

October 2015  
Volume 10,  
Issue 3

A publication of American Structures, Inc. ~

**"Dedicated to being the trusted supplier of Bolted Stainless Steel Storage Tanks."**

**Water Costs Trending on the Rise Nationwide . . .**



**Construction  
Projects Near  
Completion  
At American  
Structures, Inc.**

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## **We're Not There Yet, But We Can See It From Where We Are . . .**

After nearly six months of construction, American Structures' expansion projects are nearing completion. September saw the completion of the exterior administration addition, roof, and installation of the windows and doors. Work began on electrical wiring, plumbing, phone and computer lines, and the like. October brings continuing progress.

We anticipate that sheetrock, taping, trim, and other interior finish work will progress rapidly, as we are no longer at the mercy of the weather.

Our customers can now access the business offices through a temporary door in the new addition to our main office spaces, which is plainly marked for your convenience. As work continues on schedule, we anticipate that by the New Year, we will be completed with this large expansion undertaking and will be moved into our new work spaces.

If you are in the area, stop on in and check out the new goings on!

Public Works Director Randy Eide told the Menomonie City Council in late September 2015 that the Menomonie Water Department has been operating in the red for the last two years. As a result, the department has filed an application with the Public Service Commission of Wisconsin for a 32% increase of \$452,087.00 over the water utility's current revenues.

According to the application, the increase is needed because of a 34% increase in gross plant investment, as well as a 51 percent increase in operating expenses since 2001.

If the PSCW grants the city's request, the water bill for a residential customer who uses 10,500 gallons of water per quarter would increase 36% from \$31.51 to \$42.90 -- not including the public fire protection charge. With the charge, the increase would be from \$46.36 to \$57.75, a hike of 25 percent.

"This is significant," Eide said. "Sometimes when we say the water rate's going up 20 or 30 percent, people think it's their total bill. It's not; it's one line item on their bill."

There will be no increase in the sewer, fire protection, recycling and landfill rates, Eide noted.

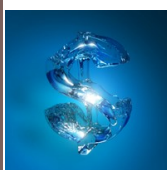
The PSCW will hold a telephonic public hearing on the city's application will be held on Tuesday, Oct. 13 at 10 a.m. in the City Council Chambers (third floor of the Dunn County Government Center, 800 Wilson Ave., Menomonie).

Eide said notices about the upcoming hearing will be sent to residents in their water bills and



**The Cost of Water  
is on the Rise  
Locally AND  
Nationwide**

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## **City of Menomonie Water Department requests rate hike from the Public Utilities Commission of Wisconsin**

For the past 14 years, the City of Menomonie's water rate has remained the same. In fact, Menomonie's rate currently ranks as the 55th lowest out of 73 Wisconsin municipalities.

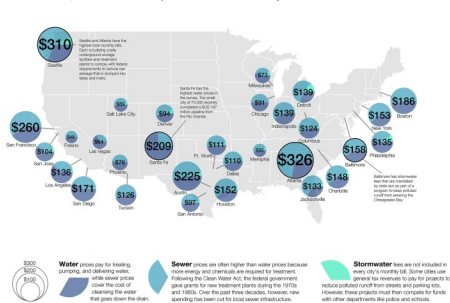
will also be posted on the city's website and Facebook page.

In addition to oral or written comments during the hearing, comments can also be registered up to the day before the hearing via mail or on the PSCW's website at <http://psc.wi.gov>.

While the price increase may seem steep to some, it seems reasonable to request a rate change in light of the many years where the rate has not been increased. Given the percentage of increase in operation costs and capitol improvements, it would make sense to increase the rate at this time, rather than continue to run the Department in the red.

While water usage costs remain by far the best bang for the tax payer's buck, perhaps the City might re-evaluate the frequency of their rate increases to match the fluctuations in cost and revenue as they occur, rather than wait 14 years. Perhaps more moderate increases every five to seven years would keep the gap between cost and revenue smaller and not necessitate such a large increase all at once.

THE PRICE OF WATER: 2015  
Contaminated water, sewer and stormwater prices for households in 30 major U.S. cities.



Regardless, given Xcel Energy's recent request for a rate increase, it seems probable that this proposed rate increase may incite public controversy. Attend the hearings and let your voice be heard on this matter.

**Source:** [http://chippewa.com/dunnconnect/news/local/wanted-two-new-council-members/article\\_cc8806b8-0b5f-5158-9bfb-7350ee248dae.html](http://chippewa.com/dunnconnect/news/local/wanted-two-new-council-members/article_cc8806b8-0b5f-5158-9bfb-7350ee248dae.html)

## Consumers Can Expect Rising Water Utility Costs Nationwide . . .

As urban water use declines, utilities change business models.

In the decade following World War II, America's cities, resurgent from an economic depression and powerful in the wake of a global military triumph, installed and expanded the far-reaching water supply networks that propelled a generation of widespread economic growth, prosperity, and improvement in public health.

Facilities to cleanse the nation's waterways of harmful pollutants and organic wastes followed in the 1970s, thanks to generous federal grants and civic outrage and the rising awareness of pollution.

The results of those investments — the thousands of miles of distribution pipes beneath city streets, the lengthy water transport and treatment infrastructure — are now cracked or brittle. The bill to repair and renew America's long-neglected water systems is coming due. **Rebuilding will not be cheap, but it is achievable.**

Continuing a trend that reflects this disrepair and shows no sign of slowing, the price of residential water service in 30 major U.S. cities rose faster than the cost of nearly every other household staple last year, according to Circle of Blue's annual water pricing survey.

The economics of water — particularly the cost of treatment, pumping, and new infrastructure, as well as the retail price for consumers — gained renewed prominence as California and Texas, America's two most populous states, face historic droughts and water managers sought to rein in water consumption, with price increases as one tool in their arsenal.

The average cost of a family of four using 100-150 gallons of water per day rose between 4.2-6% annually in 2014 and the trend is continuing to rise. Water rate hikes are expected to outgrow inflation for the foreseeable future.

For the first time, Circle of Blue's survey included sewer prices and fees for controlling urban runoff from rainstorms. Together, the three charges — water, sewer, and storm water — provide a complete picture of the rising cost of

water for families in the country's largest cities. Though rates are steadily increasing, residents are lowering bills by using less water.

Many households are conserving. Austin, Texas, for example, sold nearly 10 billion gallons less water in 2014 than in 2011, a 20% reduction. The city achieved this by dramatically increasing its rates for the highest-volume users, while enforcing lawn-watering restrictions that were prompted by a record drought, according to David Anders, assistant director of finance for Austin Water. Nationally, residential water use dropped nearly 7% between 2005 and 2010, according to the U.S. Geological Survey.

Just as in the declining revenue available to build and repair highways — the result of rising costs, more fuel efficient vehicles, and less driving — financing water systems is a challenge because of the mismatch between the costs to operate a water utility and the utility's revenue source. Roughly 80% of a utility's costs — such as debt payments — are fixed, meaning they must be paid regardless of how much water is consumed. But residents pay for water primarily based on the volume used, which typically accounts for 80 to 90% of revenue.

The new reality for utilities is how to bring those numbers into closer alignment. And they must do so without making small amounts of water for basic needs unaffordable. Revenue stability, conservation, and affordability of basic water availability for the poorest residents is the challenge at hand.

The upheaval caused by changing patterns of water use are an opportunity for utilities to reevaluate long-term plans. Are new supply projects necessary? Do managers need to worry about budgeting for expanded drinking water treatment capacity? Should rate structures be rebuilt? The whole idea of conservation and efficiency is to avoid variable costs in the short term and fixed costs in the long term.

**Source:** <http://www.circleofblue.org/waternews/2015/world/price-of-water-2015-up-6-percent-in-30-major-u-s-cities-41-percent-rise-since-2010/>