



South Suburban Sanitary District
2201 Laverne Avenue
Klamath Falls, OR. 97603
Phone 541.882.5744 Fax 541.882.5013

Board of Directors
Position 1 - Joe Spendolini
Board Chairman
Position 2 - Kenneth DeCrans
Position 3 - Michael Koger

District Manager/Secretary
Brett Blofsky

Co-Chairs Girod and Nosse and members of the committee, thank you for the opportunity to speak to you today. My name is Brett Blofsky and I am the District Manager for the South Suburban Sanitary District in Klamath Falls.

Our lagoon wastewater treatment facility proudly serves approximately 7,200 locations comprised of 23,000 citizens within the Urban Growth Boundary. Our community is officially classified as disadvantaged, with 20% of our residents—roughly 4,600 seniors—living on fixed incomes. Over the past three years, our District has increased rates by just over 33%. We intend to increase rates even more to cover costs of upgrades.

Our treatment plant now requires urgent upgrades to comply with mandated NPDES permit regulations for discharges into Lake Ewauna, the headwaters of the Klamath River. At the start of our upgrade design, we evaluated many options to meet the new permit requirements and settled on a design that is the best solution to work with our existing lagoon system and was estimated by our engineers to cost approximately \$45 million, about what we anticipated. But at our 30% design build, the estimate from our engineer and contractor exploded to \$97 million, which was not affordable or feasible. This put the entire project out of reach for us unless we did some major redesigns. We looked at different options, such as site relocation for the new buildings and equipment, to reduce piping and the number of buildings. This reduced the cost estimates to around 72 million, which is still more than our District can afford.

In early April our Board Chairman, Joe Spendolini and I met with many of you to discuss our situation and funding request. We acted on the advice and information you shared with us and instructed our contractor and engineer to perform additional value engineering. With grit, determination and a lot of hard work, we further reduced the scope of our upgrades while still achieving the new regulations. We performed additional value engineering and eliminated bio-solids processing. These changes reduced cost estimates to around 60 million. This is still far above our target of 45 million, but with your help, is much more achievable. As previously stated, we have raised our rates by just over 33% in the last three years and are here today asking for your help to bridge the current funding gap.

Thank you for your time and consideration.

Respectfully submitted:

Brett Blofsky, District Manager
541-880-8824
brett@sssd.org