

City of Mercer

PO Box 118

Mercer, North Dakota 58559

cityofmercer@westriv.com

Date _____

To: City of Mercer Residents:

The Mercer City Council approved a unanimous motion in July 11, 2016 to give Mercer residents the opportunity to vote again on the City water issues. It was felt that residents were misinformed by several individuals opposed to improving water quality. Therefore, this letter is being sent to clarify misinformation circulating in our community.

Two options still exist to upgrade Mercers water supply system

1. Connect to the McLean Sheridan water supply at no cost to Mercer and Pay the same bulk rate as Turtle Lake and McClusky.
2. City of Mercer would build their own water treatment facility to process water. In addition to adding chlorine the treatment plant would also remove iron and manganese. Based on information from Rural Water, public water supplies may be required to remove high levels of manganese in the future. This rule change could force the City to build a treatment plant at a later date with or without grant money at a much higher cost.

The United States Department of Agriculture (USDA) awarded the City **\$30,000** to do a feasibility study with a preliminary design and cost estimate. The Mercer City Board needs your support now to have their engineer Ulteig Engineering take the next step and do a project design and project cost estimate that can be submitted to Rural Development and the State Water Commission for grant opportunities. Once reviewed by these agencies the project can then be scored for grant share. It is expected that Rural Development would fund up to 75% of the project cost. Once this is completed your Board can still say yes or no to the project.

The next step for your Board if the project cost along with grants provide for reasonable water rates the Board would then go out for bids. The real test is when

the bids come back to evaluate the actual water cost for each water connection. Remember your Board can still say no if the bids are not cost effective for city residents

If our community does not pass this vote, the grant form cannot be submitted.
Grant money cannot be used to replace what is needed in Mercer such as a water storage tank, electric control panel, water meters, pipes, and city well

Maintenance, these items are considered normal operating and maintenance cost in a public water supply and should be replaced on a routine basis to stay in compliance with state and federal regulations. Preliminary design and cost estimates need to be prepared by a professional engineer (Ulteig Engineers, Inc.), and these tasks are needed to submit the grant application.. USDA will not grant money unless State and Federal design standards and regulations are followed precisely. Much of the City water infrastructure such as the City well that was drilled in 1982, the water storage tank, pumps and water meters need to be updated. Misinformation has caused some people to believe that these projects could be done by local residents at a cheaper cost. Or wait until they fail completely this is not factual or good management. State and Federal laws require that projects of this size require the project to be bid and constructed by licensed and bonded contractors. Again, grant funding cannot be issued to simply fix/upgrade our current water system.

Submitting this proposal does not commit Mercer residents to any financial obligations or acceptance of the proposal. Why would we, as a prospering community, not take advantage of an opportunity find out how much “grant money we could receive to fix our water problems and minimize future cost for many years? Our water situation is not going to go away. **Grant money would have to be enough to make residents comfortable with the individual costs, which cannot be determined until the grant amount has been determined.**

Following is a comparison of the proposed system (Rural Water Supply) and the city-owned treatment facility, and what it would cost to operate each facility.

Ulteig's Water System Operation & Management Costs per Year:

Item Name	Rural Water Supply	City Owned Treatment Facility
Chemicals	\$0.00	\$3,000.00
Maintenace Staff	\$0.00	\$40,000.00
Testing / Dues	\$500.00	\$500.00
Administration Staff	\$3,000.00	\$3,000.00
Contract Water Purchase	\$13,700.00	\$0.00
Utilites	\$2,000.00	\$5,000.00
Emergency Breaks	\$0.00	\$0.00
Totals:	\$19,200.00	\$51,500.00

Mayor: _____

Council Member: _____

Council Member: _____

Council Member: _____

Council Member: _____

The council requests that Mercer residents send (via postal service @ PO Box 118, City Hall drop box, or email (cityofmercer@westriv.com) questions to be addressed at a public meeting to be held on _____ at _____pm at _____. Time will be allotted for questions from the floor, but time will be monitored and limited.

Attendance at this get-together is important as it will clarify your understanding with factual information as opposed to misinformation circulated prior to our last vote. Hope to see you at the upcoming town meeting!

The "Do Nothing Approach" is going to cost individual homeowners money!!