

May 12, 2003

Dear Customer:

With the end of the fiscal year just around the corner, it is time to update you on the past year and plans for the one to come.

Once again, we have elected not to raise rates to our customers. The money we generate taking septage and producing a hay crop will be sufficient to offset the rising cost of operating the sewer system for the coming year.

The new billing cards you have been receiving are part of the modernizing of our billing system. This system has enhanced our ability to provide quality customer service.

We were able to purchase a larger pump truck in the current fiscal year from the proceeds of taking outside septage. This truck will make it more efficient to maintain the increasing number of tanks on our sewer system as well as the larger tanks related to new development in the District.

New development within the District is at a higher rate than ever. There are five new housing developments planned within the District, as well as the Newberry Neighborhood and the Bi-Mart complex. We have installed a new sewer line down Hinkle, allowing those residents to connect to the sewer. There is a new line down Anchor being built to facilitate a new housing development, and a new line from First Street to Bi-Mart was installed.

In cooperation with Deschutes County, we will soon be expanding our lagoons and our irrigation site. We are working with the engineers now and hope to start this project this year. We are making every effort to fund this expansion without adding costs to the rate payers.

We raised the System Development Charge to \$3,810 for new development. This was done to assure that existing rate payers will not end up paying for the growing demands upon the sewer system.

Please remember that if you have a change in usage, you need to contact our office. A permit may be required for the change. Failure to contact us before the change makes it difficult to discuss options with you.

When you stop by our office, you will notice that our entrance is now handicap accessible. We will have handicap parking available shortly, as well as a ten minute parking space for the benefit of customers wishing to come in to the office to conduct business.

Board meetings are on the second Thursday of each month, at our office at 6:00 pm and customers are always welcome to attend.

We look forward to another year of serving you, our customers.

Sincerely,  
Board of Directors  
La Pine Special Sewer District