



City Info

A NEWSLETTER FOR LONGVIEW CITIZENS



**Longview
facing two major
utility projects.**

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CITY OF
LONGVIEW
WASHINGTON

January 2008

A Note from Longview City Council

As your elected city representatives, we believe it is important to share some information with you about two significant challenges that are facing our community. One concerns our water supply and treatment system, and the second has to do with wastewater collection, treatment, and disposal.

Longview's utility systems are critical parts of the foundation of our community, affecting our quality of life and the ability to grow and provide economic opportunities.

Tough Choices

For several years, the Longview City Council and City staff have been evaluating various potential long-term solutions for continuing to provide a safe and reliable water supply and for providing wastewater treatment to accommodate the growth that is occurring in West Longview.

Getting to the point where final decisions will be made to address these challenges has taken time because the problems are complex. There are many potential solutions to evaluate, and all of the options are expensive. To be the best possible stewards of our community's resources, we have only one chance to "get it right" in making decisions about facilities that will serve you and Longview's future residents, literally, for decades and generations to come.

Making such decisions doesn't come often during the life of a community – many city councils can come and go without having to make even one. We now have the responsibility of making two within a short time span. In searching for the most cost-effective answers, you can be assured that we will consider both short-term and long-term impacts.

Stay informed

Information in this publication is being provided to help explain the nature of these projects, why they are necessary, and to give you an overview of the City's utility systems. Beyond this material, be aware that there will be future public meetings about these projects. We encourage you to stay abreast of the process and to participate as much as you can in these discussions as we move towards final decisions.

Knowing your utilities

The City of Longview provides essential water, sewer, garbage collection, and stormwater drainage services to residents and businesses in the city to ensure the health, safety, and quality of life of its citizens. The City also provides water and sewer service to many Cowlitz County residents and businesses not in the city limits, but within the Longview urban area.

Utilities Are Self-Supporting

By law, city utility rates must be based on the cost of providing the utility service, and cannot be used to pay for other city services such as police, fire, parks, and library services. The Longview City Council has adopted the policy that general city taxes will not be used to help pay for utility services. For all of our utilities, our mission is to provide our customers with reliable, quality service at the most cost effective price possible.

Why we have to consider rate increases

As our community grows and the utility systems age, our energy use increases and we must repair and replace more and more of our facilities – pipes break and pumps wear out. Our facilities operate around the clock, all year long, and our customers expect to get good water whenever they turn on their faucet and for their sewage to be carried away whenever they flush the toilet. This requires us to maintain and operate our facilities to provide a high level of reliability, and to respond immediately when parts of the system break. Additionally, federal and state regulations often require us to upgrade our facilities and change the way we operate.

Like all of our citizens, the City is also experiencing increasing costs in almost all aspects of the services we provide, from the costs of pipe material and diesel fuel, to the costs to upgrade and construct new facilities. While rate increases for our garbage and stormwater utilities are expected to remain modest, major deficiencies and regulatory changes in the water and sewer utilities will require significant rate increases in the next few years to continue providing those services.

Comparison of 2007 Combined Residential Solid Waste/Recycling, Water, Sewer & Stormwater Rates

Olympia	\$151.05
Chehalis	\$133.86
Mountlake Terrace	\$131.93
Mercer Island	\$129.71
Centralia	\$123.83
Port Angeles	\$116.40
Kalama	\$112.15
Renton	\$112.08
Vancouver	\$107.12
Aberdeen	\$101.26
Auburn	\$99.42
Bellingham	\$98.11
Everett	\$88.50
Kent	\$88.31
Longview (2008 Proposed)	\$86.33
Edmonds	\$83.70
Kelso	\$81.70
Longview (2007 Current)	\$79.23
Lynnwood	\$65.23

Operating Permits

Federal laws require water and wastewater treatment

In response to citizen pressure, Congress passed the Clean Water Act and other laws to protect the quality of water in our rivers and lakes, to control the amounts of pollutants that can be discharged from our sewers and drainage systems into our rivers and lakes, and to ensure the quality of drinking water.

The federal Environmental Protection Agency (EPA) and state Department of Health (DOH) regulate the quality of drinking water we supply to you, require us to have an operating permit telling us how to treat and distribute drinking water, and require us to regularly test the water we supply.

For dirty water, the EPA and state Department of Ecology (DOE) regulate the quality of wastewater and stormwater discharged to our rivers, require us to have a National Pollutant Discharge Elimination System (NPDES) permit to operate our collection, treatment, and discharge systems, and require us to reduce the amount of pollutants discharged to the rivers. All of these regulations are intended to protect your health and safety, and they tightly control the way your utilities are operated.

Water Supply Facing Gritty Issues

In 2005, the City of Longview, Cowlitz PUD, and City of Kelso, completed an update of the comprehensive Water System Plan for this area. The Plan identifies water supply, treatment, distribution, and storage requirements through 2025 and provides strategies for meeting those needs. A number of key issues were identified that affect our ability to provide water to our customers.

Regional Water Treatment Plant Issues

City of Longview and Cowlitz PUD customers both receive drinking water from the Cowlitz River through the Regional Water Treatment Plant. Our water supply has become vulnerable and the ability of the plant to meet our customers' needs is threatened by the age of the facility and its deteriorating condition, by increasing sediment in the Cowlitz River as a result of the Mt. St. Helens eruption in 1980, and by increasing demand for water as the community grows.

Sediment in the Cowlitz River

Although forecasted to increase after Mt. St. Helens erupted, in the last two years the amount of sand and grit in the Cowlitz River has increased dramatically. This sediment threatens to block the intake on the river when water levels are low in the summer months, and damages plant equipment and fills the treatment basins when river flows are higher in the winter and spring months. In 2002, the U.S. Army Corps of Engineers estimated that the river bottom at the intake would rise by nine feet by 2034. Measurements taken in the last two years indicate that sediment from Mt. St. Helens is washing down the river in much greater quantities than previously expected and has already raised the river bottom by eight feet.

Sediment from the Cowlitz filtered out of the water intake system.

An Aging Facility

Water from the Cowlitz River is filtered and treated at the plant and delivered to Longview and Cowlitz PUD customers. The plant was constructed in 1946 and is near the end of its useful life. The treatment plant is experiencing increasingly frequent equipment and structural failures, including pump failures and failures in concrete floors and walls.



Meeting Water Use Demands

During winter months, water use is typically about 200 gallons per day for the typical home. In the summer, water use typically doubles to about 400 gallons per day. Due to growth in the community and increasing sediment in the river, the plant is unable to meet demand at times during the year.

Increased sediment during the winter reduces the treatment capacity of the plant to less than the daily demand, and increased water use during the summer now regularly exceeds the plant capacity. For the next few years, our water storage reservoirs will allow us to meet our customers' needs, but additional treatment capacity is necessary to meet the long-term needs of our community.

Water Treatment Options

After studying a variety of options, City staff and several engineering firms identified two primary options:

- Build a new treatment plant at the Mint Farm Industrial Park and use groundwater wells.
- Expand/rebuild the existing plant and relocate the intake on the Cowlitz River.

Further evaluation is being conducted by engineering firms to determine the best treatment options and assess the potential risk of using groundwater from that area.

Regardless of which option is ultimately chosen, water rates will need to increase to pay for the estimated \$27 million project cost. As a result of our efforts to minimize the rate impacts to our customers, we will be able to obtain a \$492,000 grant and \$9 million in low interest loans.

In addition, the Cowlitz PUD owns 14% of the treatment plant and its water customers will be paying for their share of the project costs. Based on our

Capital Improvement Projects

The City's water utility system consists of the treatment plant, about 197 miles of pipelines, 12 storage reservoirs totaling 19.35 million gallons in volume, 6 pump stations to pump water to the hillside pressure zones, and 8 pressure reducing stations to allow water to flow between hillside pressure zones.

Water Capital Improvement Projects for 2008*

Project	Amount
Annual Main Replacements/Relocations	\$300,000
Water System Wireless Controls	\$50,000
Hillside Reservoir System Balance	\$200,000
Annual Local Improvement District Projects	\$25,000
Clark Creek Rd Main Replacement	\$250,000
46 th Avenue Main Replacement	\$250,000
Replace 6" pipe with 12" on Ammons Dr.	\$475,000
Replace 6" pipe with 12" on Ammons Dr.	\$150,000
SR 432 Utility Adjustments	\$50,000
Upgrade Trella Regulating Station	\$75,000
Filter Plant – Maintenance Projects	\$365,000
Filter Plant Pilot Testing	\$100,000
Filter Plant Improvements - Design	\$700,000

Total Water CIP Total \$2,990,000
*Subject to change

Water Treatment Options - continued

known funding sources, water rates are expected to increase by 44.5% over the next three years to pay for this project. We will continue to pursue grants and low interest loans, but most of the project must be financed through the sale of revenue bonds – loans from investors that must be re-paid.



Water Treatment Issues at a Glance:

- Reliability of an aging facility
- Sediment buildup from the Cowlitz River
- Long-term supply and demand

Solutions at a Glance:

- Build a new facility with wells at the Mint Farm Industrial Park
- Expand/rebuild the existing plant; relocate intake on Cowlitz River

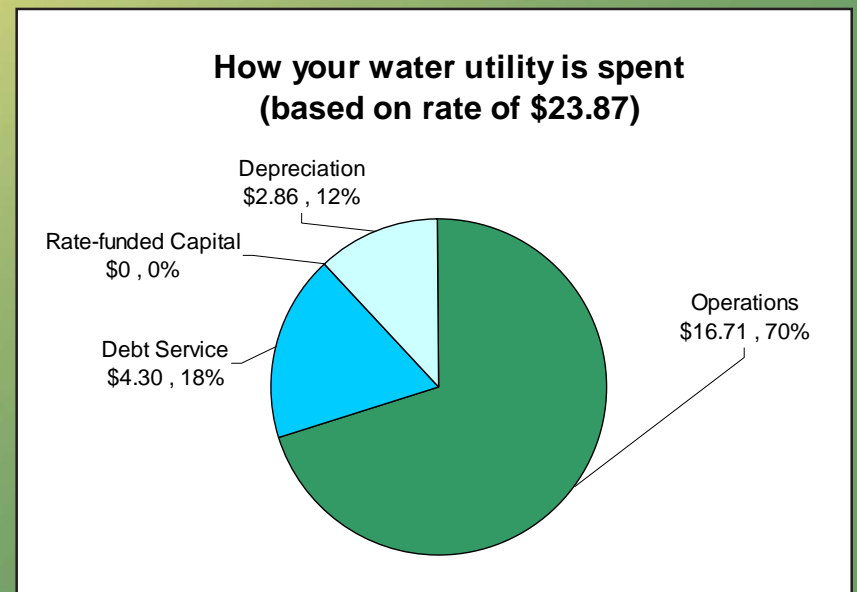
Capital Improvement Projects are programmed over 5-year and 20-year periods to replace worn facilities, correct flow or pressure problems, provide new capacity to serve growth, and comply with new regulations. The list of Capital Improvement Projects is reviewed and adjusted annually based on factors such as growth patterns and pipeline failure rates. The table shows the projects identified for 2008.

How your water utility bill is spent

The largest portion of your water bill is used to pay the day-to-day operating costs of treating, disinfecting, and distributing water to our customers. This cost includes labor, energy, chemicals, equipment, and materials needed to operate and maintain our water facilities.

The remainder of your water bill is used to pay for replacing, modifying, or upgrading the water facilities, referred to as Capital Improvements.

The debt service portion of the water utility makes the payments on loans used to pay for very expensive projects. The rate-funded capital and depreciation portions of the utility are used to pay for projects without taking out a loan. The accompanying chart depicts the proportion of your water bill spent in these areas.



West Longview Lagoons No Longer Flush with Capacity

Originally constructed in 1966, the Lagoons are now a 45-acre, four-cell lagoon system providing enhanced primary treatment. The Lagoons can no longer meet discharge standards and do not have the capacity needed to serve our growing west Longview population.

Nearing Capacity

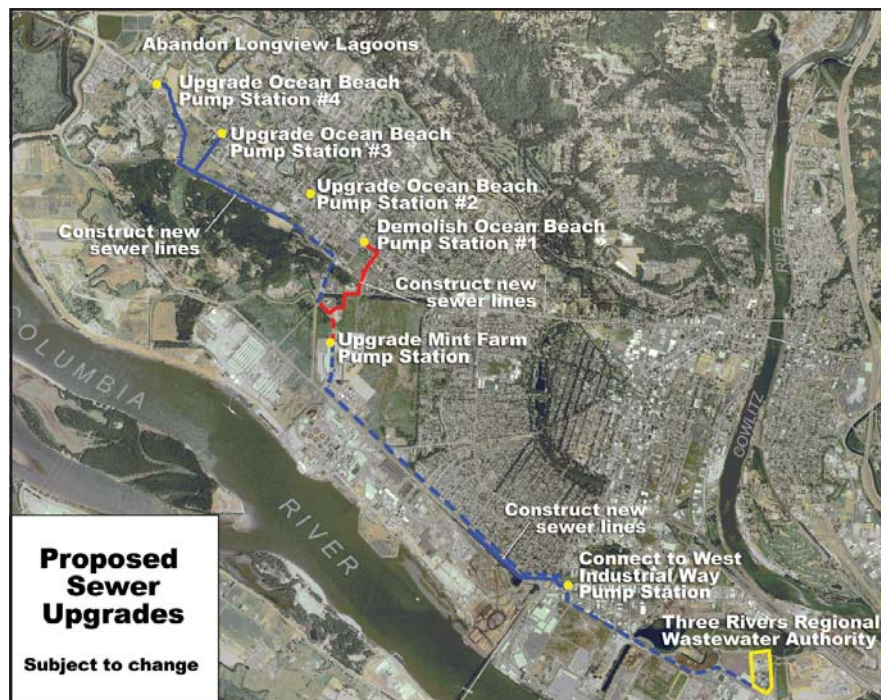
A provision of the Lagoons' NPDES permit requires capacity improvements when flow into the plant exceeds 85% of its designed capacity for three consecutive months. This threshold was exceeded in 1997 and a project was completed in 2000 to divert some flow to the regional treatment plant. We are now again to the point where flows into the Lagoons will soon exceed the 85% of capacity threshold and improvements will be required to provide capacity for continued growth in west Longview.

Discharge Standards Increasing

When originally constructed and later expanded, the Lagoons adequately treated our wastewater for discharge into Coal Creek Slough.

Increasingly strict discharge standards and heightened

concern for water quality in the state's rivers and lakes has ultimately made the Lagoons obsolete – the plant can no longer meet current discharge standards. Without significantly enhancing the treatment process at the Lagoons by adding biochemical and mechanical treatment processes, the Lagoon's NPDES permit to operate cannot be renewed.



Sewer Treatment Solutions

City staff and an engineering firm evaluated a variety of options for providing sewer treatment for the west Longview area. The three most viable options were:

- Construct a biochemical/mechanical treatment facility at the existing site and reclaim/reuse the treatment plant discharge to enhance natural wetlands west of Longview.
- Construct a biochemical/mechanical treatment facility at the existing site and relocate the treatment plant discharge to the Columbia River.
- Abandon the Lagoons and divert all west Longview sewage to the existing regional treatment plant.

Abandoning the Lagoons and diverting the sewage to the regional plant was recommended as the least cost option. Further evaluation will be conducted by another engineering firm to confirm pump station and pipeline sizes and locations.

Sewer Capital Improvement Projects

The City's sewer utility system consists of the Lagoons treatment plant, and about 151 miles of pipelines and 48 pump stations to convey sewage to either the Lagoons or the regional plant.

Capital Improvement Projects are programmed over 5-year and 20-year periods to replace worn facilities, correct flow problems, provide new capacity to serve growth, and comply with new regulations. The list of Capital Improvement Projects is reviewed and adjusted annually based on factors such as growth patterns and pipeline or pump station failure rates. The accompanying table shows the projects identified for 2008.

Capital Improvement Water Projects for 2008*

Project	Amount
Annual Main Replacements/Relocations	\$200,000
Sewer System Wireless Controls	\$250,000
West Longview Lagoons Diversion - Design	\$800,000
1524 33 rd Avenue - Pump Station Rehab	\$500,000
Annual Pipeline Liner Projects	\$300,000
30 th Avenue Pipeline Liner – Phased	\$250,000
Emergency Power - Generators	\$60,000
Annual Local Improvement District Projects	\$30,000
Sewer CIP Total	\$2,390,000
*Subject to change	

Sewer Treatment Solutions - continued

Regardless of the final plan, sewer rates will need to increase to pay for the estimated \$24 million project cost. We will continue to pursue grants and low interest loans to pay for this project, but at this time we have been unsuccessful in obtaining such financing. Based on our current estimates, sewer rates are expected to increase by 37.2% over the next four years to pay for this project. Most of the project will be financed through the sale of revenue bonds – loans from investors that must be repaid.

Issues at a Glance:

- Lagoons treatment capacity used up
- NPDES permit cannot be renewed

Solutions at a Glance:

- Abandon lagoons and divert sewage to Three Rivers Regional Wastewater Authority treatment plant
- Construct new treatment plant at Lagoons and discharge to wetlands
- Construct new treatment plant at Lagoons and discharge to the Columbia River

How your sewer utility bill is spent

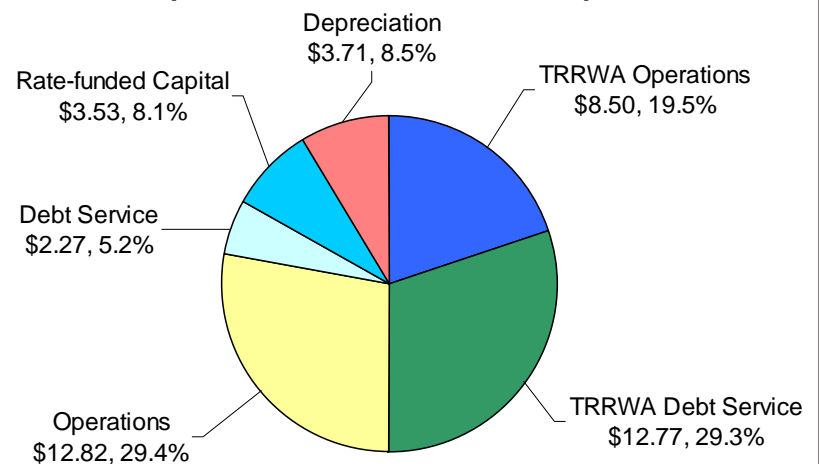
The largest portion of your sewer bill is used to pay Longview's share of the operating and debt service costs for the Three Rivers Regional Wastewater Authority (TRRWA). Two-thirds of Longview's sewage flows to this plant, making up about 60% of the flow treated at the plant.

The next largest portion of your sewer bill pays for the normal operating costs of Longview's collection system. This cost includes labor, energy, equipment, and materials needed to operate and maintain our sewer facilities.

The remainder of your sewer bill is used to pay for replacing, modifying, or upgrading the sewer facilities, referred to as Capital Improvements.

The debt service portion of the sewer utility makes the payments on loans used to pay for very expensive projects. The rate-funded capital and depreciation portions of the utility are used to pay for projects without taking out a loan. The accompanying chart depicts the proportion of your sewer bill spent in these areas.

How your sewer utility rate is spent (based on rate of \$43.60)



Stormwater Issues

The City's stormwater utility was recently required to obtain stormwater NPDES permits for our stormwater discharges and vehicle fleet operations. These permits require us to develop a stormwater management program that includes the following:

- Public education and involvement programs
- Reduce pollutants discharged in runoff from City facilities
- Detect and eliminate all prohibited discharges to the stormwater drainage system
- Reduce post-construction runoff and pollutants discharged from new and re-development sites
- Reduce runoff and pollutants discharged from construction sites
- Develop a water quality sampling program for future implementation

We are currently discussing opportunities to partner on activities required by the permits with the City of Kelso and Cowlitz County. Although the permits will require increasing our staffing and efforts in the stormwater utility, we expect that rate increases will continue to be modest for the next three to five years.

Solid Waste & Recycling Challenges

The City's Solid Waste and Recycling utility is currently challenged with the amount of garbage and contaminants found in recycling containers. The more contaminants found in the recycling containers, the more residents pay for sorting the material and for landfill fees. About 75% of your solid waste and recycling rate goes to solid waste collection and disposal as well as the collection and sorting of recycled material.

In addition, the high level of contamination in recycling containers reduces the amount of revenue that the city can receive when the material is sold to various markets. This revenue is generally used to help offset future rate increases. Through November 2007, the City's curbside program had collected approximately 3,750 tons of

material from the recycling containers, but only 2,200 tons were able to be sold. The balance, approximately 1,550 tons (over 41%), was either garbage or contaminated material. The average for the state of Washington is only 15%. Longview can do much better!

The solid waste and recycling utility requires a rate increase of 1% to meet the above challenges. This will take the current residential rate from \$14.92 to \$15.07 per month.



If you have questions about any of the information presented in this publication, please contact the City of Longview Public Works Department at 442.5200.

Proposed Monthly Residential Utility Bill Rates for 2008*

<u>Utility</u>	<u>2007 Rate</u>	<u>2008 Rate</u>	<u>\$ Increase</u>	<u>% Increase</u>
Water	\$20.88	\$23.87	\$2.99	14.5%
Sewer	\$39.89	\$43.60	\$3.71	9.3%
Stormwater	\$3.54	\$3.79	\$.025	7%
Solid Waste	\$14.92	\$15.07	\$.015	1%
Combined rates:	\$79.23	\$86.33	\$7.10	9%

*As presented to Longview City Council on January 24, 2008. All rates subject to approval.