

Water Systems

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To: Chairman Arnett and members of the Public Works Commission
From: Peter Hartz – Water Systems Manager

June 18, 2025

Re: June 24, 2025, Public Works Commission agenda items

Water Systems:

Review and take possible action Approve new water rates as recommended by the Wisconsin Public Service Commission (PSC) referenced in rate case docket 6230-WR-110; a final overall rate change of 15.28% over current rates.

Background:

- On July 23, 2024, this commission approved moving forward with phase 1 and having Ehlers begin the study of the water rates and provide a review of said rates that were last adjusted in April of 2017. For the water utility to continue with our private lead service replacement program, the Public Service Commission (PSC) of Wisconsin requires a review of the water rates as part of our Safe Drinking Water loan application, no funds will be awarded without the review and study of the water rates to assure adequate revenue is available for operations, capital projects, and debt service payments.
- On October 8, 2024, this commission approved having Ehlers continue with the next steps in having Ehlers complete the PSC application (phase 2).
- On November 12, 2024, this commission approved submitting and filing a PSC conventional rate case application.
- April 22, 2025, after several months of question and answer with PSC, Ehlers, and Watertown Water the PSC released their findings and draft water rate adjustment recommendation.
- May 21, 2025, the water utility and the PSC held a public hearing on the rate case application, no members of the public joined or made comments regarding the proposed rate increase.
- May 28, 2025, Final decision by PSC, authorized rate change of 15.28% over current rates. (attached)

Budget goal: Aligns with investments and infrastructure planning.

Financial Impact: An increase in water revenue is estimated to be \$803,853, this will help the utility maintain pace with the annual streets and utility program and replace watermain, water services, valves, and hydrants. The utility will also be replacing an estimated 445 public side lead water services by end of 2027.

Recommendation: I defer to and support the decision of the Public Works Commission.

Sincerely,

Peter Hartz
Water Systems Manager