

May 22, 2002

Dear Sewer Customer

A new fiscal year is just around the corner so it is time to update you on La Pine Special Sewer District happenings.

We have good news; there will be no increase in user rates in the coming fiscal year. The Sewer District uses its equipment and property to generate additional income, and this year it will be sufficient to cover the rising costs of operating the District without increasing rates for our customers.

We have been able to purchase a stand-by generator for the main pump station this past year and will have one for the remaining lift station purchased by year-end. We will then be able to continue to pump sewer in the event of a power failure. This will become important when the water system is fully implemented because it is a gravity flow system and will continue to provide water without power.

In further efforts to upgrade the system, we will be installing a new 8" line along Reed Road to Highway 97. You will see construction begin on that project soon.

We regret that our efforts to combine the Sewer and Water offices failed. We hope that in the future, the two agencies will be combined as we feel it will provide a substantial cost savings to the ratepayers as well as make dealing with us in one location easier.

In consideration of wildfire concerns in the area, we are using High Desert Goats' services of fire fuel removal from our Reed Road property. This is a service provided by High Desert Goats that meets our needs effectively.

Finally, we have a few business items. Anyone changing the usage of their building needs to contact our office and get a new permit for the new use. This primarily applies to commercial customers, but also to residential customers who decide to operate a business out of their home. There is no charge for the permit, but if the usage change is significant there will be a change in monthly rates and possibly a System Development Charge fee. Anyone failing to obtain a permit for usage changes will be back-billed with penalties if it is discovered that a rate change should have been applied.

Our office has moved to a different suite in the same building (the old library building). Our office hours will be 8:00 am 12:00 and 12:30 to 4:00 pm Monday through Friday with the exception of the times when the office staff has to be out in the field. Since the

separation of the Water and Sewer District offices, Sherry will have more time to spend in the field. This will allow her to become more familiar with our customers and be more responsive to your needs. We will try to schedule field times in the afternoons. We have a drop box outside the building to facilitate drive-up payment deposits.

We endeavor to be customer friendly. If you have questions or concerns, please do not hesitate to call the office.

Sincerely,

La Pine Special Sewer District
Board and Staff