

From the Mayor...

October 6, 2017

As part of a public education campaign to explain the city's forty million dollar wastewater utility upgrade and expansion project, we held the last of four neighborhood information meetings earlier this week. Our city council members, wastewater utility manager, and wastewater-engineering consultants have been a very important part of those meetings. We hope we have given all of our residents the opportunity to understand this complex, expensive project.

To review, our current sewage treatment plant is at capacity and our aging system of collection pipes (pre-1900 construction for some) are failing and causing dangerous washouts and street collapses. We are quickly running out of time to fix both of these issues. Without any significant delays, we anticipate a mid-year 2020 completion of this almost four-year project.

Wastewater plant expansions are typically engineered to last twenty years to avoid obsolescence and meet community needs. Our current plant went online in 2003. That means we only made it about 17 years, which isn't a bad thing. Two things have contributed to that. First, and most obvious, growth has created increased treatment volume. Second, our current system of aging pipes is allowing clear storm water to infiltrate into the system that increases volume unnecessarily. We must fix our aging collection pipes to eliminate this strain on the system.

To secure financing for the project, we will use the Indiana Finance Authority State Revolving Loan Fund. We have applied for the SRF loan because it has more favorable rates than we could expect on the open bond market. IFA has approved our project for financing. We will use two separate SRF loans to do the project in two phases.

Phase one will be the rehabilitation of the collection system. Seventy three thousand lineal feet of aging wastewater pipe will be "slip lined" along with 250 manholes. Most of the repairs will all be done underground in 2018; however, there are a few thousand feet of undersized pipe that can't be lined. It will be replaced and require road cut access to accomplish.

Phase two, involving plant expansion and upgrades, is set to begin in late 2018 and run through mid 2020. Previous planning will allow us to expand on our current site. Treatment capacity will be increased from four to six million gallons a day, designed to accommodate future local growth. We will also upgrade facilities to meet EPA mandate for phosphorus elimination (required in July of 2020), and improve operational costs and efficiencies.

A two-phase sewage fee increase (January 2018 and 2019) will generate revenue to support the SRF loan repayment. Our current monthly flat rate of 32.60 for all residential users will increase (phase 1) to 39.15 on January 1, 2018. Phase 2 will generate a similar increase effective January 2019.

Our current rates are very low for Hoosier communities our size. They have not been raised for ten years. The total of these increases will put our monthly rate right in the middle at the state average of 45.29. By contrast our neighbors in Nappanee and Columbia City currently pay over seventy dollars a month.

Finally, for residential users, beginning in 2018, we will switch from a flat rate and begin billing based upon actual usage (flow). Our commercial users have metered their flow for many years. We will use Indiana American Water Company water meter readings as a basis for the residential flow measurement component. The residential bill will consist of metered flow and a base charge. Because meters measure actual usage, smaller households may actually see lower rate increases and larger households could see higher. Our city council supports the switch as more fair to the residential users. Current residential dwelling units that are on wells will continue to pay the flat fee. We also expect to make adjustments for summer watering etc. in the near future.

This is certainly a lot to try and explain in 500 words but hopefully it will give you a better idea of the challenges we face as the result of aging infrastructure and a growing city. The rate adjustment will be considered for final approval by the City Council on October 16th at 7:00 pm at City Hall.