

The Water Source

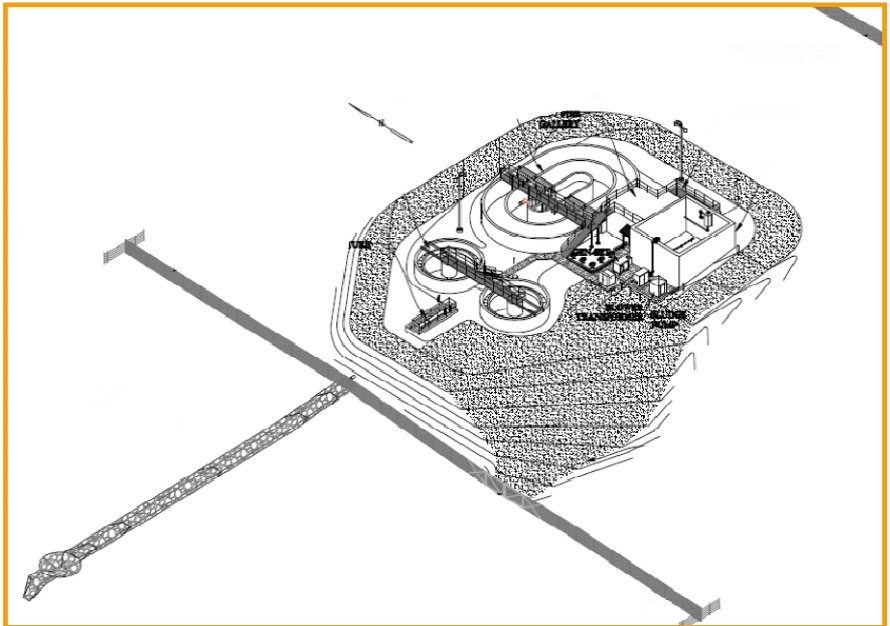


FALL 2015

PUBLIC WATER SUPPLY DISTRICT NO. 3 OF JOHNSON COUNTY

DD Hwy Wastewater Treatment Plant

Public Water Supply District No. 3 has been fortunate to receive various grants and loan money from several government organizations. We were awarded a \$500,000 grant from Community Development Block Grant (CDBG) and a grant from United States Department of Agriculture (USDA) Rural Development for \$855,000. Recently, we were awarded another \$1.261 million grant from the Environmental Protection Agency (EPA) to be used for both water and wastewater. \$831,840 will



contribute towards the wastewater improvements treatment plant. USDA has also assisted with a \$1,123,000 low-interest loan. Our total estimated budget for the new wastewater treatment plant is \$3,109,254.

Layout of the Future SE DD Hwy Wastewater Treatment Plant



We are very thankful for the grants and low-interest loan, because there would be no feasible way to fund this project without all of these entities providing the grant funding.

On September 10, 2014 PWSD #3 opened bids for the original wastewater treatment plant design. Unfortunately, the bid opening did not go as planned and the construction bids were over budget. This major set back forced us to re-design the plant and resubmit the new design for approval. Re-designing the plant drastically changed our timeline. However, it also allowed us more time to secure additional funding such as the EPA GRANT we recently received. We are hoping to rebid the newly designed wastewater treatment plant in November 2015. If bids are within budget, we anticipate construction to begin in spring 2016. Construction will take approximately 18 months, which means the wastewater treatment plant should be fully operational by end of 2017.

Our ultimate purpose and requirement for this project is to comply with EPA / DNR regulations for wastewater effluent leaving the treatment facility.

Comparable Wastewater Improvements

Public Water Supply District No. 3 fully understands the expense and impact of the wastewater bill. However, we are not the only entity faced with this difficult predicament. Several other public wastewater treatment facilities in our area are challenged with similar circumstances.

Related News Articles

- “Centerview—Kris Swope said she is trying to get a USDA Rural Development grant to help pay for the project. Rates would be based on 2 percent of the average household income, or \$51.10 per 5,000 gallons of water per month.” Daily Star Journal, July 17, 2014.
- Centerview—The Daily Star Journal reported on July 23, 2015 that “The minimum sewer bill would be \$60 per month, Swope said, or about a \$20 increase for households using 5,000 gallons of water per month.”
- Leeton—“City has 4 years to face sewer issue” Daily Star Journal, December 20, 2013.
- Chilhowee—The Daily Star Journal reported on March 19, 2013 that the city of Chilhowee is looking at spending \$1.7 million for a wastewater treatment facility.
- Chilhowee—“Without voter approval of an Aug. 5 revenue bond issue, the city will not be able to afford needed wastewater repairs. The city additionally will face violations, fines and a possible shutdown from the Missouri Department of Natural Resources.” Daily Star Journal, July 22, 2014.
- “Knob Noster—Aldermen will use the Missouri Public Utility Alliance to combat a Department of Natural Resources official who said the city must shut down Valley Hill backup sewer lagoon at the city’s expense” The Daily Star Journal, March 21, 2012.
- Warrensburg—Patrick Young of HRD Engineering stated “It’s actually quite common for your sewer bill to be higher than your water bill because of the cost that goes into cleaning before sending sewer water back into the environment. In Kansas City, the sewer bill is more than the water bill.” - Daily Star Journal, November 27, 2012.
- Kansas City—The Kansas City Star, August 8, 2012 “Kansas City residents can now expect to see their rates go up 15 percent for two years, and 13 percent each year after that until 2020, to help pay the costs of borrowing the \$500 million. The average monthly sewer rate would be about \$45 by 2015 and \$84 by 2020.”
- Holden—“Tony Lerda said the department is under an EPA mandate to make the improvements. Lerda said sewer rates will be under \$50.00 per month, which is lower than other towns pay for similar projects. Residents of one town will pay \$120.00 per month just for sewer, he said.” - Daily Star Journal, February 5, 2015.
- Holden—Water Superintendent Tony Lerda said “Sewer rates will be: \$7.10 monthly customer service charge; \$16.84 for debt service; \$4.45 per 1,000 gallons used.” - Daily Star Journal, May 11, 2015.

Hickory Hill Wastewater Rates

Our wastewater lagoons have been out of compliance for several years and if we do not take action to correct the problem we will be in jeopardy of EPA / DNR taking legal action to mandate compliance.

Since beginning this project PWSD #3 has been proactive in trying to help our situation while we are in the process of building our wastewater treatment plant.

- In 2006 we repaired and replaced several wastewater mains that previously had cracks and blockages.
- In 2011 we dredged our lagoons to improve the effluent water that was leaving our lagoons.
- In 2014 we anticipated beginning the construction of the wastewater facility however, that did not happen due to construction costs being significantly over budget.
- Since 2014 we have redesigned the original treatment plant and submitted the new design to all of the government organizations that have been involved. We have also been awarded additional funding from another agency that was previously not involved. Adding the additional funding now requires approval from all agencies making the process move slower. We are currently awaiting approval of the new design by all organizations.

In 2016 our current wastewater operating permits will expire. We have submitted an application to renew our existing wastewater operating permits. However, we continue to receive notices of violation for exceeding the effluent limitations. Since 2008 we have received 45 letters of warning.

2008	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
10	8	7	6	4	4	6

Due to the large expenditures PWSD #3 has incurred with this project, we would like to take this time to inform you of a change in your wastewater rate that will take effect on the November 2015 billing cycle. The new minimum rate will increase from \$45.00 to \$47.00 for your first 1,000 gallons. The rate per additional 1,000 gallons will increase from \$3.00 to \$5.00. In 2016 our **projected** rates will be \$47.00 for your first 1,000 gallons and \$8.00 per additional 1,000 gallons of water. Wastewater rates will continue to be evaluated annually to meet USDA & CDBG requirements to insure proper funding to cover operational and construction costs. To receive USDA & CDBG grant funding we are required to have a wastewater billing rate that meets the 2% median income of the area served.

Gallons	<u>Current</u> <u>Rates</u>	<u>November</u> <u>2015</u>	<u>November</u> <u>2016</u>
1,000	\$45.00	\$47.00	\$47.00
5,000	\$57.00	\$67.00	\$79.00

No More Late Payments!

We understand that our customers are just as busy as we are. Remembering to pay the water bill may be the last thing on your mind. Never pay a late charge or processing fee again. PWSD #3 would like to encourage our customers to try the fastest, most convenient way for you to pay the water bill—ACH. By enrolling in the **FREE** direct payment program, your payment will automatically be withdrawn from your checking or savings account.

To sign up for automatic bank drafting, please fill out the Authorization Agreement for Direct Payment form which can be found on our website or in our office. Please include a voided check along with the completed form.

Auto Dialer


Public Water Supply District No. 3 believes it is important to keep our customers informed about their water. To do so may require sending a message via phone and / or email.

You may receive a message for any of the following reasons:

- Water Main Repair
- Late Notice Reminder
- Disconnect Notice
- Boil Order
- Quality Control Flushing

In emergency situations it is essential to have current phone numbers and email addresses to communicate with our customers. If your contact information has changed, please notify our office so we may update our records.

Presorted
First Class Mail
U.S. Postage
PAID
Warrensburg, MO
Permit No. 75


Public Water Supply District No. 3
of Johnson County
106 SE 421 Road
Warrensburg, MO 64093