Northway City Water Project

February 7, 2012

Who are we?

- Northway Water Co-Op #1
  - 12 homes, on Seneca and Navajo just north of Brown Deer Road
- Vista Del-Mar Co-Op
  - 29 homes, on East Marti Court, encircled by Malibu drive / Regent / Santa Monica

Subdivision Map

Reasons for survey

- Expanded city water project will lower costs
  - More participating homes per length of water main run lowering cost per household
  - Fixed costs such as financing fees, engineering study, etc. spread across more households lowering the cost per household
- Expanded city water project is better for the community
  - Water is tested and treated, public health is enhanced
  - Fire protection is greatly enhanced with usable fire hydrants
  - Raises community standard, increases community value
- Survey is best and only way to determine how many households in the community have an interest in switching to city water

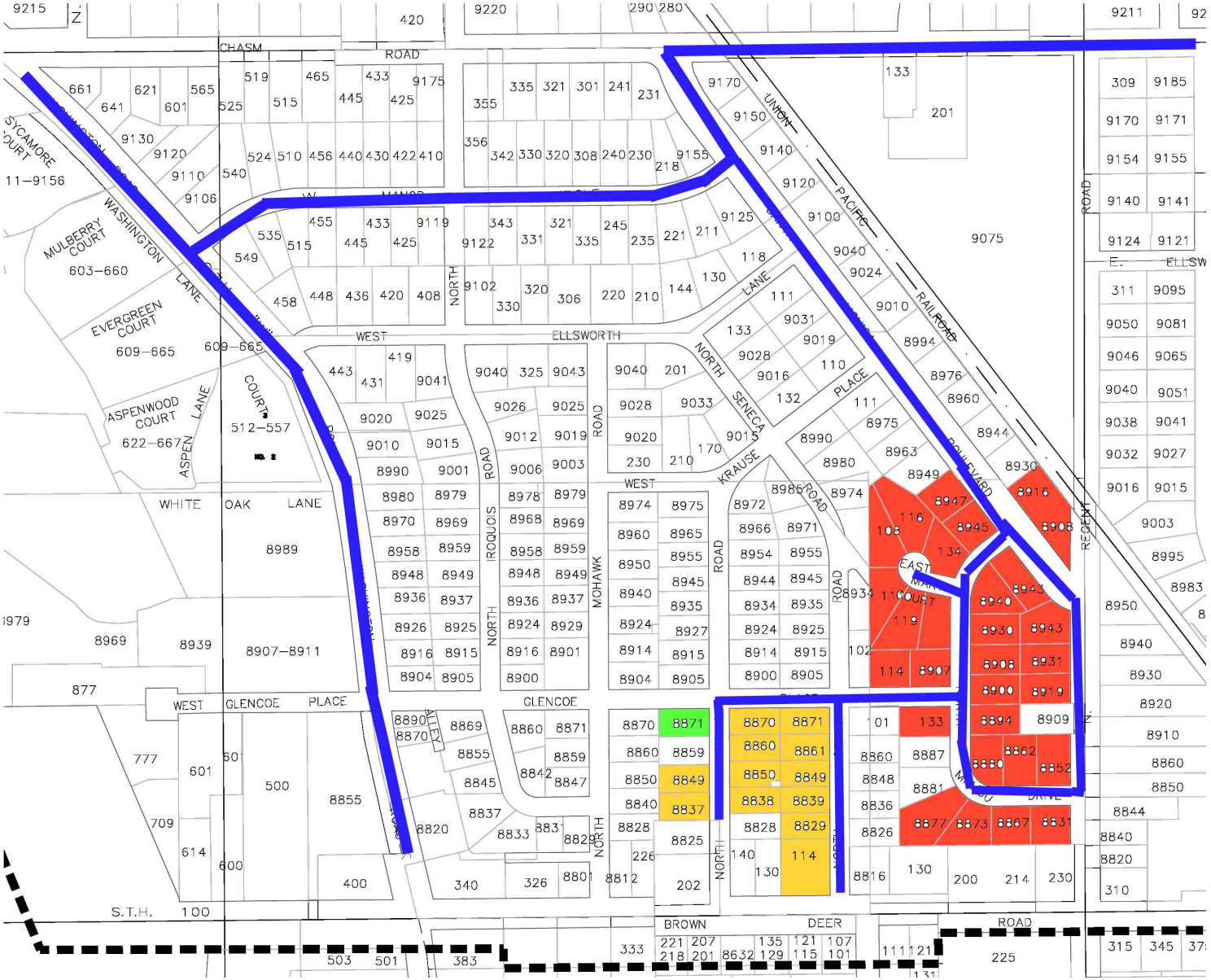
Survey Methodology

- Surveyed **196** homes
- Surveyed homes in the subdivision, or the region bounded by these streets
  - Port Washington (to the West)
  - Brown Deer (to the South)
  - Fairy Chasm (to the North)
  - Santa Monica / Regent (to the East)
- Excluded homes we did not need to survey
  - Homes already on the 2 participating water trusts
  - Homes that already have access to a city water main
    - Homes on Port Washington Road
    - Homes on Manor Circle

Subdivision Map with water main

Route: Glencoe

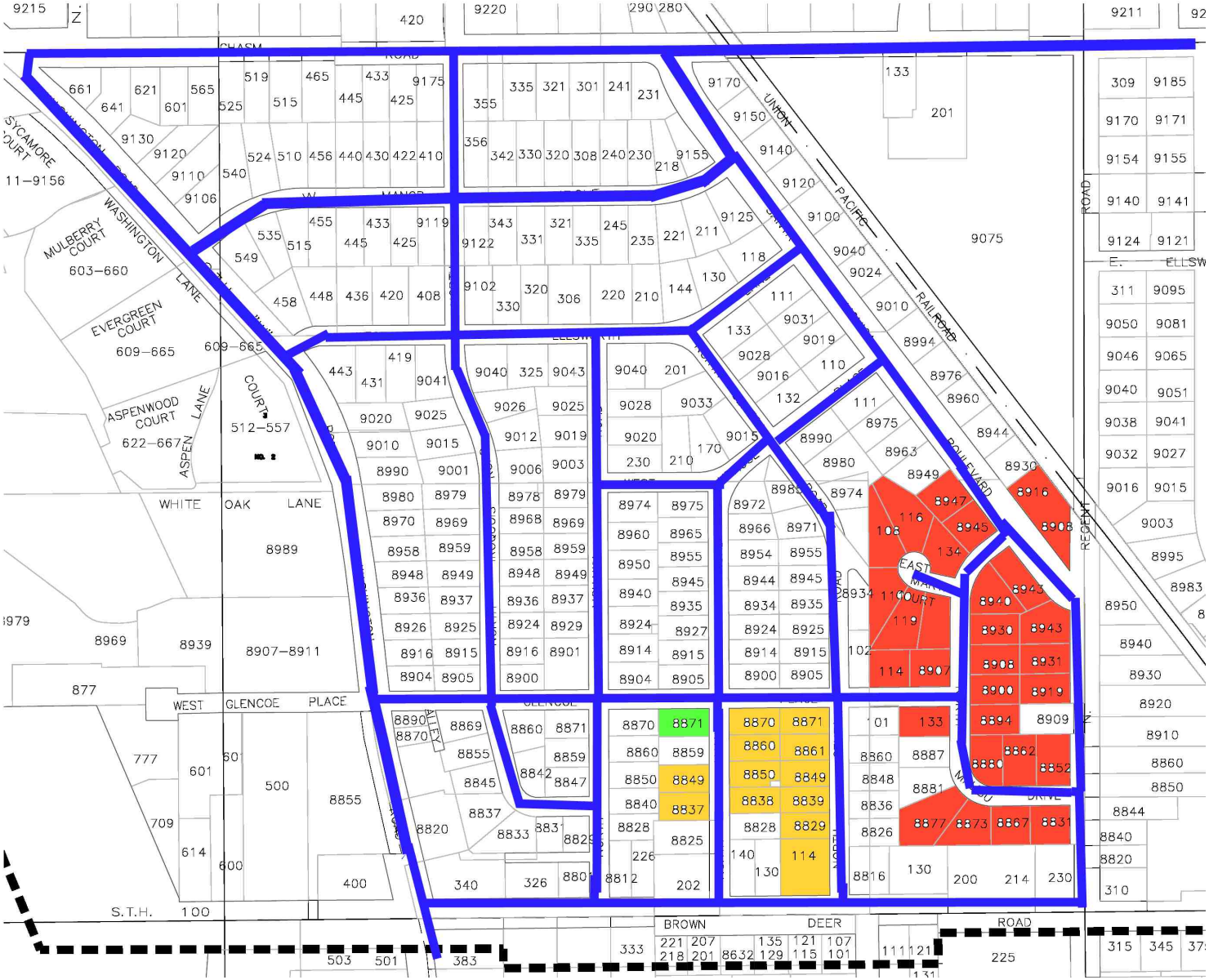
Route: Santa Monica



Route: Iroquois

Route: Iroquois/Mohawk

Full Participation!!!!



Survey Results: Interest Level

- 196 homes surveyed
- 58 qualified responses received
  - 30% response rate
- 48 responses with some interest
  - 5 out of 6 respondents

Interest Level	Survey
A little bit	7
Somewhat	15
Very	10
Extremely	16

Interest Level Map

(darker green = more interest)

Survey Results: How often do you test your water?

Out of 54 respondents:

Frequency	Survey
Never	14
Less than once a year	21
Once a year	5
Several times a year	5
Once a month	1

Survey Results: What would prevent you from switching?

Out of 58 respondents:

Reason	Survey
Cost	50
Knowledge	23
City water safety concerns	3

Total public project cost

- Total public infrastructure cost
  - Divided by number of participating households
- Less revenue credit
  - ($2,600 per household)
- Less revenue collected from hook-up fees

Cost projection example: Glencoe Route

(Water trusts only, no expansion)

Cost projection example: Glencoe Route

(Only Northway #1 and Vista households)

Total project cost estimate	$670,548
Number of households	42
Cost per household	$15,965
Revenue credit per household	($2,600)
Cost/household (after credit)	**$13,365**

29 more homes within reach (71 homes total)

- Some of those homes over the next 10 years will hook up to the existing system, and pay a hook-up fee
- Large portion of this fee will help reduce the costs along the route who participated initially

Interest Level Map

(darker green = more interest)

Route: Glencoe

(with households on route having at least some interest)

+11 homes

Cost projection example: Glencoe Route
(with households on route having at least some interest)

Total project cost estimate	$698,048
Number of households	53 (42 + 11 households with some interest)
Cost per household	$13,170
Revenue credit per household	($2,600)
Cost/Household (after credit)	**$10,570**

In this scenario, there are 18 non-participating households on the route (therefore some revenue may still come in from hook up fees)

Route: Glencoe

(FULL participation on route)

FULL participation: Glencoe

Total project cost estimate	$743,048
Number of households	71 (full participation)
Cost per household	$10,465
Revenue credit per household	($2,600)
Cost/household (after credit)	**$7,865**

In this scenario, all homes are hooked up from the outset (therefore no revenue will come in from hook up fees)

How much does this cost me?
(switching to new system)

- Public infrastructure costs
  - $10,000 to $13,000 (with no expansion)
    - Based on Glencoe route (homes on trusts +/- interested)
    - **Financed over 10 year period**
    - Cost comes down if more homes participate
    - Cost comes down as revenue comes in from hook up fees
- Private infrastructure and plumbing costs
  - $2,000 to $4,000
    - Lateral and private plumbing
    - Depends greatly on simplicity of install
    - Unfinished basements are simpler than finished basements
    - May be possible for some homes to use existing lateral
- Quarterly water bill
  - $100-$200 a quarter ($150 average)
    - Depends on water usage (# of people living in home)

How much does this cost me?
(not switching to new system)

- Pump
  - Costs $2,500 - $5,000 to replace
    - $20-$40 a month over 10 years
- Water softener
  - Costs about $15 a month for salt
- Iron filter
  - $1,000 to replace (?)
- Trust dues (if on water trust)
- Higher homeowners insurance premiums
  - How far away are you from a fire hydrant?
- Lower home value relative to other homes with a city water supply
  - Perhaps $5,000 - $10,000 (really difficult to say)

Why join us now?

- 42 homes (plus more) will be switching their water supply now. It is doubtful there will be another project of this size in the area ever again
- Will be quite difficult and expensive to put together another financing package later on
  - $500,000 minimum for village to even consider assisting with the public financing
- Economies of scale
  - Will help lower costs on lateral builds, and all other aspects of the project
- Public water for the area is only brought up every 10-15 years
- Revenue credit ($2,600) may not apply later

Contact Me!!!

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