



Your Utility Company Newsletter

Emergency Exists in the Water and Wastewater Utility Budgets¹

Upon release of the City of Bandon Annual Budget FY 2019-2020, the Utilities Commission discovered that the water and wastewater utility rates were insufficient to generate the revenue necessary to continue properly operating, maintaining, and improving those utility systems². The Utilities Commission has “reviewed and concurs with the recommendations of City staff, engineers, and consultants that certain water and sewer system expenditures and improvements are necessary to continue properly operating and maintaining those utility systems”³

“Prior to the proposed 2019-2020 Budget presentation, the Utilities Commission was not aware of the Water Fund (940), Water Plant Improvement Fund (941), and Sewer Fund (950) shortfalls or current cash balances.”⁴ In order to bring these shortfalls into balance, the City Council approved a water rate increase of approximately 21% and a sewer rate increase of approximately 28%.

The Utilities Commission is engaged in the process of discovering what cash balances exist.

The water base rate raise of \$10.00 for residential customers and \$20.00 for commercial customers is dedicated to four projects at the Water Treatment Plant: the filter/media repairs, which have been completed; the chlorine generator upgrade, which has been completed; the installation of the seismic valves on the 2 million gallon treated water storage tank, which has not been completed; the refurbishing/coating/painting of the 1 and 2 million gallon treated water storage tanks, which has not been completed; and the purchase of emergency back-up generators for the Water Treatment Plant, which has not been completed.

At this time, the Waste Water Treatment Plant (WWTP) has reached the end of its life expectancy. We have to address several sewer system capital improvements: headworks upgrade; replacement of the Fillmore Avenue pump station; WWTP ultraviolet system; I&I Study Projects #4, #5, #9, and #11. All of these projects have been described in past newsletters. The Fillmore Avenue pump station is discussed on the other side of this page.

¹ “Emergency” means a human created or natural event or circumstance that causes or threatens widespread: loss of life; injury to person or property; human suffering; or financial loss. Or. Rev. Stat. § 401.025 (2007).

² Resolution No. 19-09; Resolution No. 1908 Adopted June 3, 2019.

³ Findings by the Bandon Utilities Commission, April 24, 2019.

⁴ *Ibid.*

What's the Emergency?

-  The Water Department has a current shortfall of \$160,000, indicated on page 13 of the City of Bandon 2019-2020 Annual Budget.
-  The Wastewater (Sewer) Department has a current shortfall of \$222,000, indicated on page 13 of the City of Bandon 2019-2020 Annual Budget.
-  These funds are used for operations and maintenance at the plants.
-  These funds must be balanced.
-  The Wastewater Treatment Plant needs several upgrades and replacements in order to continue the operation of the wastewater system in a safe and sanitary manner, however, the only immediate problem is at the Fillmore pump station with the breakdown of one pump and the noisy motor in the other pump.

How Are We Going to Deal With the Emergency?

-  In order to continue operating and maintaining the water system in a safe and sanitary manner, retail water rates must be increased by 21% to provide adequate funds for the fiscal year 2019-2020 maintenance and operation expenses of the water utility.
-  In order to raise sufficient revenue to continue operating and maintaining the wastewater system in a safe and sanitary manner, retain [sic] wastewater rates must be increased by 28% to provide adequate funds for the fiscal year 2019-2020 maintenance and operation expenses of the wastewater utility.
-  These increases will appear on your utility bill that you receive on or about August 1, 2019.

Fillmore Pump Station

On June 14, 2019, The Dyer Partnership completed a "Wastewater Treatment Facility Analysis." The analysis stated that "The purpose of the Fillmore [sic] Avenue pump station is to pump all incoming raw wastewater from the municipal collection system to the elevated headworks structure located at the WWTF." The pump station was inspected and the analysis concluded that, just as the WWTP Supervisor advised, replacement was necessary due to the pump station's "old age, lack of reliability, and excessive maintenance and operational difficulties." Replacement of the headworks screen, grit removal, and ultraviolet disinfection system was also discussed and evaluated. In mid-July, 2019, one of the pumps at the Fillmore pump station had to be pulled and sent in for service. The process to pull the pump was half-way through when the second pump began making noise. It is still noisy but it is functioning. A new pump and motor were ordered but won't be delivered for several weeks. The estimated cost to rebuild the failed pump is \$7,000 plus an additional reinstatement fee. There is a back-up pump at the WWTP in case we need it.