

Wastewater Utility Rate Increase Proposal: *Public Meeting*

Jan 19, 2020



Aging infrastructure has created the need for repairs, upgrades, and mandated improvements from the Ohio EPA

Mount Vernon

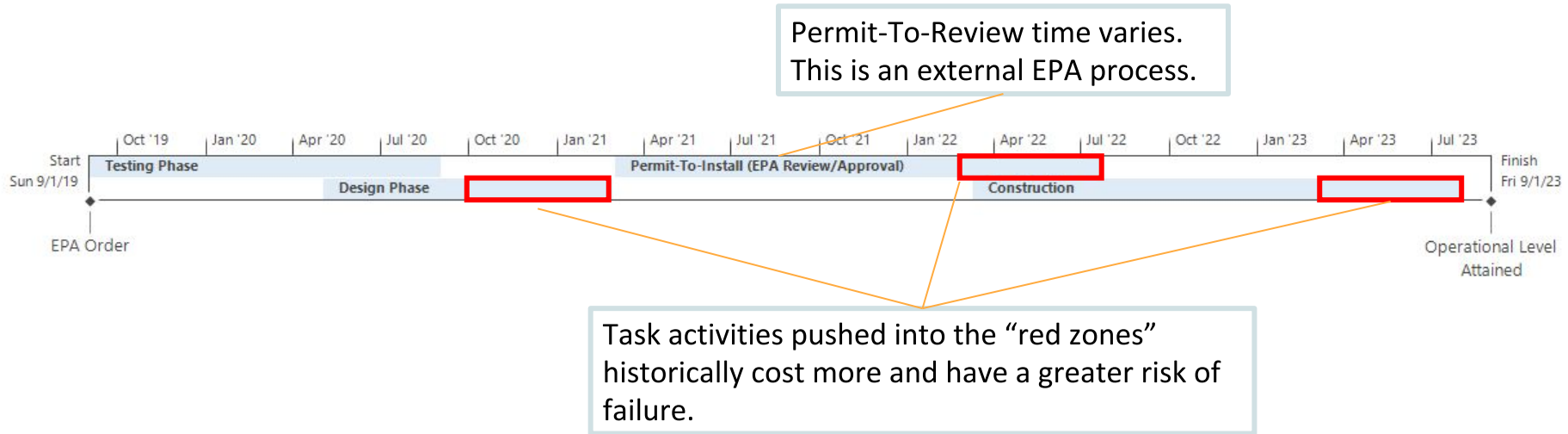
- The Wastewater Treatment Plant has been running 24/7 for decades and treats an average of 3 million gallons of wastewater each day.
- There are 219 miles of wastewater lines in the City of Mount Vernon Collection System many have completed their useful life cycle of about 100 years.
- There were approximately 57 sewer back ups in 2020.
- The EPA has mandated the wastewater department to make specific improvements to the system to ensure compliance within 5 years from the start date.



Fountain St.

The American Society of Civil Engineers states that **Ohio needs to spend \$14.58 billion on Wastewater infrastructure needs over the next 20 years.**

Phosphorus Optimization Treatment System and Clinton Road Pump Station SSO Elimination are EPA Mandated Projects that have been estimated to cost \$11,000,000 in total



EPA Order requires compliance for both projects within five years starting on Sep 1, 2019

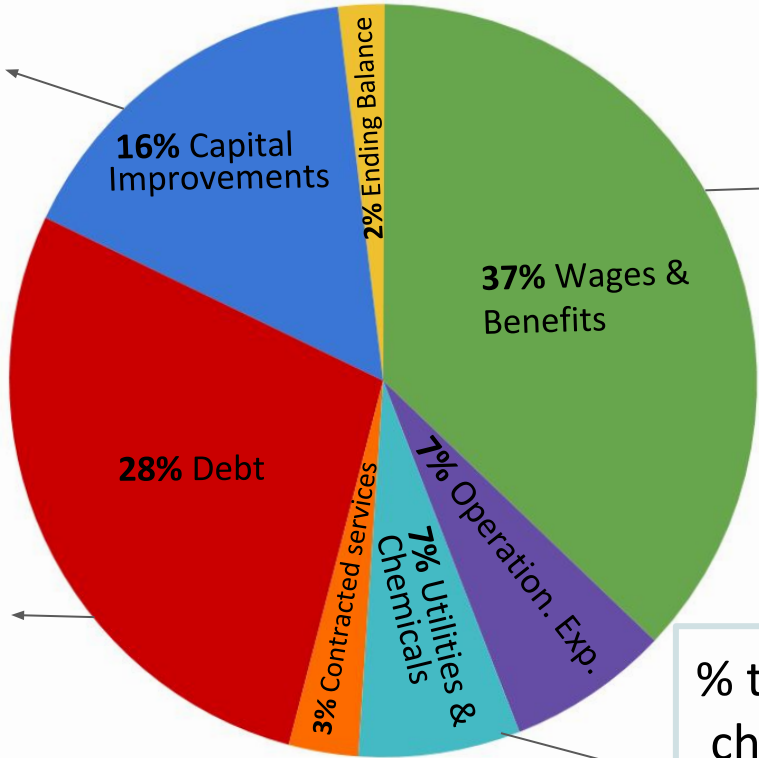
Projects in line for 2021 that your money will help fund

Wastewater Projects	Status	Planning level cost estimates (NOT FINAL BUDGET)
1) Oak St / S Catherine St sanitary sewer replacement	Out to bid. Needs budget approval to start construction	\$457,000
2) Clinton Rd sanitary sewer replacements Phase 1	Ready to bid	\$104,000
3) Engineering work on wastewater treatment plant	Underway	\$60,000
4) Manhole Rehabilitations	Needs budget approval to start	\$25,000
5) Clinton Rd engineering phases 2 - 4		\$150,000
6) Small repairs related to inflow & Infiltration to sanitary sewers		\$75,000
7) Replacing doors at wastewater treatment plant		\$12,000
8) ½ of the purchase of water meters and Flex Net System		\$11,025 (Flex Net) \$80,000 (½ of water meters)
9) Lift station Maintenance		\$22,500
10) Engineering services for manhole rehab and inflow & infiltration		\$49,400
11) Digester rehabilitation construction and design of Phase 2 phosphorus and sludge handling	Needs approval to borrow funds	\$5,000,000
12) Line improvements and extensions	Under construction (\$60K)	\$80,000

A users wastewater fee in 2019 was allocated most to capital improvements, wages & benefits, and debt

Project list will continue to grow as aging infrastructure fails, resulting in % increase over time

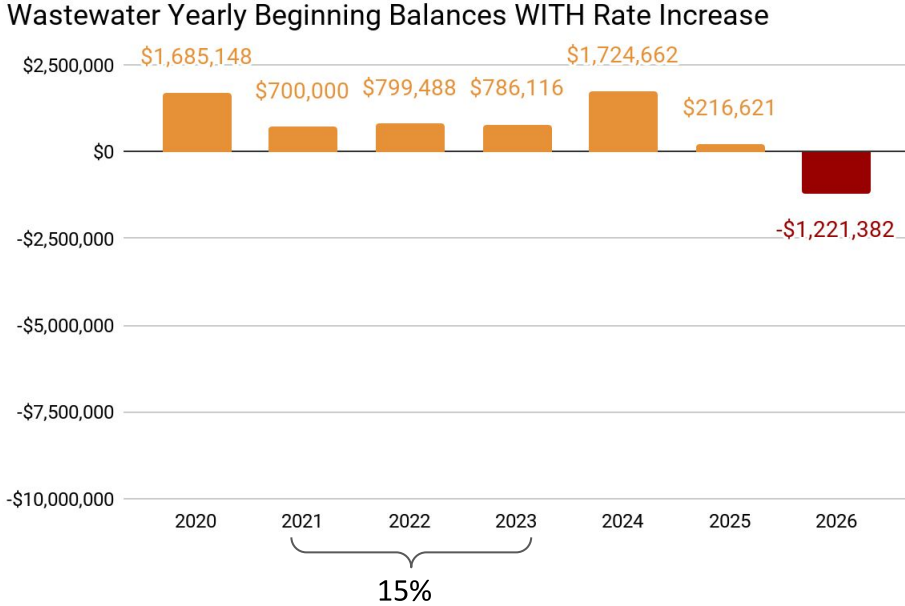
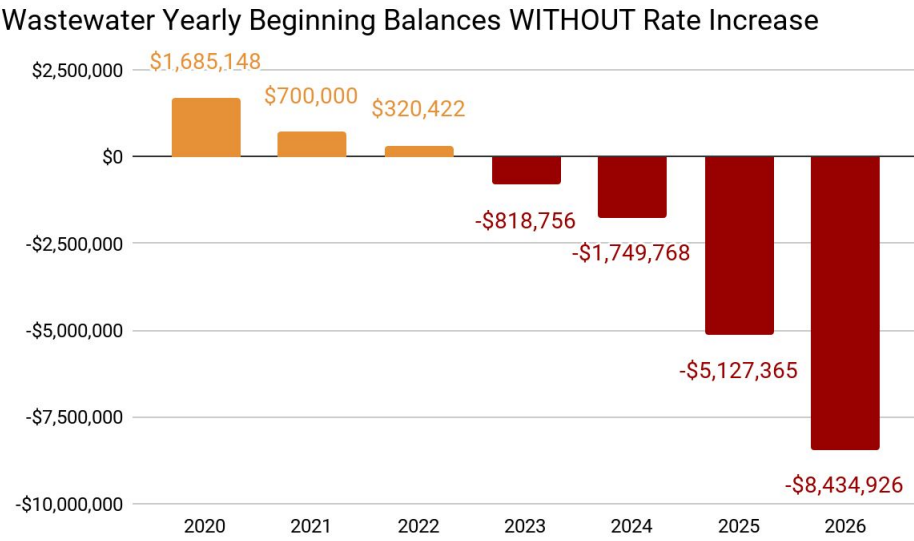
% will continue to increase as more debt is able to be taken on through bonds. Debt will only be available to the department if they continue to be in good credit standing



Wages & benefits to increase at an average of 2% annually

% to increase as more chemicals needed to treat phosphorus

The proposed increase is needed in order to prevent a deeper deficit in the Wastewater Department funds



If we do **NOTHING** we may end up in a situation similar to our neighbors in Mansfield, OH. They had to increase rates for the next four years and instill an annual increase thereafter when the Ohio EPA mandated them to review their rates to ensure mandated improvements could be completed.

In 34 years there have only been 8 wastewater rate increases

Wastewater Rates per Month						
Year	Minimum fee	Increase		Year	Minimum fee	Increase
*1986	\$4.53	0%		*2010	\$12.44	11%
*1987	\$6.00	32%		*2011	\$13.80	11%
*1988-1990 (3 yr period)	\$6.00	0%		*2012-2016 (5 yr period)	\$13.80	0%
*1991	\$8.25	37%		2017	\$19.60	42%
*1992	\$9.08	11%		2018-2020 (3 yr period)	\$19.60	0%
*1993	\$9.98	10%		Mar-21	\$22.56	15%
*1994-2008 (15 yr period)	\$9.98	0%		Jan-22	\$25.92	15%
*2009	\$11.20	12%		Jan-23	\$29.80	15%

* was billed quarterly - adjusted to monthly basis

Appendix



Nearby towns pay upwards of about 4.5 times more for their wastewater services

Nearby Towns	Minimum Wastewater Fee	Wastewater Usage Fees if Exceed Minimum	3000 gallon user monthly fee
Danville	\$19.50 minimum + \$25.00 wastewater improvement fee= \$44.50 wastewater fee for up to 2000 gallons of water and wastewater used (billed together)	Minimum fee + \$6.00 per additional 1,000 gallons	\$50.50
Fredericktown	\$30.77 minimum for first 1500 gallons of wastewater used	Minimum fee + \$8.91 for every 500 gallons over minimum	\$57.50
Centerburg (based on a 5/8 meter)	\$15.00 minimum Inside village fee + \$22.57= \$37.57 for first 1000 gallons of wastewater used	Minimum fee + \$22.81 per 1000 gallons over minimum	\$83.19
Mount Vernon	\$4.90 fee per 100 cubic with minimum of 400 cubic feet (2,992.2 gallons) of wastewater used	\$19.60 minimum fee + \$4.90 for each 100 cubic feet over minimum	\$19.60