



RIVERBEND RIVERBANK WATER IMPROVEMENT DISTRICT

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August 21, 2023

Dear Riverbend Riverbank Water Improvement District Customers,

This letter is to inform you that monthly water rates will be increasing from \$75.00 to \$84.00 beginning on October 1, 2023. This is not a decision that was arrived at easily or without much discussion and trepidation by our all-volunteer Board of Directors.

Following is our rationale for the rate increase:

Over the past few years RRWD has continued to experience ever increasing expenses for virtually of the basics needed to supply everyone with a clean supply of water to our 81 homes in the area. The current weather patterns resulting in less rain and higher temperatures have caused increased water usage. As an example, July 2023 was our highest water usage for a July period since 2006. We exceeded our daily water rights allotment for four days during July and were just over 90% of our monthly water rights allotment. This also resulted in our largest ever electric bills from PGE. PGE has increased their rates 3 times in the last 18 months and has already submitted another rate increase request to the Oregon Public Utilities Commission to begin January 1, 2024.

RRWD budgets quite carefully and conservatively forecasted in advance of our October 1 to September 30 Fiscal Year. Despite estimates for increases in service and supplies, RRWD reserves decreased over the past fiscal year, and we incurred small monthly losses on operations for many months. Overall, we still maintain a healthy reserve of over \$80,000 to maintain our operations and handle any emergencies that may arise.

Our well field, pumphouse and delivery systems are all at or approaching 60 years, well past their original "service life." Last year we replaced the two main distribution pumps in the pumphouse as the old ones aged out and could not keep up with the demand. This year we will be replacing the original galvanized steel roof hatch on our reservoir as the current one (over 50 years old!) has extreme rust and deterioration. In addition, the current well field pumps are over 15 years old with an estimated service life of no more than 12 years.

The increased water usage has also led us to clean the reservoir more often. We had been on a 24-month cycle but decided to move to an 18-month cycle to better maintain our water quality and clarity.

Our operations are monitored 24/7/365 electronically by a service we have contracted in Georgia. If an issue arises, we are alerted by text, automated phone calls and e-mail so we can act locally. We also are able to log on at any time to monitor ourselves.

The purpose of this in-depth explanation is to give you confidence that the board is firmly in control of the operations and spending the district funds as if they were our own. Our water rates (even with the increase) remain well below other districts and surrounding communities.

Sincerely,

Jack Chernus
President
Riverbend Riverbank Water Improvement District
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