

RCAP Project Highlights



Where: Phillipsburg, Laclede County, MO

Infrastructure Type:
Wastewater (STEP) Collection
and Treatment Systems

Project Type: Management
and Finance

TAP: John MacEachen

Population Served: 201

Low-Income Pop. Served: 78

Minority Pop. Served: 3

Number of Households: 85

Median HH Income: \$25,938

Problem: Failing pump systems and
insufficient revenues

Solution: Modification of Rate structure
and operational procedures



Phillipsburg, Missouri

The City of Phillipsburg, Missouri is a small rural community located in southwest Laclede County. The community is primarily a residential community with no industrial and little commercial activity in the service area. The community is economically depressed with few options for economic improvement.

MAP staff was contacted by the mayor of the community in December 2009 for assistance in dealing with the operational and financial problems related to the wastewater collection and treatment systems. The wastewater system was constructed and became operational in approximately 2000. Since commencing operation, the city had funded the system operation utilizing a rate structure that had been proposed during the application for USDA funding and had made little change to that structure during the ensuing years. Therefore, revenue was not supportive of the true operational costs of the system.

When MAP staff was contacted by the mayor, the city had begun to experience a substantial number of failures of service connection pumping systems due to freezing temperatures and lack of preventive maintenance of those systems. The city had no reserve or operational funds available to make necessary repairs or replacement of failing equipment and was beginning to experience sanitary sewer overflows.

MAP staff began a review of expenditure history and revenue generation potential and found that the rate structure in effect would not support the necessary level of repair and/or replacement of failing equipment. As an initial emergency measure, MAP staff recommended that the community contact its USDA area service office to discuss temporary approval to delay funding its established debt reserve account to address the most urgent equipment failures. The community received approval for that with the understanding that it would work with MAP in revision of its rate structure.

See more on reverse side

MAP helps revitalize small communities and tribal nations in nine states. MAP is a member of the Rural Community Assistance Partnership. RCAP is a national network of regional nonprofit organizations that provide comprehensive, on-site technical assistance and training to help small, rural communities address their drinking water, wastewater, and other community development needs.

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MAP staff then worked to develop a rate structure that would fully fund annual operational costs and develop a long-term equipment replacement and upgrade fund to prevent future similar situations. This resulted in an increase in annual user rates of approximately 38%. MAP staff provided assistance in conducting a public meeting to inform residents of the community of why a rate increase was necessary to enact such a substantial rate increase. While the increase was not popular, most residents appreciated the city's openness in bringing this issue to focus and understood the necessity of the action. MAP staff also worked with elected officials to amend ordinances to support changes in rate structure and operational requirements.

MAP staff worked with the certified wastewater operator to determine operational problems associated with the service connection sites that might be contributory to the failure of the service connection pumps. It was discovered that settled sewage in the septic tanks associated with the STEP system had never been monitored for increasing sludge levels during the prior years of system operation, resulting in the passing of sludge to pump chambers and causing the effluent pumps to discharge a slurry much heavier than the pumps were designed to handle. MAP staff worked with the operator to develop a monitoring program to better control sludge levels in those tanks and prevent sludge from migrating to the pump chambers thus extending the operational life and reliability of those pumps.

At this time, the newly proposed rate structure appears to be meeting operational expenditure requirements and the city is making progress in better controlling sludge handling requirements to insure operational reliability. MAP staff will continue to work with the community to monitor the ability of the revised rate structure to meet operational costs and to develop more comprehensive operational policies and procedures to maintain regulatory compliance.