

Application for Financial Assistance from USDA Rural Development

Public Hearing
Village of Lannon
December 9, 2019

Meeting Outline

- Opening Remarks
- Purpose
- Overview Map
- Schedule
- Scope of Work
- Costs
- Project Elements Not Eligible for USDA-RD Assistance
- Public Comments & Responses
 - Public Comments
 - Staff Responses
- Closing Remarks

Purpose of Project and Public Hearing

- E.coli Contamination of Private Wells
 - Past Public Meetings (Oct. 8, 2018; Aug. 14, 2019)
- Municipal Water Expansion is Proposed
- USDA Rural Development Finance Application
- An Application Must be Made to Understand Financing Available
- A Public Hearing is Required as Part of the Application

Schedule Update - Application

- Village Submits Application – 12.20.19
- USDA Reviews and Issues a Determination and Conditions Letter – 02.03.20
- Village Board Reviews USDA Information – Feb. 2020
- Village Issues Letter of Intent to Accept or Reject USDA Funds – Feb. 2020
- USDA Obligates Funds Until Loan Closing, if Accepted
- Village Works to Address USDA Docket – March 2020
 - Note: Village May Still Back Out of the Project During this Time
- USDA Issues Closing Instructions – April 2020 (soonest possible)

Schedule Update – Construction (Approximate)

- Water Mains (DNR Review Only)
 - Public Bidding – April 2020
 - Village Board Authorization – April 2020
 - Construction – June 1, 2020 through June 30, 2021
 - Water Mains – by End of 2020
 - Water Services – Concurrent with Water Main
 - Road Restoration – by June 2021
- Second Source (DNR and PSC Review) – End of 2020
 - Emergency Response Plan is in Place in the Interim

Proposed Scope of USDA-RD Project

- Public Water Mains
 - 15,300 Feet of 12 & 8 Inch Diameter Mains
 - 1,500 Feet of 6 Inch Diameter Mains
- Public Portion of Service Laterals
 - 169 Laterals
 - From Water Main to the Property Line
- Restoration
 - Mill and Overlay Impacted Pavement
 - Restore Impacted Landscaped and Drainage Areas
- Second Source
 - Acquisition
 - Upgrade to Municipal Standards

Environmental Impacts

- Proposed work is within existing public Right-of-Way
- No Anticipated Environmental Impact
- Environmental Justice
 - Low-Moderate Income Residents will have Access to E.coli Free Water
 - Currently, New Higher-Income Construction has Access to E.coli Free Water
 - Public Health and Safety is Improved

Alternatives Considered for USDA-RD Project

- Public Water Mains & Acquire Second Source
 - Recommended Alternative
 - \$8.3M Total Cost
- Water Mains Only, No Second Source
 - \$7.7M Total Cost
 - No Immediate Source Redundancy
- Water Mains & New Deep Aquifer Well
 - \$10.2M Total Cost
 - Not Affordable at this Time
- Do Nothing
 - Does Not Address Public Health Risk
 - Homeowners are Individually Liable for Water Quality at Point of Sale

Anticipated Project Costs

- \$8,300,000 – USDA-RD Application Amount
- -\$2,400,000 – USDA-RD Grant
- \$5,800,000 – Remaining Portion to be Special Assessed

- Special Assessment Contemplated as Per Equivalent Meter
 - Typical Connection = 1 Equivalent Meter
 - Lannon Estates = 20 Equivalent Meters
 - Approximately 200 Total Equivalent Meters
- Special Assessment Amount & Timeframe
 - \$29,000 ea. if no further assistance
 - Special Assessment Payments Might Not Start Until the End of the Project (June 2021)
 - Payment Options with Possible Timeline Up To 15-20 Years

Project Elements Not Eligible for USDA-RD Assistance

- Private Service Lateral
- Private Plumbing
- Private Well Abandonment
- Water Impact Fee
- Total May Vary from \$2,500 - \$10,000 per Property
 - Some Property Owners Installed Lateral in 1997
 - Complexity of Private Plumbing Varies

Additional Funding Sources Available to the Property Owner

- Village is Researching Programs to Assist with:
 - Special Assessment Assistance/Reductions
 - Well Abandonment Cost
 - Private Plumbing Cost
- Waukesha Co. Community Development Block – Village App.
 - \$194,0000 Already Received
 - Applying for Additional Funds in January 2020
- WDNR Well Abandonment Grants – Property Owner App.
- USDA Safe Homes – Property Owner App.
- Quarry Partnerships – Village App.
- Village Targeting Total “Out of Pocket” Cost of \$15,000 per for a Typical Homeowner
- Village will Help Coordinate Property Owner Applications

Public Comment and Response

- Public Comment
- Response From Officials
- Close Hearing
- Additional Information and Resources
 - Village Website Contains FAQ and Aug. 14, 2019 Meeting Materials
 - Materials from Tonight will be Posted on Village Website
 - Additional Public Meetings will be Held
 - Public Can Submit Comments to Village Clerk