as well as a \$10-\$15 increase on dumpsters per month. Again, as it gets closer to the end of the year, we will have the amount of increase narrowed down.

Sewer rates will be increasing for the following reasons: Our sewer plant outflow is beginning to

reach unacceptable levels for fecal coliform bacteria. There are several options to fix this, some are cheaper than others, but all are expensive. One option is an upgrade to the plant to extend its design life and get outflow levels back down within specifications. In addition, the sewer plant is close to maximum capacity, especially when it rains. We are having a huge problem with rainwater infiltration that needs to be addressed. However, the fix for this is also expensive. Again, same as with garbage, liability insurance went up 28% for 2009. We are looking at a \$2-\$5 increase for sewer rates.

With increased costs leading to increased rates, we feel there is a need to begin putting money into water and sewer reserve funds for future expenses. The town has had water and sewer reserve funds for quite some time. However, money has not been put in, only taken out. After many conversations with the neighboring towns about their rates and the status of their water and sewer systems, we need to start planning and saving for the long term to avoid having to take out loans for infrastructure maintenance. Our systems are in better shape than some of the towns, and we would like to continue to stay that way. Rosalia is under increasing pressure from Dept. of Health and Dept. of Ecology to get their water and sewer systems up to code, which are going to require loans (mainly from USDA Rural Assistance). If they take the loans, their rates will double once they sign the loan papers. The council would rather plan and save money with a maintenance schedule, than wait until something major breaks, and have to find a way to pay for it then. USDA Rural Assistance is a lender of last resort. USDA has told us, for a water system of our size, they would make our monthly water rates \$40 per month. This is becoming a bigger issue since many water and sewer grants aren't available anymore. For those that are left, there is increased competition.

For comparison, here are rates for some neighboring towns: **Oakesdale:** Water, \$22; Sewer, \$30; **Tekoa:** Water, \$31.50; Sewer \$41.50; **Palouse:** Water, \$20.50 (\$21.50 for '09); Sewer, \$30 (\$31 for '09); **Rosalia:** Water, \$28.75; Sewer, \$22.25; **Fairfield:** Water, \$20.96; Sewer \$40.75. **Garfield:** Water, \$18.50; Sewer, \$32.

In closing, none of us on council enjoy raising rates nor do we take this issue lightly. However, our number one responsibility is to insure the town stays financially stable. We realize this is the worst year possible for any kind of a rate increase. The council is doing as much homework possible to make sure, as best we can, to accurately gauge our current and future needs. We have had this discussion for many months, and it hasn't been easy. All we ask is that you have some faith that we will make the best decision we can. There is much more information on the water rate study in the meeting minutes from our Nov. 12th meeting. To view them, go the following web address: <http://www.garfieldwa.com/minutes.htm> and scroll to the bottom of the page and choose 11/12/2008 to view the minutes.

If you have any questions or concerns, please feel free to contact any council member or mayor anytime by phone, email, or in person.

We thank you for your support.

Town of Garfield Mayor and Council