

## Media release

# COWLITZ COUNTY PUD

For Immediate release — November 8, 2007

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## **PUD Water Bills Would Increase \$4.00 a Month Under Rate Proposal**

As announced earlier this year, the Cowlitz PUD Board of Commissioners is considering a staff recommendation to increase water rates by 15 percent on December 1, or about \$4.00 per month on the average residential water bill. The water rate proposal is on the agenda for the PUD Board's next meeting on Tuesday, November 13.

Cowlitz PUD provides water service to about 10 percent of county residents, including areas north and east of Longview and Kelso — Columbia Heights, Beacon Hill, Lexington, Sunset Terrace, Cedar Gates, Ostrander and Cowlitz Gardens.

PUD residential water customers in the Columbia Heights, Beacon Hill and Lexington areas now pay \$25.00 on average per month for 1,000 cubic feet or about 7,500 gallons. Under the new rate that would increase by \$3.75 per month to \$28.75. Customers living in the other areas of PUD water service would see the average bill increase by \$4.29 per month — from \$28.62 to \$32.91.

When PUD water rates were increased 15 percent on March 1, it was announced that another 15 percent increase would be needed before the end of 2007. "Rather than approve one large rate increase last winter, the Board decided instead to divide it into two 15 percent increments. That helped keep customer's water bills a little lower during the summer," PUD Spokesman Dave Andrew said.

Water utility cost increases are being driven by increased wholesale water costs and other higher operational costs, along with system improvements required by the 2005-2025 Comprehensive Water Service Plan — which in-part addresses growing storage and fire-flow requirements.

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**PUD, Beacon Hill Sewer Agreement will also be Considered Tuesday**

Also at Tuesday's meeting the PUD Board is expected to approve an interlocal agreement with Beacon Hill Sewer District, calling for an operational and transfer agreement between the two agencies. Under the proposed agreement the PUD water system would be transitioned to BHSD over the next few years, beginning January 1, 2008.

BHSD is already the sewer service provider for about 3,000 of the 3,800 PUD water customers, including those living in Lexington, Beacon Hill and part of the Columbia Heights area.

Discussions between the two utilities began over a year ago. The combined boards met with PUD water customers in March and October to seek input on the possibility of BHSD taking over the operation of the water utility. A consultant's study done early in 2007 confirmed that combining the two operations will result in the same services being provided, but at a lower future cost than if they continue to be run separately.

Tuesday's PUD Board meeting will begin at 2:00 in the PUD Auditorium at 961 12<sup>th</sup> Avenue in Longview. The proposed water rate increase and interlocal agreement will be the first two agenda items considered.

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