

Town of Southbridge – Water and Sewer Rate Changes for FY 2010

The Town Manager will set the rate increase following the hearing held:

Monday, June 15, 2009 at 10:00 a.m.

The FY 2010 billing rate increases in Water of 3% and Sewer of 3% will apply to water and sewer flows and charges consumed during and after February 2009. See attached Rate Schedules.

After years of significant increases we hope to be entering a period of more modest increases. Everyone should understand that the operation of our Sewer and Water Enterprises involves not only the operation of a complex treatment facility (wastewater treatment plant and water treatment plant) but also an extensive network of pipe that runs throughout the community and the pipes themselves are in excess of 83 miles.

The FY 2010 Budget that was originally presented in March of 2009 predicated a 3% increase in both the Sewer and Water Enterprises and this rate structure is the formalization of those increases.

Explanation of Charges – Sewer/Water

Sewer FY 2010

The Sewer Budget was increased by 3% and the correlating rate increase is 3% to meet those anticipated costs.

- A significant portion of the budget involves paying an operator to operate the wastewater treatment facility and that contract has in it a Consumer Price Index (CPI) adjustment on an annual basis of 2% minimum and a maximum of 5%. Due to the current low CPI, the increase for 2010 is 2%.
- In order to comply with DEP wastewater discharge regulations the Town must utilize various chemical treatments to achieve the water quality standards set by DEP. These water treatment chemicals have increased in cost well above the CPI over the last few years.

- The original wastewater treatment facility dates back to the 1890's and is currently in the process of a retro-fit to attempt to meet new regulatory guidelines for water discharge. The debt service for these improvements will be coming due in FY 2010.
- In order to moderate rates the Town had planned on eliminating Sturbridge residents as customers due to a billing dispute. This loss of revenue would have had to be absorbed by Southbridge residents. Fortunately, Southbridge and Sturbridge were able to reach a mutually acceptable agreement and Sturbridge residents will continue to be customers of Southbridge.

Water FY 2010

The Water Budget was increased by 3% and the correlating rate increase is 3% to meet those anticipated costs.

- A large amount of the budget involves paying an operator to operate the water treatment facility and that contract has in it a Consumer Price Index (CPI) adjustment on an annual basis of 2% minimum and a maximum of 5%. Due to the current low CPI, the increase for 2010 is 2%.
- In order to comply with DEP water regulations the Town must utilize various chemical treatments to achieve the water quality standards set by DEP. These water treatment chemicals have increased in cost well above the CPI over the last few years.
- The water treatment plant is a fairly new facility and has a fairly high debt payment due to the original construction of the plant.
- This year the Town will be making additional DEP regulated treatment improvements to the plant.
- The Town has entered into an agreement to sell water to the Town of Charlton. This agreement, once it becomes finally implemented and water is in fact sold to Charlton in volume, should help to mitigate rates into the future.

When one considers the valuable services rendered by these two utilities to the Town's residents, these increases should be considered against the value of this service to the residents. Water has become an extremely precious commodity on the whole as a resource and the cost to purify and protect this valuable resource in accordance with DEP regulations and what is best for the environment.

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Attachments

SEWER

TOWN OF SOUTHBRIDGE

SEWER FEES and CHARGES

AMENDED AND REISSUED

June 15, 2009

Effective July 1, 2009

Authority

As follows: Part I **Article II, Section 12 "The Sewer Connect Fees" of the "1997 Regulations for the Installation and Connection of Building Sewers and for the Use of Public Sewers in the Town of Southbridge"** (are amended and consolidated) republished herewith; Part II These changes are in addition to changing the **Sewer Rate Schedule for FY00**; Part III **Article X, Section 11 "User Charges for Sewer Service"** established by the Town Manager is amended and reissued as noted below.

Part 1

"The Sewer Connect Fees"

Article II Section 12

Sec. 12 Sewer Connect Fees are to be used to upgrade existing sewer collection lines in order to maximize capacities for the sewage to be contributed by new growth; and potentially to add any needed capacity to the Wastewater Treatment Plant for new growth.

Fees will be uniform Town-wide: \$5.46 per gallon of average daily flow as calculated by 310 CMR 15.203. Fees will be payable at the time of issuance of the Town Sewer Connect Permit.

The Town Sewer Connect permit will be valid for a period of one year from the date of issuance.

The fee per unit will be reduced if found to be excessive following the determination of actual costs to be incurred. An abatement per unit fee paid will be made with interest.

(a) New Residential Sewer Connections: \$5.46 per gallon ADF fee per unit for new residential construction.

Additions to Existing Sewered Properties: \$5.46 per gallon, ADF, for the additional discharge to the Town sewer from newly constructed properties currently connected to the Town sewer. Building permits will not be issued until this fee has been paid.

(b) Sewer Connect Permit Fees will be waived for connections within 60 days to sewer lines constructed by funding under the authority of MGL Chapter 21 Section 30A, (Collection Systems Grant).

(c) New Commercial/Industrial Construction shall be \$5.46 per gallon ADF.

Sewer connect permits will not be issued to projects which do not have a required State extension permit until extension permit is issued by the State. Additionally, permits will not be issued in any part of Town in which there is a moratorium.

The sewer connect permit fee will not be applicable to projects which had a building permit prior to September 2, 1986.

Part 2
Sewer Rate Schedule
FY2010 1st Quarter Commitment & Billing

Metered Quarterly Consumption

Charge per hcf
(100 Cubic Feet)

First 500 cubic feet	\$2.39
Next 3,500 cubic feet	\$3.17
Next 15,000 cubic feet	\$4.16
Next 81,000 cubic feet	\$6.14
Over 100,000 cubic feet	\$7.93

Effective all bills issued after July 1, 2009

Meter Size

Quarterly Service Charge

5/8 inch	\$48.41
3/4 inch	\$53.41
1 inch	\$67.79
1-1/2 inch	\$87.16
2 inch	\$140.42
3 inch	\$532.46
4 inch	\$677.82
6 inch	\$1,016.81
8 inch	\$1,404.15
Unmetered	\$119.92

Septage Treatment

-In Town	\$46.35/Thousand Gallons
-Out of Town	\$66.95/Thousand Gallons

Part 3
"User Charges for Sewer Service"

Town of Southbridge General By-Laws Article X, Section 11
SERVICE FEES SCHEDULE
Effective July 1, 2009

<u>FEE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1. Return Check Fee	\$25.00 or 1% of check face value which- ever is larger	Insufficient Funds Charge
2. Illegal Sewer Use Charge		
First Offense	\$300.00	Use of sewer without application for service
Second Offense	\$600.00	
3. Turn Off at Main Charge	\$200.00	Turn off service at main or plug at Customer request
4. Fees for Application of sewer exception Meters	\$200	Fee includes only the cost of meter and inspection. Customer is responsible for actual cost of installation
5. Meter Test at Customer Request		
1" or smaller	\$ 100	Test Meter at Town Meter Shop
1-1/2" or 2"	\$ 150	
3" or larger	\$ 200 or Actual cost to Town, which ever is larger	
6. Inspection Fees		
Inspection	\$2.50/LF of Sewer main installed	Fee paid by developers for inspection of the installation of the system
7. Sale of Blueprints per drawing	\$ 10.00	Sale by Sewer Department
8. Sale of Maps per map	\$ 10.00	Sale by Sewer Department
9. Repair of damaged Sewer mains	Actual Cost incurred by Town to repair damaged pipe	
10. Plan Review Fee per unit	\$5.00	Fee for Sewer Department
11. Testing Connections & Inspections after	\$ 75.00/hr.	Actual cost to Town including overtime

regular working hours

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| 12. | Replacement of
Replacement
Damaged Exception Meter | \$ Actual Cost | Actual Cost to Town |
| 13. | Lien Fee | \$25.00 | Fee to levy delinquent Sewer
charges to Real Estate tax bill |
| 14. | Miscellaneous service
-regular working hours | \$60.00 | Any service work per hour not
covered by specific charges |
| 15. | Miscellaneous service
-after regular working hours | \$75.00 | Any service work per hour not
covered by specific charges after
regular working hours |

Christopher Clark
Town Manager
Town of Southbridge
Issue Date: June 15, 2009

WATER

TOWN OF SOUTHBRIDGE

WATER FEES and CHARGES

AMENDED AND REISSUED

June 15, 2009

Authority

As Follows: Article XVIII "Water Regulations" Section 22a – The Town Manager shall establish water rates and fees following a public hearing on the same.

FY2010 1st Quarter Commitment & Billing

<u>Metered Quarterly Consumption</u>	<u>Charge per hcf (100 Cubic Feet)</u>
First 500 cubic feet.	\$2.94
Next 3,500 cubic feet	\$3.33
Next 15,000 cubic feet	\$3.92
Next 81,000 cubic feet	\$4.60
Over 100,000 cubic feet	\$5.28

Effective all bills issued after July 1, 2009

<u>Meter Size</u>	<u>Quarterly Service Charge</u>
5/8 inch	\$59.03
3/4 inch	\$64.92
1 inch	\$82.64
1-1/2 inch	\$106.19
2 inch	\$171.18
3 inch	\$649.24
4 inch	\$826.32
6 inch	\$1,239.48
8 inch	\$1,711.65

WATER FEE (Effective July 1, 2009)

The Water Service Fees Schedule is amended as follows:

(Note: Section 15, Fees for application of Water Service. It has been modified to eliminate the fee for installation of service by requiring the owner, as in the Sewer Regulation, be responsible for all work, other than the actual tapping of the main. The Tie-In Fee includes the cost of making the tap).

SERVICE FEES SCHEDULE Effective July 1, 2009

<u>FEE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1. Installation of Outside Meter Reader	\$NC	Install meter with outside reader
2. Return Check Fee	\$25.00 or 1% of check face value which- ever is larger	Insufficient Funds Charge
3. Curb Cock Shut Off Order Normal working hours	\$75.00	Turn off water service delinquent account or by request of Customer
4. Curb Cock Shut Off or Turn on - after hours	\$90.00	
5. Curb Cock Turn On Fee	\$75.00	Following meter turn-off
6. Water Use Recheck Charge	\$N/C	Reread meter
7. New Account Charge	\$N/C	New Account activation of water service
8. Reinstallation of meter	\$N/C	
9. Illegal Water Use Charge	\$300.00 first offense \$600.00 second offense	Use of water without application for service
10. Remove Meter Charge	\$60.00	Remove meter - delinquent account or by Customer request
11. Turn Off at Main Charge	\$100.00	Turn off service at main or plug Customer request
12. Broken Meter Lock or Seal	\$30.00	Broken meter lock or seal

13. Relocate Meter		Move meter - same Premise at Customer's request - no plumbing involved except meter
Meter Size		
5/8" - 2"	\$150.00	
2" - 4"	\$500.00	
over 4"	\$1500.00	
14. Fire Hydrant Opening Permit	\$100.00	Cost of permit, installation of meter, hydrant monitoring, opening and closing of hydrant - normal working hours-during a 30-day period

15. Fees for Application of Water Service

New	
<u>Service Line Size</u>	<u>Tie In Fee</u>
(inches)	

1" (or smaller)	\$ 2,000
up to & including:	
1-1/2"	\$ 2,400
2"	\$ 4,000
4"	\$ 6,000
6"	\$ 8,000
8"	\$ 10,000
10"	\$ 16,000
12"	\$ 20,000

Costs do not include expenditures for tapping sleeve and valve, Customer is responsible for actual cost of tapping sleeve and valve.

16. Meter Test at Customer Request		
Statutory Period	\$NC	
Outside Statutory Period		
1" or smaller	\$ 100	Test Meter at Town Meter Shop
1-1/2" or 2"	\$ 150	
3" or larger	\$Actual cost to Town	
17. Inspection Fees		
Inspection	\$2.50/LF of Water main installed	Fee paid by developers for inspection of the installation of the system
17A. Cross Connection Device Test/Retest per device	\$50.00/device	Check test/retest device
17B. Cross Connection Survey	\$60.00/hr.	Locate and classify cross connections as per CMR 22.22

19.	Water Sales - Fire Hydrants	Actual Use	Sale of Water from metered hydrants
20.	Sale of Blueprints per drawing	\$ 10.00	Sale by Water Department
21.	Sale of Maps per map	\$ 10.00	Sale by Water Department
22.	Repair of damaged water mains	Actual Cost incurred by Town to repair damaged pipe	
23.	Plan Review Fee per unit	\$5.00	Fee for Water Department
24.	Standby Fire Protection (firelines) per day	Actual Cost	
25.	Testing Connections & Inspections after regular working hours	\$ 75.00/hr.	Actual cost to Town including overtime
26.	Damage to or Replacement of Fire Hydrant Meter	Actual Cost	Fine to Customer
27.	Replacement of Replacement Damaged Meter	Replacement Cost Actual cost	
28.	Service Line Thawing	\$250.00	Includes turn service off & on, Thaw service line from T handle to meter
29.	Fire Protection Service Charge		
	Pipe size	Quarterly Service Charge	
	4 inch	\$148.71	
	6 inch	\$259.24	
	8 inch	\$390.50	
30.	Lien Fee	\$25.00	Fee to levy delinquent water charges to Real Estate tax bill
31.	Final Bill Fee	\$50.00	Fee to perform individual reading and billing for transfer, sale of property, or other purpose

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| 32. | Miscellaneous Service \$60.00/hr.
-regular working hours | Any service work per hour not covered by specific charges |
| 33. | Miscellaneous Service \$75.00/hr.
-after regular working hours | Any service work per hour not covered by specific charges |