



FROM THE OFFICE
OF THE
CLARE CITY TREASURER,
FINANCE AND INFORMATION
TECHNOLOGY DIRECTOR

Within the past couple of City Newsletters we have started a series of articles to discuss municipal accounting, financial management and budgeting. This month we will continue this discussion with a review of some of the capital improvements that have been made within the City's municipal water system fund.

The first major expenditure that we'll review this month is the recent maintenance and repainting of the City's water tower which took place this fall. You likely noticed at least some of this work taking place which began with the installation of a now required OSHA safety railing on top of the water tower to protect workers from potential falls from the 133' high structure. After the safety railing was installed workers then used an 8,000 psi power washer while suspended from cabling and ropes to carefully clean the entire water tower from top to bottom.

Along with the installation of the safety railing on top of the water tower and the power washing of the entire exterior of the structure several other maintenance and safety improvements were made inside and outside of the water tower. For instance, new valves were installed within the water tower, fall prevention devices were installed on the interior ladders, a new modern roof vent was installed on the top of the water tower as well as several other minor items.

The painting of the water tower was one of the most visible parts of this project which initiated a fair amount of discussion throughout our community. Initially many people wondered what color the water tower was going to be painted, whether the shamrocks would be repainted on the top of the tower on the exterior of the bowl and some people also wondered why the base, riser and the bottom of the ball type top were painted a dark green. Now that the painting project has been completed most of these questions have been answered but you may still be wondering why the majority of the water tower was painted a dark forest green. There's a logical decision for this intentional decision; painting the majority of the water tower a dark color reduces the frequency of the periodic power washing or cleaning of the exterior of the water tower. This will save a considerable amount of money for basically cosmetic maintenance.

You may be wondering how much the water tower maintenance, safety and mechanical improvements, power washing and repainting cost. We are very pleased to report that the total for the entire project was just over \$75,000, well below the original estimate of \$100,000. This expenditure is still a very significant amount of money so it is very important to understand that the last time that the water tower was painted was over twenty-two years ago.

You may also be interested in knowing that approximately 90 gallons of paint was used for the repainting of the water tower at an average cost of \$70 a gallon. The type of paint that is used to paint the exterior of a water tower is quite unique and must meet many stringent requirements and be able to weather or last for a very long period of time. Though this project was quite involved and fairly expensive it is necessary to maintaining our investment in the water tower which if it were to be replaced at today's cost would be approximately \$900,000.

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During the first half of the current fiscal year which began on July 1st we have also been busy completing other planned and required improvements within the City's municipal water system. For instance, as part of the repaving project of a block of East Wheaton and a block of Pine Street adjacent to the Clare Primary School the City also invested just over \$9,000 in a new water main in this two-block area which included the installation of a new fire hydrant. Normally this type of work would be completed by an engineering firm and cost much more than this but for this project the City's Department of Public Works completed all of the work so the only cost incurred was for the required materials.

During the summer the Department of Public Works also installed a new valve in one of the oldest water mains in the City. This valve will allow the DPW to isolate and close off a section of the City's water distribution system that includes the Downtown area from the rest of the water system so that repairs can be made if necessary without affecting the rest of the water distribution system. The installation of this valve and another that is planned to be installed later is considered to be very important improvements to the City's water distribution system.

During the summer the City's Water Department also completed the cleaning of well number eight at a total cost of just under \$29,000. Of this total the City was reimbursed almost \$19,000 under a remediation agreement entered into several years ago with the companies that had previously contaminated two of our wells. This type of maintenance work is required on a regular basis to insure that the City's four municipal water wells continue to operate efficiently. To put this fairly substantial cost into perspective, the City currently has four municipal water wells that supply the entire water needs of the City. These four wells are each sixteen inches in diameter or larger and each have a depth of between 60 and 185 feet. Last year these four wells produced just over 163 million gallons of water.

Though the majority of this article discussing the City's municipal water system has focused on the recent capital improvements that have been made we would like to mention a couple of the other normal annual operating costs associated with the water fund. For instance, for the fiscal year that ended on June 30, 2010 the total cost of electricity for the operation of the water system was almost \$53,000 (the water well pumps use a lot of energy). Another normal operating cost for the water fund includes the chemicals and other operating supplies necessary to maintain our municipal water system which last year totaled almost \$38,000.

This month's discussion regarding some of the costs of the City's municipal water system will continue in the next city newsletter along with a discussion of the sanitary sewer system costs of operation and the improvements currently being implemented.

If you have any questions concerning this month's Treasurer's article or any other City of Clare finance or property tax matter we encourage you to call (386-7541, extension 107), to stop by City Hall or if it is more convenient send me an e-mail message at skingsbury@cityofclare.org.