



Sewer Bond Retirement & the Sewer Debt Fee

In the early 2000's, the City was in violation of rules promulgated the United States Environmental Protection Agency (EPA) and adopted by the State of Oregon's Department of Environmental Quality (DEQ) for wastewater under the Clean Water Act. The State mandated the City to make repairs to the Wastewater System. The City embarked on finding funding agencies and an engineering firm to design the necessary improvements.

Voters of the City of Brownsville approved a bond tax levy to pay for the required improvements in November 2004. Below are those election results:

Results for Bond Measure 22-30 at the General Election held November 2nd, 2004:

Total Votes Cast = 769

Yes = 615 (79.97%)

No = 154 (20.03%)

The City secured financing from the United States Department of Agriculture – Rural Utilities Service (USDA-RUS) in a loan amount of \$6, 217,000 and grant funds not to exceed \$1,189,000 and from the State's Economic and Community Development Department (OECDD) which included a \$300,000 loan and a \$250,000 grant from the Wastewater Program and a \$750,000 grant from Community Development Block Grant (CDBG) funds. The City was required by contract to spend the loan amounts first.

In 2007, the City constructed the largest public works project in the history of the City, a Wastewater Improvements Project that included a new lagoon at the South facility and the replacement of nearly 40% of the City's sewer collection lines. Fortunately, the City received bids that were within the projected budget and two quality contractors. In January of 2008, the USDA-RUS approved Council's request to include additional collection lines to the project accessing the remaining grant money. USDA approved the request and the City is in the process of replacing the collection lines on Kirk Avenue, Averill and Linn Way. Grant funding also paid for a new box culvert under Averill Street adjacent to Library Park.

When the City received the original amortization tables from USDA and the State, Council convened in a special session on June 5th, 2008 to discuss the impact. Council decided to place a \$15 monthly charge on all sewer accounts to share the costs of repaying the bonds between property owners and the rate payers. The bond levy was first levied in 2008. The Utility Bill, therefore, has a line item that reads Sewer Debt Service Fee which the \$15 monthly charge. The Fee will remain on the Utility Bill through 2048.