

WATER TOWER INFORMATION LETTER:

As many of you are aware, our water tower is in dire need of replacement. The water tower was built in the late 1947 and went on line in 1948. The life expectancy was 50 years and we have passed that milestone by 23 years.

The tank has been inspected over the years and some repairs have been done, the tank is in need of replacement. An inspection dated June 2013, stated that the tank had major areas of concerns. In March 2019, many of you can remember water coming out of the tank. The village was able to patch the concerned area, lowering the amount of water in the tank and reducing the pressure. All of these measures still assured that that the residents have safe water and water supply for our business and fire needs. Also, all of these measures were approved by the EPA.

In May of 2019, the village contacted numerous sources to investigate methods of funding, whether they would be grants or government zero interest loans. At that time, the village felt confident that the tower would be funded at 100%. Throughout the following months there were many roadblocks placed in our way but through precedence questionings, phone conferences and paperwork, we are very close to having a new water tower. The location will be at the current village property, which is the former school location.

From a financial standpoint, the estimated cost to install a new tower, run a new line from the plant to the tower, and remove the current tower is \$1,192,101.00. The village was able to attain a \$525,500.00 grant, a \$330,492.00 EPA forgiveness loan (we do not have to pay back), and a \$336,109.00 zero interest loan.

What does this mean to our village residents? The village can say we cannot afford this and give back the monies that have been procured and hope the water tower holds. If the tower begins leaking there is no way to repair, we are past that stage, and hope other monies become available. Estimated timing for these monies would be 2023 or later if available. Or, we accept the \$855,992.00 in free money and acquire the \$336,109.00 in a zero percent interest loan. Either of these decisions that are made will have an impact on our village residents.

Based on current conditions of the tower and monies available, the decision to go forward with the project and to accept the monies available with the zero percent loan. Impact to you, our resident, is that you will see a **\$3.50 per month increase to you base rate or \$42.00 for the year. You will begin seeing this change on your April bill.** This amount will make the yearly loan payment and a very small amount to put aside to do the preventive maintenance to assure the new tank will outlive its life expectancy.

Many residents have helped us through this difficult decision making with ideas, phone calls, reaching out to other villages, and officials. This decision was not taken lightly. It has an impact on each and every one of us. We are still taking the necessary steps in trying to procure additional funding. If we are able, then those monies would be used to reduce the loan and a reduction in your base rate. As of the writing of this letter, there is no guarantee this will happen, but there are many efforts in place.

We want to THANK YOU for your understanding in this difficult time. We do not take raising your rates lightly. We cannot express the gratitude we feel toward the village residents that understand the difficult decisions that have to be made.

With the current coronavirus it is very difficult to have open meeting. Please check the La Rue Village web site on when, where, and date that we can begin to hold these meetings. We appreciate your feedback in this difficult time. We want to express again that this was a very difficult decision to make.

Board of Public Affairs

La Rue Village Council

(More information on other side)

