**Wellington City Water Improvement Summary**

**Public Hearing – November 1, 2017**

The Wellington City Water System has 6 pressure zones which are supplied from the Wellington City Tank and 5 connections to the PRIWID supply lines. System capacity is determined in terms of available pressures and flows under various system demand scenarios, including a fire flow event. The system capacity is generally acceptable, with the exception of Zone 4, which is the south side of Main Street from 400 E to Arena Rd. Zone 4 has very low fire flow capacity due to fact that it is not a looped zone. It is also noted that the system does not have adequately spaced hydrants in some areas, which restricts the ability of the fire authority to fight fires in these areas.

The water system is comprised of PVC, Ductile Iron Pipe, Class Pipe, and Asbestos Concrete Pipe. The Asbestos Concrete (AC) Pipe is susceptible to leaks when the system experiences variations in pressure. The AC pipe is also very difficult to connect to and work with, and presents a health hazard to those that are working on it. It is generally recommended that AC pipe be replaced when at all possible.

The City has been systematically installing radio read water meters throughout the system. Approximately half of the system has been replaced. The radio read meters provide more accurate metering, as well as valuable system maintenance data. The City is considering completing the installation of the remaining meters, in addition to installing new meter setters in the locations that the new meters are installed.

The system has a single 500,000 gallon steel water tank to provide system storage. The tank was recently recoated, and structural repairs were made to extend the service life of the tank. The City is considering adding additional storage capacity to the system in order to meet state storage requirements and provide a backup for when the existing tank is no longer functional.

**Alternatives for Improvements:**

The following list includes options for approaching the improvements.

1. Do Nothing:
	1. Continue with status quo: Limited fire flow in Zone 4, Limited access to hydrants, Maintenance & Health Concerns with AC Pipe
2. Address Fire Flows in Zone 4 Only:
	1. PRV station + ~2000’ of 8” PVC Pipe
	2. Cost Estimate ~$500,000
3. Address Fire Flows and Replace all AC Pipe:
	1. Includes new hydrants, service lines, setters
	2. Cost Estimate ~$6.8 M
4. **Fire Flows, AC Pipe, Additional Storage (Proposed Option)**
	1. **Cost Estimate ~$7.7 M**

 **Project Funding Considerations:**

1. Wellington City Median Adjusted Gross Income (MAGI) – $37,438
	1. 1.75% ~ $54.60
	2. The funding agencies use MAGI to determine eligibility for some level of grant funding
	3. Current Rates
		1. $40 Culinary + Overages
		2. $17 Secondary
		3. Total ~$60/mo
2. Proposal for Project Funding
	1. ~$750,000 – DDW Grant
	2. ~$1,000,000 – DDW Loan (0%)
		1. DDW Total ~$1,750,000
	3. ~$4,000,000 – CIB Grant
	4. ~$1,971,213 – CIB Loan (0%)
		1. CIB Total ~$5,971,312
	5. Overall ~ 62%/38% (grant/loan)
3. Resulting Rates
	1. ~$80/mo (~$20/mo increase)
		1. ~2.6% of MAGI