

Good afternoon & thank you co-chairs Johnson, Steiner-Hayward, & Rayfield; & Also thank you vice-chairs Girod, Gomberg, & Smith and the rest of the committee for letting us testify today.

The City of Echo is a town of 720 citizens & is a small Eastern Oregon community which is rich in history, culture, and sense of community.

We have been diligently working to get our wastewater system back into DEQ compliance for 14 yrs. The total cost is just over \$2.8 million. Recently, we have been awarded several grants, but we also had to obtain \$1.5 million dollars in loans to fill the gap. The City's MAO agreement with DEQ will not be renewed after 2021, so we must get this project underway.

We have already raised sewer rates to cover the maintenance of the new system and to repay the \$1.5 million in loans. This has resulted in our patrons monthly sewer rate being raised to a burdensome \$75 per/month. Our community is comprised of low to moderate income, with many on fixed incomes. Most of our residents struggle to pay their monthly utility bill of up to \$126. In contrast, our neighboring towns charge \$50 to \$60 less on average per month, per household.

Our project is completely approved by the funding agencies and we are finishing up some easements as we speak. This project is only weeks away from going out to bid for construction and we are hoping to be completely done by the end of 2022.

We are asking you, the governing body, to approve us for \$1.5 million from the American Rescue Plan (ARP) funds to pay off our loans. By awarding these funds, this would in turn allow us to lower our rates immediately. Being able to lower our sewer rates would allow our residents, who have been adversely affected by the economic impact of COVID, to keep a bit of their hard-earned money to take care of their families.

Also, by awarding these funds, you would allow us to take better care of the environment and finally, be in compliance with environmental requirements.

We realize there are many worthy capital improvements needs throughout Oregon, however, we have ours nearly 99% ready to go, and we already have buy-in from our residents. It is our understanding that some of ARP is intended to help fix critical infrastructure. Please understand that these loans are a significant amount of money for a small community to be in debt to.

We also have critical drinking water system issues that will need addressing as soon as our sewer project is completed. These water issues will require the City to raise water rates. With sewer rates being among the highest in the state, our residents will not be able to afford a significant rise in water rates as well.

We are asking that you please consider our request and help every resident of the City of Echo keep a few more of their hard-earned dollars.

Thank you for your time and consideration.