

Questions and Answers Related to the Village of Lannon Water System Expansion and Public Information Meeting held on August 14, 2019.

Rev. 1; October 14, 2019.

My well has tested fine; why do I need to connect?

The shallow aquifer is the water source for private wells. The shallow aquifer is increasingly contaminated with bacteria. Therefore, you only know that your water is safe if you test it regularly or treat the water yourself. Keeping your private well as your water source may be an option you are comfortable with now, but will remain a liability should you have to pay \$15,000 to install a new well if yours fails. The Village has heard testimonies of residents who have had to pay \$15,000 to replace their well and have asked if there is anything the Village can do. The Village may not know when your individual well may fail, but we do know that there is an opportunity now to convert to municipal water at a reduced cost due to the available financial assistance. If we do not do this project now, then individual well owners will always be responsible to remedy a well failure without help from the Village.

Can I keep my well for outdoor use?

A policy decision to require existing wells to be closed has not yet been made. The timing for this policy decision will likely be in early 2020. The Village has come to the understanding that the County and the State will allow residents to keep existing wells for outdoor use as long as the water quality is regularly tested. The Village would be responsible to manage a well testing program. One benefit to closing the well now is that a potential entry route for contamination is closed. Another benefit is that the cost of the plumbing work required in the house to separate the outdoor plumbing and isolate the well could be eliminated now as part of the larger project. If the well is kept, but tests unsafe in the future, the homeowner would be responsible for the cost to close the well.

What is the anticipated cost for each property owner to connect to municipal water?

As of August 2019, the Village is estimating that the total cost for each property owner will average \$12,000 - \$15,000 after assistance.

Why focus on water when the roads are falling apart?

The roads will be repaired as part of the water main project. The plan is to mill off 2-inches of existing road material and place new asphalt for the full width of the roadways that are affected by the water main. All roads in the affected areas will be repaved in a similar fashion as Lannon Road was for the water main extension to Lannon Elementary.

When will we know the actual costs?

The Village is gathering more information on funding and project costs at this time but expects that actual costs will be known in the Spring of 2020.

Is there an estimate of what the quarterly water bill will be?

The current average water bill in the Village is about \$100 - \$125 per quarter.

How are individuals on fixed income supposed to afford this?

According to the 2010 census, nearly all of the residents impacted by this project are considered to have low to moderate income (the Village of Lannon median household income is below the State of Wisconsin average, which is the threshold that determines grant eligibility). The Village recognizes that the projected costs to homeowners are significant to everyone. The Village also recognizes that if an individual with a fixed income had a well failure, the total \$15,000 cost would also be burdensome. The Village is strongly considering special assessments to spread the impact out over time.

What is the timeframe that payments can be spread out over?

Payments for Village related costs can be spread out over a timeframe of up to 15 years. Property owners can pay early without penalty.

Will the project move forward without grants from the USDA and Waukesha County?

Probably not. The project cost without funding assistance would be over \$40,000 per home and the Village Board recognizes that is not affordable.

Has the Village received any assistance from Waukesha County to date?

Waukesha County awarded the Village \$194,516.00 in Community Development Block Grant Funds in September 2019 in order to help with the private plumbing costs. This amount was all that Waukesha County had left over for the 2019 funding cycle. The County encouraged the Village to apply for more grants in January of 2020.

What is the cost if there is currently water main in front of my property, but I am not connected?

For those who do currently have water main, the current one-time fee is higher because it already includes the cost of the water main that was put in adjacent to your property over 10 years ago. That cost is currently either \$6,922 or \$11,915 in 2019 depending on where exactly you live. If you have to pay this fee, you will not be subject to the special assessment to pay for new water mains.

What does it cost for residents to connect to water in Menomonee Falls and Sussex?

The total cost to property owners in neighboring communities to receive municipal water service where there currently is no municipal water is approximately \$30,000. This includes the cost of the water main, private service lateral, internal plumbing, and impact fees.

If grants and quarry monies are contributing to this, why is the cost still over \$12,000?

The current approximate cost to extend water main to the properties contemplated, including private costs, averages over \$40,000 per property. That means that grants and quarry monies are anticipated to subsidize the cost by approximately \$25,000. The Village has not found a funding source that would cover the entire cost.

What should I do if I am planning to replace my well soon? I don't want to pay to replace my well and be charged for municipal water.

Please contact the DNR discuss this situation. The contact for the DNR is Greg Roanhouse, Gregory.Roanhouse@wisconsin.gov, (262) 884-2356.

How many wells have issues with unsafe water?

Approximately 55% of all wells tested in the Village and reported to Waukesha County since the Fall of 2018 have tested positive for coliform or *E. Coli*. Waukesha County typically sees only 4 positive *E. Coli* tests per year. Since the fall of 2018, 65 wells reported to Waukesha County, 36 reported that they were positive for coliform bacteria, and 13 of those tested positive for *E. Coli*. Rumors have been circulating that wells that report positive bacteria test results will need to be abandoned. Due to the rumors, it is likely that there are more positive tests that the County and Village are not aware of because people do not want to report the information. The Lannon Elementary School continued to have positive *E. Coli* tests through spring 2019, validating their decision to connect to the municipal water system.

Where are the wells that have issues with unsafe water located?

Based on well test results reported to Waukesha County, areas affected include the Hadfield Plat (sometimes referred to "Lower Town" or "The Back Streets"), areas around Lannon Elementary School, and areas on Main Streets. Samples submitted for Lannon Village Hills have tested safe thus far.

If the wells draw from the same aquifer, what makes the Village well safe?

The Village's well is built to much greater standards including better wellhead protection, deeper casing, and draws water from much deeper (150-340 feet) in the aquifer which is less susceptible to contamination from surface water or septic sources. Throughout the recent problems with private well water quality, the Village's distribution system has remained safe and compliant with DNR standards. The Village also disinfects the water with chlorine in accordance with Wisconsin DNR requirements and tests the chlorine levels daily. The Village's water system is also tested monthly for bacteria to verify safe conditions. By Wisconsin State Statute, the water utility is operated by professionals licensed by the DNR. Annual PSC reporting and bi-annual Wisconsin DNR onsite inspections are required to hold the water system operators responsible for the performance of the water system.

Why not look for the source of contamination?

The Village of Lannon does not know the source of the *E. Coli* contamination and feels that investigating the source should be the responsibility of the DNR. The DNR indicated that they do not typically investigate the source of contamination since that program was cut in the 1990s. The Village of Lannon has enough information to believe that the public health of residents with private wells will continue to be at risk due to the high elevation of the bedrock that promotes the transport of contamination.

Are ALL residences and businesses in the Village required to connect?

Everyone who has water main available to their property will be required to connect as a requirement of the USDA funding. This will impact approximately 170-200 properties. Not every property owner in the Village will receive water main to their property as part of the proposed project. For example, the current cost estimates to extend water to Lannon Village Hills is more than the Village can afford to borrow, even with the level of assistance proposed. Municipal water will likely be extended to Lannon Village Hills in 10 years when the Cawley Farm is developed so that the Cawley Farm developer will bear the cost for extending water main to the border of Lannon Village Hills.

Has the Wisconsin Public Service Commission already approved this project?

The Village attended a Pre- Construction Authorization Meeting with the Wisconsin Public Service Commission (PSC) on September 30, 2019. The PSC is aware of the project and advised that the water mains are most likely not a reviewable project but adding a second source will be a reviewable project. At the time a second source is added, PSC will require a Construction Authorization process.

Is this a formation of a new public water utility?

No. The Village of Lannon Municipal Water Utility was created in 2008. The water utility is generally governed by the Village Board.

Is the current well near capacity?

No. The capacity of the current well is approximately 250 gallons per minute and the current demand is approximately 20 gallons per minute for the approximately 140 current customers. The anticipated demand after the completion of this project is approximately 50 gallons per minute. The projected demand after 5 years is approximately 200 gallons per minute.

What impact does the new development in the Village have on this Project?

The revenue from new developments in the Village are planned to pay for the second source and the water tower. That removes approximately \$4,000,000 to \$5,000,000 of necessary cost from the existing residents in the Village. These projects will move forward whether water service is extended to existing residents or not.

Are there any future plans to construct a water tower or a second municipal well?

Plans to construct a water tower and a second well are already in place in order to support new developments in the Village. These costs are planned to be paid for by new developments. The second source could also be an interconnection with a neighboring water system.

Will fluoride be injected into the municipal water system?

No. The Village does not inject fluoride at this time and there is no regulatory requirement to do so.

Are there concerns with Radon in the deep water well? Has it been tested?

The Village of Lannon does not draw water from the deep aquifer, which is known to have issues with radionuclides such as radium. Lannon's well has been tested and there are no concerns with radionuclides.

Is this project just for the sake of allowing the quarries to dig deeper?

No. This project is to provide safe water for Village residents. The quarries are willing to help residents with the cost to connect to municipal water so they can dig deeper, but that is not the primary reason for this project.

Lannon Stone Products is making a "donation" in order to mine deeper, why are other quarries in the Village not donating?

Lannon Stone Products is currently the only quarry operator in the Village that quarries to deep elevations for aggregate (gravel) extraction. The other quarry operators are currently only extracting the higher quality, architectural, veneer "Lannon Stone" that is typically within approximately 20 feet of the ground surface. Therefore, Lannon Stone Products is the only quarry operator that would benefit from a modification to its depth restriction in the quarry. Other quarry operators have been invited to make a donation.

Will Lannon Stone Products be giving an upfront lump sum donation or is it based on a rate per ton of stone sold?

The Village envisions the Lannon Stone Products donation being documented through a formal agreement that has yet to be drafted. The concept of that agreement is currently based on annual payments that are not tied to tonnage of rock removed from the quarry. Lannon Stone has been willing to structure the agreement to fit the needs of the financial model being developed by the Village's financial advisor.

Are there any future plans to connect the water system to neighboring communities?

There are no immediate plans to sell or buy water from adjacent communities. However, the build-out of the water system is being planned to keep the option to interconnect with a neighboring system technically viable. This could technically work with the Village of Sussex, the Village of Menomonee Falls, or the Town of Lisbon. There are many regulatory and financial implications that would need to be studied to determine if those options are in the best interest of the Village.

Has there been contact with the Village of Menomonee Falls regarding connecting to their water system?

Yes. Currently, the Village of Menomonee Falls is exploring the effects of the Great Lakes Water Compact and their purchase agreement with Milwaukee Water Works on their ability to interconnect with the Village of Lannon. The Village of Menomonee Falls intends to seek clarity on this issue from the DNR over the course of the next several months and will keep the Village apprised of the situation.

What happens if we do nothing, as was decided over twenty years ago?

In short, if we “do nothing,” the Village’s water system will continue to only serve primarily new development. This presents an issue of environmental justice because those who live in brand new, expensive homes will have safe, reliable water, while those living in older homes with incomes generally below the state median household income, will have to rely on their own resources to verify their water is safe. Private well owners will also be responsible for the safe water quality at the time the home is sold. A contaminated well will inhibit the closing of a house sale and makes the Village as a whole a less desirable place for homebuyers to consider. There are real examples from 2018 of former Lannon residents required to spend \$15,000 on a brand new well prior to closing on the sale of their house because the well test failed 3 consecutive times. New private wells are still at risk because they pull water from the same area of the aquifer as existing wells. Private wells will perpetually be a liability to homeowners. However, new home construction will always be required to connect to municipal water and will not have this issue.

The “Lannon Water Wars” were regarding the issue of whether or not the Village should have a municipal water system at all. As of 2008, the Village does have a municipal water system that serves mostly new development. At issue today is whether that water system will primarily serve new development or if existing residents should also have the opportunity to connect.

In the Fall of 2018, when the Lannon Elementary School well and several other private wells were repeatedly testing positive for *E. Coli* contamination, the Village Board directed its engineering and financial consultants to research “the best deal possible” for municipal water to be extended to existing residents. The purpose of the August 14, 2019 public information meeting was to share those results with the public. Without any funding assistance from State, County, and private partners, the cost to extend municipal water to existing residents would be over \$40,000 per home. The current partnerships bring that cost down to approximately \$12,000 - \$15,000. The Village qualifies for these partnerships because the funding agencies are using the 2010 census information that shows the that Village’s median household income level is just barely below the State of Wisconsin average, which qualifies the Village to receive grants. After the 2020 census, the Village will likely no longer qualify for grants and the opportunity to connect to municipal water at a reasonable cost may not be available for another 20 years, if ever.

More than 20 years ago, the Village did not have municipal sewer or water. Village residents had private wells (not built to modern standards) and septic systems, which allowed wastewater to leach into the ground. Several private wells were contaminated by bacteria at that time because the septic systems would discharge onto the bedrock and quickly flow toward private wells. The Village contemplated installing both sewer and water to remedy the situation, but the cost was overly burdensome. The Wisconsin Department of Natural Resources (DNR) allowed the Village to first install Village-wide sewer in order to see if that would fix the issue. That sewer system was installed in 1997 with the same United States Department of Agriculture (USDA) funding that is available to the Village today, and the Village residents realized a discount. Residents were required to abandon their septic systems and connect to the municipal sanitary sewer. The drinking water quality seemed to improve, and the issue was largely forgotten about until the Lannon Elementary School tested positive for *E. Coli* in the fall of 2018 and could not get its well to be clean despite several attempts by qualified professionals. The word of this issue spread and several Lannon residents tested their wells and found that they also tested positive for coliform bacteria or *E. Coli* (both of which are forms of fecal bacteria). Because so many wells tested positive, the issue is most likely related to the water quality of the aquifer and not individual wells. Therefore, the extension of a treated municipal water source to existing residents is once again being contemplated by the Village Board.

In 1997, as the sewers were being installed, a trench had to be blasted into bedrock underneath Main Street (STH 74 at the time, now CTH F). The Village authorized the contractor to install an empty water main at the time, anticipating that a municipal water system would shortly follow. Very contentious meetings did indeed ensue, and the water system expansion was stopped. That water main sat empty until 2008 when the Whispering Ridge Condominium developer constructed a municipal grade well, treatment system, reservoir, and pumping facility that served the condominiums and was connected to the 1997 water main, and dedicated to the Village. The Village passed an ordinance in 2008 that requires that residents and business are required to connect to that water main if their well fails and the water main is available to the property. In 2018, developer Marv Berg of Overstone Condominiums received approval for an 80-unit condo development at the eastern end of the municipal water system. Marv has installed water mains to extend municipal water service to the proposed units. A funding mechanism was put in place that will use the new tax revenue from that development, and other new developments, to pay for critical water infrastructure such as a water tower and a second supply source.

The water system is and will continue to be viable to serve new development with safe water. The opportunity that lies before the Village now is to extend safe municipal water to the existing residents at a cost that is reasonable compared to the liability of a contaminated private well.