

**August 31, 2012**

**Dear City of Newport Resident:**

You will notice with this bill an increase in your water rate (15%) and sewer rate (20%) and an additional storm water utility fee (\$6.80). The rate increases were discussed through a public hearing process and approved by the Council on June 18th as part of the City's Fiscal Year 2013 budget.

These increases are necessary because, like many of the nation's communities, the City of Newport is faced with water and sewer infrastructures that were built between 40 and 70 years ago. Much of this infrastructure is beyond its useful life. As a result, the City has suffered numerous infrastructure failures over the past several years that have caused significant property damage and costly service outages.

For these reasons, the City is initiating a systematic infrastructure system improvement program that addresses failing infrastructure, infrastructure with potential to fail, and infrastructure with insufficient capacity. Some of the projects underway this fiscal year include:

- **Big Creek Lift Station and Force main Replacement:** The sanitary sewer lift station located on Ocean View Drive by Agate Beach State Park takes wastewater from all of Newport north and east from this station. The Big Creek Lift Station regularly overflows to Big Creek and Agate Beach during the winter months due to capacity issues. This project will upsize the force main and pumps within the next 2 years to prevent future overflows.
- **Water main replacement and upsizing on Hwy 101 between NE 61<sup>st</sup> and NE 71<sup>st</sup> Streets:** This project will increase volume for better fire protection and will replace aging water mains acquired by the City from the old Agate Beach Water System.
- **Salmon Run Pump Station relocation/replacement:** The Salmon Run pump station and water main was put out of service for several days during the winter storms in January of 2012 due to landslides. This project replaces the pump station that was built in the 1980s and moves it outside of the geologically unstable area.
- **Yaquina Heights Tank improvements:** This project involves repainting the exterior and relining the interior of the tank, and replacing the safety rails on the top of the tank which have rusted away, making inspection of the tank impossible.
- **SE Fogarty to SE John Moore Drive Storm Sewer Improvements:** The storm sewer in this area is failing causing repeated sinkholes in the parking lot of the Embarcadero and storm sewer backups into Bay Boulevard.
- **Bay Crossing Sewer Forcemain:** In the winter of 2011 and again in 2012, the welded steel line that conveys wastewater to the Bayfront and then across the bay to the wastewater treatment facility failed at the welded joints causing wastewater the back up. This project is focused on repairing and or replacing this section of failing forcemain.
- **Lower Big Creek Reservoir drawdown Repair:** The purpose of this project is to replace a corrugated metal pipe and gate that draws down the City's water supply reservoir. This pipe was installed when the dam was originally constructed in the 1950's and is close to the point of failure.

The rates collected as part of the City's utility bills pay for these projects as well as operational costs associated with providing clean water, treating wastewater, and conveying stormwater. These projects represent just a few of the necessary improvements identified within the City's long term Capital Improvement Plan. These improvements are vitally necessary to keep clean water flowing and to protect public health through proper wastewater conveyance and treatment. If you have further questions regarding the rate increases or the City's Capital Improvement Planning process, please contact the Public Works Department at 541-574-3366. Thank you.

Sincerely,



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