

City of Mosinee

WATER & SEWER UTILITY NEWS February 2015

CITY PROPOSES WATER UTILITY RATE INCREASE TO FINANCE WATER SYSTEM IMPROVEMENTS

The City of Mosinee is currently undertaking extensive improvements at the Mosinee Avenue Water Utilities Facility that will significantly enhance the quality of our municipal drinking water! The Mosinee Avenue Water Utilities Facility is located at the northeast corner of the intersection of Mosinee Avenue and Rangeline Road (kitty-corner from Charlie's Hardware); and the facility currently consists of three municipal drinking water wells and the Water Treatment Plant that was constructed in 1995.

The water facility improvements include the reconstruction of the three (3) municipal drinking water wells that are approximately 40-years & 50-years in age and also the installation of a new filtration system within the Water Treatment Plant.

For the past few years, testing of the City's municipal water has revealed levels of copper, lead and disinfection by-products that exceed federal recommended drinking water standards. It is important to note that lead and copper are not present in the well water that is pumped into the distribution system, but corrosion of lead & copper water service lines and household plumbing fixtures causes these constituents to show up in the drinking water quality tests. At the request of the State of Wisconsin Department of Natural Resources, the City Council authorized the completion of a Water Quality Investigation to develop recommendations for controlling corrosion and the formation of disinfection by-products in the City's drinking water system.

The Water Quality Investigation was completed in June 2013 by *Process Research Solutions*, LLC of Madison, Wisconsin and the investigation concluded that the City's water system is "*mostly influenced by microbiological activity and iron and manganese scale*" which are present at the water source and "*these factors elevate the lead, copper and iron corrosion*" which are then transported through the water distribution system. It is important to note, that the microbiological activity that is occurring in the water system is caused by microbes that occur naturally in the groundwater and in drinking water; and by themselves are not a health concern. The Water Quality Investigation recommended that the City conduct a study of the Mosinee Avenue drinking water aquifer and the three wells for the purpose of developing recommendations for "*possible changes to the well structure, (Water Treatment Plant) operation and maintenance*" that will reduce the factors which are elevating the levels of lead, copper and the formation of disinfection by-products in the City's water distribution system.

The Mosinee Avenue Water Aquifer & Well Study was completed in October 2013 by *Town & Country Engineering, Inc.* of Madison, Wisconsin and the study revealed that high microbiological activity in the well water is not being adequately removed by the existing water treatment (filtration) system and this microbiological activity is a contributing cause to the lead & copper corrosion problems and also the formation of disinfection by-products present within the drinking water distribution system. The Water Aquifer & Well Study recommended that the City rehabilitate the three (3) municipal drinking wells to eliminate the significant microbial growth within the existing wells and the study also recommended that the City conduct pilot-testing at the Water Treatment Plant to determine the most effective process for treating our municipal drinking water.

The extensive pilot testing of alternative water treatment systems was completed at the Mosinee Avenue Water Treatment Plant by *Town & Country Engineering* in June 2014 and the testing results determined that the treatment plant should be retrofitted to establish a new Biologically Active Filtration System to improve the treatment of our municipal drinking water. The pilot testing results have indicated that the proposed treatment system will “*economically provide enhanced removal of iron, manganese and organic carbon from the drinking water*” and the new system will also bring the City back into compliance with the lead, copper and disinfection by-products drinking water quality standards. The pilot testing results of the proposed filtration system also revealed that the clarity of the City’s drinking water will be much improved!

Based on the results of all three studies that were completed, the City Council authorized that the three water wells be reconstructed and that the Water Treatment Plant be retrofitted to include the following improvements:

- Conversion and upgrade of three (3) existing vertical water treatment filters.
- Installation of a new horizontal secondary water treatment filter.
- Installation of two new calcite contractor tanks for ph control.
- Construction of a new chemical feed room and bulk chemical storage area.

The City Engineering Consultant’s total estimated construction cost (including engineering) for rehabbing the existing three municipal drinking wells and also retrofitting the Water Treatment Plant at the Mosinee Avenue Water Utilities Facility is approximately \$2,717,190.

The City applied to the State of Wisconsin’s Safe Drinking Water Loan Program to provide loan and grant financing for the planned water system improvements at the Mosinee Avenue Water Utility facility. Fortunately, the City has been approved to receive a Principal Forgiveness Grant of up to \$392,669 and the City will also receive a low interest (currently 1.65%) 20-year loan to finance the remaining costs of the project.

Unfortunately, in order to pay the debt service for the Mosinee Avenue Water Utility Facility Improvements Project it is necessary to increase the City’s water and public fire protection utility service rates. Therefore, in September 2014 the City submitted an application to the Public Service Commission of Wisconsin (PSC) to increase the City’s water utility rates. Coincidentally, prior to submitting the water rate increase application, the City received a letter from the Public Service Commission of Wisconsin in August 2014, which requested that the City consider filing a water rate increase application to improve the City Water Utility’s financial status that (according to the PSC) has experienced a “*75% increase in operating expenses since the last water rate case was completed in 1998*”.

The Public Service Commission of Wisconsin staff notified the City in January 2015 that they have completed their review of the City’s water rate increase application and that the PSC staff is recommending that the Public Service Commission approve a new water & public fire protection service rate schedule that will increase the monthly bill for an “*average residential customer that uses 3,000 gallons per month*” by \$13.02 per month.

PROJECTED MONTHLY WATER & FIRE PROTECTION RATE INCREASES BASED ON HOUSEHOLD TYPE

<u>1-Person Household</u>	<u>2-Person Household</u>	<u>3-Person Household</u>	<u>4-Person Household</u>
+\$9.54	+\$13.02	+14.76	+\$16.50

It is very important to point out that the City’s Water and Fire Protection rates have not been increased since 1998 (17 years).

We would also like to confirm that the proposed water rate increase is not related to the City’s Rib Mountain Sanitary Sewer Forcemain Project that was completed a few years ago and that the City’s sanitary sewer service rates will not be increasing due to the Mosinee Avenue Water Utility Facility Improvement Project.

As indicated in the Public Hearing Notice that is included on the back of this article, the Wisconsin Public Service Commission has scheduled a telephonic Public Hearing pertaining to the City’s water rate increase application for Wednesday, March 4, 2015 at 10:00 a.m. in the City Hall Council Chambers. Additional information pertaining to the Public Hearing is included in the public notice.

If the City’s water rate increase application is approved, the City is anticipating that the new water & fire protection utility rates will go into effect April 1, 2015.

If you have any questions or require additional information pertaining to the Mosinee Avenue Water Utility Facility Improvement Project or the proposed water utility rate increase, please do not hesitate to contact Director of Public Works Kevin Breit (publicworks@mosinee.wi.us) at 715.693.3840 or City Administrator Jeff Gates (cityadm@mosinee.wi.us) at 715.693.2275.

The City is confident that the improvements at the Mosinee Avenue Water Utility Facility will provide safe and reliable municipal drinking water to our community for the next 20 years and beyond!



PUBLIC NOTICE TO ALL CUSTOMERS OF THE MOSINEE MUNICIPAL WATER AND SEWER UTILITY

The City of Mosinee Municipal Water and Sewer Utility has filed an application with the Public Service Commission of Wisconsin (PSCW) to increase water rates. The increase is necessary to finance the capital costs related to the water system improvements at the Mosinee Avenue Water Utility Facility and is also due to a seventy-five percent (75%) increase in operating expenses since the City's last water rate case was completed in 1998.

The total increase in water revenues requested is \$374,819 which will result in an estimated overall rate increase of 48 percent over the water utility's present revenues. If the request is granted, the water bill for an average residential customer with a $\frac{5}{8}$ -inch or $\frac{3}{4}$ -inch meter who uses 3,000 gallons of water per month will increase from \$17.73 to \$27.85, or 57% (not including the public fire protection charge), and will increase from \$26.83 to \$39.85, or 49% (including the public fire protection charge).

A telephonic public hearing on the application has been scheduled for Wednesday, March 4, 2015 at 10:00 a.m. in the Council Chambers of the Mosinee City Hall located at 225 Main Street, Mosinee, WI. Scheduling questions regarding this hearing may be directed to the PSCW at (608) 266-3766.

A person may testify in this proceeding without becoming a party and without attorney representation. A person may submit this testimony in only one of the following ways:

- Web Comment. Go to the Commission's web site at <http://psc.wi.gov>, click on the "Public Comments" button on the side menu bar. On the next page select the "File a comment" link that appears for docket number 3890-WR-102. Web comments shall be received no later than the day before the hearing.
- Oral Comment. Spoken testimony at the public session.
- Written Comment. Instead of speaking at the hearing, write out a comment and submit it at the public session.
- Mail Comment. All comments submitted by U.S. Mail shall be received no later than the day before the hearing and shall be addressed to: Attn: Docket 3890-WR-102 Comments, Public Service Commission, P.O. Box 7854, Madison, WI 53707-7854.

The PSCW intends to webcast this hearing live on the PSCW's web site at <http://psc.wi.gov> under the "PSC Live Broadcast" button.

All documents in this docket are filed on the Commission's Electronic Regulatory Filing (ERF) system. To view these documents: (1) go to the Commission's web site at <http://psc.wi.gov>, (2) enter "3890-WR-102" in the box labeled "Link Directly to a case," and (3) select "GO".

If you have any questions, please contact the City of Mosinee at (715) 693-2275.