

RESOLUTION 2021-01-09
RESOLUTION IMPLEMENTING PSC-DETERMINED WATER RATES
AND WATER STANDBY CHARGES

WHEREAS, the Trustees of the Village of Merrimac, Sauk County, Wisconsin, are committed to providing to all customers safe and reliable water service for both metered usage and Public Fire Protection (PFP); and

WHEREAS, on June 9, 2021, Village staff submitted to the Public Service Commission (PSC) a Conventional Rate Case (CRC) application [Docket 3630-WR-102] for an increase in Water Rates, a process which typically requires 7 months or more for PSC to complete; and

WHEREAS, PSC's proposed metered water rate structure will result in the percent changes for typical customers, as shown on the attached Schedule 14 of the Docket; and

WHEREAS, because PSC and Village staff, working together, were able to complete the CRC much more quickly than anticipated, the Public Hearing for the CRC will be held September 17, 2021, at 10 a.m.; and

WHEREAS, the PSC's Judge will issue his/her final order on or about October 5, 2021, allowing the Merrimac Water Utility to implement the new rates any time 1 to 90 days after the final order (October 6, 2021, to January 3, 2021); and

WHEREAS, Village staff typically read water meters over a 1-2 day period, near the end of each month (24th through 28th), so implementation of rates near the end of October, November, or December 2021, to coincide with the billing cycle, would be most convenient; and

WHEREAS, the PSC's new water rates are accompanied by a "Tariff," which governs the operation of the Village's Water Utility and whose goal it is to achieve a rational and fair basis for charging all Water Utility Customers; and

WHEREAS, regarding Standby parcels currently not receiving metered water service, Schedule Sws-1 of the Tariff raises per parcel Standby charges from \$2.50/month to \$6.50/month, and specifically states:

A standby charge shall apply to each lot or equivalent parcel of land for which water system facilities are available but are not connected. An equivalent parcel of land shall be each full 100 feet where unplatted. An isolated parcel of less than 100 feet shall be equivalent to a lot. Where more than one lot or equivalent is used as a unit and a customer is connected, the total charge for water service to such customer shall be not less than the standby charge applicable to the several lots. This rate is not applicable to land declared by the local municipality as unbuildable.

WHEREAS, a review of the Village's current application of Standby Charges does not entirely adhere to this standard and additional parcels must be assessed Standby charges – or multiple Standby charges – to adhere with the Tariff; and

WHEREAS, the Village has been diligent in informing the public about the need to generate additional revenue through Board Meeting minutes in the Village Voice, letters from the Village President (September 2020 and June 2021), publication of the Notice for Public Hearing on Water Rates in the August 2021 Village Voice, Sauk Prairie Star (September 9 issue), and the Village website; and

WHEREAS, the new Water Rates will implement a new Direct Charge to customers for PFP, which will in turn relieve the General Fund of a financial burden of \$42,750/year (\$3,560/month); and


WHEREAS, the Village's General Fund in recent years has operated at a chronic budget deficit and the Village's Water Fund is anticipated to have a significant shortfall in 2021, largely due to planning and design of upcoming Well projects; and

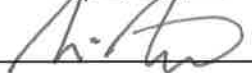
NOW, THEREFORE, BE IT RESOLVED by the Trustees of the Village of Merrimac, that:

1. The new Water Rates and PFP Direct Charges shall go into effect on or about October 26, 2021, after the October billing read, and applying to the November bill and forward.
2. The new Standby Charge rates and Methodology will go into effect on or about October 26, 2021.
3. All other aspects of the Tariff, which the Village's Water Utility is required by PSC to adhere to, will go into effect on or about October 26, 2021.

Adopted and recorded Sept. 14, 2021.

Approved Sept. 14, 2021.

APPROVED: 
Philip E. Budde, President

ATTEST: 
Brian P. Mooney, Administrator/Clerk/Treasurer

Merrimac Municipal Water Utility
Customer Water Bill Comparison at Present and Proposed Rates

Customer Type	Meter Size	Volume (1000 Gallons)	<u>Monthly</u>		Percent Change
			Bills at Old Rates	Bills at New Rates	
Small Residential	5/8"	2	\$ 17.30	\$ 24.60	42.20%
Average Residential	5/8"	3	\$ 21.02	\$ 30.40	44.62%
Large Residential	5/8"	6	\$ 32.18	\$ 47.80	48.54%
Large Residential	5/8"	12	\$ 51.26	\$ 82.60	61.14%
Large Residential	5/8"	24	\$ 76.46	\$ 152.20	99.06%
Multifamily Residential	5/8"	5	\$ 28.46	\$ 42.00	47.58%
Multifamily Residential	1 1/2"	13	\$ 61.88	\$ 100.40	62.25%
Commercial	5/8"	4	\$ 24.74	\$ 36.20	46.32%
Commercial	5/8"	8	\$ 39.62	\$ 59.40	49.92%
Commercial	5/8"	12	\$ 51.26	\$ 82.60	61.14%
Commercial	1 1/2"	17	\$ 70.28	\$ 123.60	75.87%
Public Authority	1 1/2"	4	\$ 33.26	\$ 48.20	44.92%
Public Authority	1 1/2"	30	\$ 97.58	\$ 199.00	103.94%
Public Authority	1 1/2"	45	\$ 123.60	\$ 286.00	131.40%
Public Authority	4"	25	\$ 116.24	\$ 200.00	72.06%
Fire Protection Charge (Total)			\$ 42,751	\$ 88,200	106.31%
Fire Protection Charge (Municipal)			\$ 42,751	\$ -	
Fire Protection Charge (Direct)			\$ -	\$ 88,200	

RESOLUTION 2021-03-09

RESOLUTION RECOMMENDING EXTENSION OF THE EXISTING ADOPTED VILLAGE OF MERRIMAC
COMPREHENSIVE PLAN

NOW, THEREFORE, BE IT RESOLVED, by the Village of Merrimac Board, met in regular session, recommends an extension of the existing adopted Village of Merrimac Comprehensive Plan until 2022, whereby the Village will complete an update to the plan for adoption by the Village Board; and,

BE IT FURTHER RESOLVED, authorization is granted to the Village of Merrimac Plan Commission to initiate the Comprehensive Planning process to update the Comprehensive Plan in 2022.

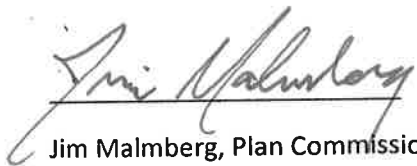
Adopted this 14th day of September, 2021 by the Village Board of the Village of Merrimac, Sauk County, Wisconsin.

Respectfully submitted,

VILLAGE OF MERRIMAC VILLAGE BOARD



Phil E. Budde, President



Jim Malmberg, Plan Commission Chair

Attest:



Brian Mooney, Administrator/Clerk/Treasurer