

## Water Sewer Rate Increases

Historically the water & sewer budgets have been based solely on short-term projections: what was the income for the year and what were the needs for that same year. This did not allow for planning into the future. When a major need would arise, such as the sewer project in 2016, the Township would need to take out a loan. No long term budgeting was done for replacing aging components (such as the 24<sup>th</sup> Avenue lift station), replacing inadequate components (such as replacing the Quincy & 24<sup>th</sup> Avenue forcemain), or for planning for new infrastructure (such as an additional water storage facility). Any work of this type was dependent either on loans or on revenue from one-time fees paid by new developments. For quite a few years, the water/sewer budgets have been blessed by the additional developments that have been taking place in Jamestown. This has enabled the budget to make all of its loan payments (funded by the one-time connection fees) and enabled it to complete some much-needed projects (also funded by the one-time connection fees). However, this is not sustainable and it does not plan for the future. Thus Vriesman & Korhorn was commissioned to conduct a rate study for Jamestown.

Among the recommendations adopted by the board are the following:

### **Connection fees for NEW connections**

50% increase for Water Trunkage Fee from \$1,600 to \$2,400

51.5% increase in Water Availability Fee (for first 150 feet) from \$4,600 to \$6,969

79% increase in Water Availability Fee per foot after 150 feet from \$34/ft to \$61/ft

123% increase in Sewer Availability Fee (for the first 150 feet) from \$5,150 to \$11,481

113% increase in Sewer Availability Fee per foot after 150 feet from \$47/ft to \$100/ft

64.5% increase in 1-inch Water Service Line from \$850 to \$1,400

45.5% increase in 1 ½ -inch Water Service Line from \$1,275 to \$1,857

41% increase in 2-inch Water Service Line from \$1,700 to \$2,400

66% increase in Sewer Lateral Change from \$1,200 to \$1,996

### **Quarterly charges for EXISTING customers**

No change in the Water RTS (Ready to Serve) Fee

No change in the Sewer RTS Fee

No Change in the Sewer Use Fee

19% increase in the Water Use Fee from \$2.01/1,000 gallons to \$2.40/1,000 gallons

Note that this includes the \$0.22 increase coming from our supplier, City of Wyoming

This leaves \$0.17/1,000 gallon increase which is, for the first time, sufficient to cover debt service. It is also the only water/service fee over which the end-user has any control: how much water they are using. Were it not for the supplier's increase, the Township's increase would have been 8.5%