

## Village to boost sewer rates 10%

Written by MARK JAEGER

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### Utility superintendent blames increase on rising expenses, reduced demand for water in community

The Saukville Village Board voted unanimously last week to raise sewer rates by 10%.

For village homeowners, the increase will include the quarterly residential equivalency charge, which will rise from \$37.11 to \$40.82, and the use-per-1,000-gallons rate, which will rise from \$5.73 to \$6.30.

Village officials said the annual sewer bill for the average household will increase \$52 under the new rate.

For the village's largest water user, Charter Manufacturing, the increase will cost more than \$50,000 a year. The company uses more than 22 million gallons of water a year.

The new sewer rate will go into effect Jan. 1, 2012, but since the utility bills quarterly, the impact of the hike won't be felt until bills are issued in April.

According to Utility Supt. Gerry Dickmann, the hike was a simple lesson in physics — for every action, there is an equal and opposite reaction.

Dickmann said the action that spurred the need for the rate increase is the drop in water usage in the village.

“Water use in the village is down, but we still have expenses. There is nowhere else that money is going to come from unless we put in a new subdivision somewhere,” he said.

“Our business use hasn't been what it used to be for years, and frankly, all the efforts by people to conserve water are costing us money. If they save water, we have to raise rates to accomplish what we need to do. Wastewater keeps flowing.”

To justify the rate hike, Dickmann presented trustees with a long list of current and future equipment expenses the utility faces totaling more than \$240,000.

Among those expenses is \$18,500 to update phone lines to lift station phone lines, \$14,000 to replace disinfecting ultraviolet lights at the wastewater treatment plant, \$50,000 for a compactor for a bar screen at the plant and nearly \$150,000 to replace various pumps between now and 2015.

“A lot of these items are things that just wore out. Some of this stuff we've repaired two or three times,” Dickmann said.

Despite those painstaking efforts, he said some of the equipment the utility continues to use has

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outlived its useful life.

“There is no one left to repair the equipment from the dinosaur age,” Dickmann said.

According to the village, the wastewater utility started the year with a fund balance of \$340,000, but that amount has dwindled with more than \$91,000 in equipment spending.

According to Department of Natural Resources regulations, it is recommended that the utility maintain a fund balance of \$243,000, meaning it now has only a marginal cushion.

Dickmann also joked that the utility’s interest income “is in the toilet.”

As recently as 2008, the utility earned as much as \$71,000 in interest income, but his report to village officials showed a projected income of just \$18,000 this year.

“I don’t think we will get that much,” Dickmann said.

The Utility Committee considered rate hikes of 3% and 5% before recommending the 10% increase.

Village President Barb Dickmann, who is married to the utility superintendent, told trustees the larger increase would be more expedient for the village.

“If we raise the rate 5%, there is a 100% possibility we’ll be back in one year saying another 5% increase is needed,” she said.

The last time sewer rates were increased was 2010, when a 5% hike was approved.

Unlike water rates, sewer rates are not subject to review by the Public Service Commission.