



# Town of Middlebury

FY19 Water & Wastewater  
Budget & Rate Presentation  
Infrastructure Committee  
June 21, 2018

# FY19 Water Budget Major Drivers

## FY19 Water Department Major Drivers:

- Inflationary Increases in wages and benefits - \$13,779
- Line 24 – Other Professional Services increased \$10,000 – Purchase of Water Gem software to access and use of water mapping data base
- Line 68 – Property & Casualty Insurance decreased \$6,000 – insurance was bid-out last year.
- Line 92 – Palmer Springs Electricity increased \$14,000 to reflect anticipated expense.
- Line 128 – Maintenance of Mains Contractual Services – increased \$30,000 to reflect increasing number and cost of repairs.
- Line 146 – Maintenance of Meters – Repair & Maintenance Supplies – increased \$21,000 to reflect the cost of replacing large meters and replacing older Orion meters.
- Line 162 – Purchase of Equipment increased \$5,800 for cost of GIS hand-held unit. The cost of the unit will be split equally between the water and wastewater departments.
- Line 171– \$1M Water Bond Payment Principal – \$19,000 added to the budget to reflect first principal payment
- \$115,995 in additional water charges revenue required to balance budget.

# FY19 Wastewater Budget Major Drivers

## FY19 Wastewater Department Major Drivers:

- Lines 27 & 28 – Inflationary increases in wages - \$7,350
- Line 46 – Reflects Wastewater Department share of GIS hand held unit, an increase of \$5,800
- Lines 49 – 58 – Decrease in benefits due to changes in enrollment – (\$18,330)
- Line 82 – Property & Casualty Insurance decreased by \$15,850 – insurance was bid-out last year
- Line 102 – Biosolids Operating Supplies increased \$5,000 to reflect recent trends
- Line 124 – Maintenance/Mains contractual services increased \$6,000 to reflect recent trends
- Line 129 – Purchase of Equipment/Cellular Endpoints increased \$11,000 to reflect WW share of the cost of the endpoints
- Line 145 – Capital Improvements increased \$143,160 to reflect anticipated receipts
- Line 13 – Septage Dumping Receipts decreased by \$20,000 to reflect the trend in receipts since the price increase instituted during FY18

# Typical Residential User – Quarterly (Assuming 9,300 gal/qtr)

Eliminates 3,000 gallons included in wastewater base rate. (3,000 gallons included in water base rate eliminated last year).

|  | Current<br>FY18 | Proposed<br>FY19 | \$ Change    |
|--|-----------------|------------------|--------------|
| Water Base Rate ( <i>no usage included in base rate</i> )                    | 35.52           | 43.74            | 8.22         |
| <u>Water Usage (\$3.04/1000 gal)</u>   | <u>28.27</u>    | <u>28.27</u>     | <u>-</u>     |
| Water Total  | \$63.79         | \$72.01          | \$8.22       |
| Wastewater Base Rate<br>(eliminates 3,000 gal/quarter included in base rate) | 39.60           | 29.00            | (10.60)      |
| <u>Usage (\$7.78/1000 gal FY18; \$6.78/gal FY19)</u>                         | <u>49.00</u>    | <u>63.06</u>     | <u>14.06</u> |
| Wastewater Total   | \$88.61         | \$92.06          | \$3.46       |
| Combined Base Rate   | 75.12           | 72.74            | (2.38)       |
| <u>Combined Usage</u>  | <u>77.27</u>    | <u>91.33</u>     | <u>14.06</u> |
| Combined Total   | \$152.39        | \$164.07         | \$11.68      |

# Water Budget & Rate Recommendations

## FY19 Budget Recommendation:

If the Committee is amenable to adopting the water fund budget as presented, the following motion would be in order: *I move that the Committee recommend the proposed FY19 Water Fund budget of \$1,349,341 to the Selectboard for adoption.*

## FY19 Rate Recommendation:

If the Committee is amenable to adopting water rates as presented, the following motion would be in order: *I move that the Committee recommend to the Selectboard a water base rate of \$43.74 for in-town users and a water base rate of \$48.74 for out-of-town users and usage rate of \$3.04 per 1,000 gallons for FY19.*

# Wastewater Budget & Rate Recommendations

## FY19 Budget Recommendation:

If the Committee is amenable to adopting the wastewater fund budget as presented, the following motion would be in order: *I move that the Committee recommend the proposed FY19 Wastewater Fund budget of \$2,699,274 to the Selectboard for adoption.*

## FY19 Rate Recommendation:

If the Committee is amenable to adopting wastewater rates as presented, the following motion would be in order: *I move that the Committee recommend to the Selectboard eliminating the minimum usage of 3,000 gallons/quarter and reducing the minimum base rate from \$39.60 to \$29 per quarter and reducing the usage rate of \$7.78 to \$6.78 per 1,000 gallons for FY19.*