

**EAST LYME WATER AND SEWER COMMISSION
OCTOBER 24, 2017
PUBLIC HEARING ON WATER RATES**

Present: Kevin Seery, Acting Chairman, Steve DiGiovanna, Dave Jacques, Joe Mingo, Dave Murphy, Carol Russell, Roger Spencer and Dave Zoller

Also Present: Joe Bragaw, Public Works Director
Brad Kargl, Municipal Utility Engineer
Anna Johnson, Finance Director
Mark Zamarka, Town Counsel

1. Call to Order/Pledge of Allegiance. Acting Chairman Seery called the October 24, 2017 Public Hearing on Water Rates to order at 6:30 p.m. The Pledge of Allegiance was observed.

Mr. Bragaw's talking points and the Publisher's Certificate are attached.

Mr. Seery asked for comments from the floor.

John Drabik of 18 Drabik Road stated we now have less residents in Town. He felt it is unfair to pass a rate increase on for sewer and water rates.

MOTION (1): Mr. DiGiovanna moved to adjourn the
Public Hearing on Water Rates at
6:35 p.m. Seconded by Mr. Zoller.
(8-0) Unanimous.

Respectfully submitted,

Frances Gheri, Pro Temp

FILED

Oct 26 20 17 AT 12:05 AM/PM
Karen Gullo, ATC
EAST LYME TOWN CLERK



PUBLIC HEARING ON WATER RATES

**October 24, 2017
6:30 PM at the EL Town Hall**



PROPOSED FY 17-18 WATER RATES

Prepared for the W&S Commission Rate Hearing on 10/24/17

By Joe Bragaw, Director of Public Works

TALKING POINTS

1. The operating budget (revenue and expenditures) is approved in April and any proposed changes to rate structure are voted on at the October W&S meeting.
2. At the April 2017 W&S meeting, the FY 17-18 budget was approved with a 1.0% increase over the adopted FY 16/17 budget. At that time, we had the following assumptions;
 - a. We indicated to the W&S Commission that even with the minimal 1% operating budget increase; we may be looking at a rate increase of around 6% based on declining flows and revenues.
 - b. We assumed flat water usage. The November 2017 billing was 12.76% less than the November 2016 billing.
 - c. We did set aside money in the FY 17-18 budget to begin moving forward with a meter replacement program that is essential to our future operations and the technology that we should be going too.
 - d. In our FY 17-18 approved budget, we did increase the town fire hydrant fee by 10% to help offset the service the Water Department provides the town for town-wide fire protection
3. The largest water customer in our system, the State prisons has seen water usage drop by a significant amount over the last few years. The revenue from the prisons has gone from \$381k in FY 14-15, to \$314k in FY 15-16 to \$242k in FY 16-17 as their prison population has decreased. This drop of over \$140k in 3 fiscal years is putting pressure on the rest of our operating budget. Even though there is less water needed, we still have to keep open the interconnection and keep the system available to provide for peak demand, so the largest customers add more cost to our operations. Last November we created a top tier user (over 2,500,000 gallons per 6 months) and we are proposing to increase this top tier by 15%.
4. Even with the 5% rate increase, we will need to cut the existing operating budget by \$53k to balance projected revenue with expenditures. This will be difficult to do but is necessary to help contain rising rate costs for our customers. If we had the same rate increase for all customers and didn't cut the existing budget, it would take a 10.9% rate increase across the board to balance the budget.
5. Besides water usage, we are proposing 5% rate increases to the application fees and 5% rate increases to all service fees that are tied to increases we have in labor and benefits.

East Lyme Water and Sewer Commission

Analysis of Proposed Water Rates (5% increase)

Six Month Billing Period

10/24/2017

Use Category	Gallons	Existing Rates (per 1000 gal)	Charge	Prop Rates (5% Incr.) (per 1000 gal)	Charge	Difference
1 Low User	3,500	\$57.85		\$60.74		
10,000 gal/6 mn	10,000	\$4.26	\$85.54	\$4.47	\$89.82	\$4.28
2 Medium User	3,500	\$57.85		\$60.74		
40,000 gal/6 mn	40,000	\$4.26	\$213.34	\$4.47	\$224.01	\$10.67
3 High User	3,500	\$57.85		\$60.74		
150,000 gal/6 mn	150,000	\$4.70	\$746.40	\$4.94	\$783.72	\$37.32
4 Very High User	3,500	\$57.85		\$60.74		
1,000,000 gal/6 mn	1,000,000	\$5.13	\$5,169.90	\$5.39	\$5,428.39	\$258.49
5 Highest Users	3,500	\$57.85		\$60.74		
2,500,000 gal/6 mn	2,500,000	\$5.65	\$14,163.08	\$6.50	\$16,281.75	\$2,118.68

**TOWN OF EAST LYME
WATER AND SEWER COMMISSION
NOTICE OF ADOPTED WATER RATES**

NOTICE IS HEREBY GIVEN that on October 25, 2016, the East Lyme Water and Sewer Commission approved the following revised schedule of rates and charges for connection to and use of the East Lyme water system. The revised water rates and charges are as follows:

SCHEDULE I – RATES FOR USAGE based on meter readings at six month intervals.

	<u>Rate</u>
<u>Minimum charge</u> per six month period, for usage up to a maximum of 3,500 gallons per six month period	\$57.85
<u>3,501 gallons</u> , to 40,000 gallons per six month period	\$4.26/1,000 gallons
<u>3,501 gallons</u> , to 675,000 gallons per six month period	\$4.70/1,000 gallons
<u>3,501 gallons</u> to 2,500,000 gallons per six month period	\$5.13/1,000 gallons
<u>3,501 gallons</u> to over 2,500,000 gallons per six month period	\$5.65/1,000 gallons

SCHEDULE II – MISCELLANEOUS WATER CHARGES

Application for Connection Permit	
Class 'A'- Residential	\$100.00
Class 'B'- Multi Family and Commercial	\$200.00
Class 'C'- Industrial	\$500.00
Demolition/Disconnect-Any Class	\$50.00
 ANNUAL PRIVATE HYDRANT CHARGE	 \$200.00
 ANNUAL FIRE SPRINKLER CHARGE	 \$200.00
 METER CHARGES (FLAT RATE)	
Meter Deposits	
5/8-3/4"	\$70.00
1"	\$93.00
1 1/2"	\$140.00
2"	\$187.00
3"	\$280.00
 Frozen Meter Repair (normal working hours)	 \$100.00
Frozen Meter Repair (after normal working hours)	\$150.00
Install/Disconnect Meter (normal working hours)	\$100.00
Install/Disconnect Meter (after normal working hours)	\$150.00
All Meter Tests	\$75.00

SALE OF WATER DEPT. STOCKED MATERIALS

Cost, incl.
shipping, plus
12% admin. fee

INSPECTION SERVICES

During Normal Working Hours
After Normal Working Hours

\$70.00/hour
\$105.00/hour

TURN ON/SHUT OFF (FLAT RATE)

During Normal Dept. Working Hours (includes turn on & off and
Charged at the time of the turn on)
After Normal Dept. Working Hours

\$75.00
\$120.00

CONNECTION CHARGES

All services

\$2,500.00 min
(actual cost)

The revised rates and charges shall be effective on November 1, 2016. Rates for usage shall be payable at six months intervals. All other rates shall be payable at the time services are rendered.

Dated at East Lyme, Connecticut on this 25th day of October, 2016

EAST LYME WATER AND SEWER COMMISSION

By _____
Mark Nickerson, W&S Commission Chair

**TOWN OF EAST LYME
WATER AND SEWER COMMISSION
NOTICE OF PROPOSED WATER RATES**

NOTICE IS HEREBY GIVEN of a public hearing to be held by the East Lyme Water and Sewer Commission at the East Lyme Town Hall on Tuesday October 24, 2017 to consider proposed revisions to the rates and charges for connection to and the use of the East Lyme water system. The water rate public hearing will commence immediately after the conclusion of a public hearing to be held on said date and said place regarding the sewer rates. The proposed water rates and charges are as follows:

SCHEDULE I – RATES FOR USAGE based on meter readings at six month intervals.

	<u>Rate</u>
<u>Minimum charge</u> per six month period, for usage up to a maximum of 3,500 gallons per six month period	60.74
<u>3,501 gallons</u> , to 40,000 gallons per six month period	\$4.47/1,000 gallons
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<u>3,501 gallons</u> to 2,500,000 gallons per six month period	\$5.39/1,000 gallons
<u>3,501 gallons</u> to over 2,500,000 gallons per six month period	\$6.50/1,000 gallons

SCHEDULE II – MISCELLANEOUS WATER CHARGES

Application for Connection Permit	
Class 'A'- Residential	\$105.00
Class 'B'- Multi Family and Commercial	\$210.00
Class 'C'- Industrial	\$525.00
Demolition/Disconnect-Any Class	\$55.00
 ANNUAL PRIVATE HYDRANT CHARGE	 \$210.00
 ANNUAL FIRE SPRINKLER CHARGE	 \$210.00
 METER CHARGES (FLAT RATE)	
Meter Deposits	
5/8-3/4"	\$70.00
1"	\$93.00
1 1/2"	\$140.00
2"	\$187.00
3"	\$280.00
 Frozen Meter Repair (normal working hours)	 \$105.00
Frozen Meter Repair (after normal working hours)	\$162.50
Install/Disconnect Meter (normal working hours)	\$105.00

Install/Disconnect Meter (after normal working hours)
All Meter Tests

\$162.50
\$80.00

SALE OF WATER DEPT. STOCKED MATERIALS

Cost, incl.
shipping, plus
12% admin. fee

INSPECTION SERVICES

During Normal Working Hours
After Normal Working Hours

\$73.50/hour
\$110.00/hour

TURN ON/SHUT OFF (FLAT RATE)

During Normal Dept. Working Hours (includes turn on & off and
Charged at the time of the turn on)
After Normal Dept. Working Hours

\$80.00
\$125.00

CONNECTION CHARGES

All services

\$2,500.00 min
(actual cost)

These proposed rates and charges would become effective on November 1, 2017 if approved. Rates for usage shall be payable at six months intervals. All other rates shall be payable at the time services are rendered.

The owners of properties against which the proposed rates and charges are to be levied and other interested persons are invited to attend and be heard.

Dated at East Lyme, Connecticut on this 12th day of October, 2017

EAST LYME WATER AND SEWER COMMISSION

By: _____
Mark Nickerson, W&S Commission Chair

PUBLISHER'S CERTIFICATE

State of Connecticut
County of New London, ss. New London

Personally appeared before the undersigned, a Notary Public within and for said County and State, Sharon Foret, Legal Advertising Clerk, of The Day Publishing Company Classifieds dept, a newspaper published at New London, County of New London, state of Connecticut who being duly sworn, states on oath, that the Order of Notice in the case of

24581 TOWN OF EAST LYME WATER AND SEWER COMMISSION NOTICE O

A true copy of which is hereunto annexed, was published in said newspaper in its issue(s) of

10/13/2017, 10/13/2017

Cust: EAST LYME TOWN/SEWER DEPT
Ad #: d00745395

Sharon Foret

Subscribed and sworn to before me

This Wednesday, October 18, 2017

Notary Public

My commission expires

Margelle Solis
5/31/13

TOWN OF EAST LYME WATER AND SEWER COMMISSION NOTICE OF PROPOSED WATER RATES

24581

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ANNUAL FIRE SPRINKLER CHARGE \$210.00

METER CHARGES (FLAT RATE)

Meter Deposits	
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All Meter Tests	\$80.00

SALE OF WATER DEPT. STOCKED MATERIALS

Cost, incl.
shipping, plus
12% admin. fee

INSPECTION SERVICES

During Normal Working Hours	\$73.50/hour
After Normal Working Hours	\$110.00/hour

TURN ON/SHUT OFF (FLAT RATE)

During Normal Dept. Working Hours (includes turn on & off and Charged at the time of the turn on)	\$80.00
After Normal Dept. Working Hours	\$125.00

CONNECTION CHARGES

All services	\$2,500.00 min (actual cost)
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Dated at East Lyme, Connecticut on this 12th day of October, 2017

EAST LYME WATER AND SEWER COMMISSION

Mark Nickerson, W&S Commission Chair