

**METROPOLITAN DISTRICT COMMISSION
WATER BUREAU
SPECIAL MEETING
WEDNESDAY, NOVEMBER 28, 2018
5:30 P.M.**

Location

Board Room
District Headquarters
555 Main Street, Hartford

Commissioners

Adil
Buell
Camilliere
Charron
DiBella (Ex-Officio)
Fitzgerald
Gardow
Hall
Holloway

Ionno
Kowalyshyn
LeBeau
Pane (VC)
Salemi
Sweezy (C)
Taylor

Quorum: 8

Special Representative
Carrier

1. CALL TO ORDER
2. PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS
3. APPROVAL OF MEETING MINUTES OF NOVEMBER 7, 2018
4. CONSIDERATION OF AND POTENTIAL ACTION RE: REVISIONS TO DISTRICT WATER RATES
5. CONSIDERATION OF AND POTENTIAL ACTION RE: REVISIONS TO WATER ASSESSMENT RATES AND OTHER RELATED CHARGES AND SPECIAL WATER RATES AND CHARGES
6. OPPORTUNITY FOR GENERAL PUBLIC COMMENTS
7. COMMISSIONER QUESTIONS AND COMMENTS
8. ADJOURNMENT

2019 DISTRICT WATER RATES

To: Water Bureau for consideration November 28, 2018

The 2019 budget in support of Water Operations calls for the water use rate to increase to \$3.48 per hundred cubic feet (CCF). The changes will become effective January 1, 2019.

A discussion of several rates that comprise the proposed schedule for 2019 and the recommendations pertaining to each follows:

Water Used Charge – Treated Water

Staff recommends that the rate charged for the use of treated water based on actual metered consumption increase from \$3.14 per CCF to \$3.48 per CCF.

The recommended rate for treated water for customers, based on actual metered consumption, is:

<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>
\$3.14/100 Cu. ft.	\$3.48/100 Cu ft.

Customer Service Charge

Revenues from this customer service charge are intended to support a portion of the fixed operating, maintenance and debt costs associated with water operations. The customer service charges in the residential category (5/8", 3/4", and 1" meters) will remain at \$44.94 per quarter. The customer service charges for the 6" will remain at \$1,458.21 per quarter. The customer service charges for the 1 1/2", 2", 3", 4", 8", 10" and 12" meters will remain at \$145.80, \$233.40, \$437.67, \$730.65, \$2,313.48, \$5,333.31, \$5,689.14 per quarter respectively.

Surcharge Outside The Metropolitan District

A fixed "surcharge" rate is added to all accounts for service outside the boundaries of the District. The surcharge is based on the size of the meter that serves each delivery point. Revenues from this charge are for the reimbursement of assets deployed. The surcharge rates have been set at the same rates as the Customer Service Charges. The surcharge rates in the residential category (5/8", 3/4", and 1" meters) will remain at \$44.94 per quarter. The customer service charges for the 6" will remain at \$1,458.21 per quarter. The customer service charges for the 1 1/2", 2", 3", 4", 8", 10" and 12" meters will remain at \$145.80, \$233.40, \$437.67, \$730.65, \$2,313.48, \$5,333.31, \$5,689.14 per quarter respectively.

Water Used Charge – Untreated Water

The District provides untreated water to other agencies and water companies for a fixed rate based on actual consumption. The current rate for this untreated or “raw” water is \$1.50 per hundred cubic feet of consumption. It is recommended that the charge for untreated water remain at the rate of \$1.50 per hundred cubic feet.

Surcharge Outside the Metropolitan District for Capital Improvements

A surcharge is added to the water rate to recover the cost of major capital improvements and/or upgrades such as water main extensions, pump stations, etc. In non-member towns.

Private Fire Protection Charge

Rates for private fire protection are charged to all fire service accounts, including combination services, based on the size of the service connection. Staff recommends monthly service charges for the 2”, 3”, 4”, 6”, 8”, 10” and 12” meters rates increase to \$19.85, \$25.82, \$38.77, \$65.02, \$240.00, \$375.00, \$540.00 respectively.

Conclusion

Staff believes that the foregoing rate change recommendations are justified, reflect the sound financial administration that has earned the District support among credit rating agencies and financial advisors, and are consistent with the policy direction of the Commission.

After reviewing the information contained herein

It is **RECOMMENDED** that it be

Voted: That the Water Bureau, acting under Section 5-4 of the District Charter, establishes revised water rates effective with the meter readings rendered on and after January 1, 2019, as set forth in the following “REVISIONS TO WATER SUPPLY ORDINANCES.”

Further Voted: That following the public hearing held on November 28, 2018, as required by Special Act 01-3, as adopted by the General Assembly of the State of Connecticut, and Section 2-14 of the Charter of The Metropolitan District, the Water Bureau recommends to the District Board, through the Committee on MDC Government, approval of the following “REVISIONS TO WATER SUPPLY ORDINANCES” by the enactment of said proposed

ordinances. (Additions are indicated by underscoring and deletions are crossed out).

REVISIONS TO WATER SUPPLY ORDINANCES

W-1 WATER RATES

SEC. W1a WATER USED CHARGE (TREATED WATER)

The WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

<u>BILLS RENDERED</u>	<u>RATE</u>
MONTHLY AND QUARTERLY	\$3.14 per 100 Cubic Feet

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	<u>\$3.48 per 100 Cubic Feet</u>

SEC. W1b CUSTOMER SERVICE CHARGE

The CUSTOMER SERVICE CHARGE is a service charge applicable to all metered services and services to be metered. The charge shall be determined from the size of each meter installed or to be installed on the premises, as follows:

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$14.98</u>
3/4"	<u>\$14.98</u>
1"	<u>\$14.98</u>
1 1/2"	<u>\$48.60</u>
2"	<u>\$77.80</u>
3"	<u>\$145.89</u>
4"	<u>\$243.55</u>
6"	<u>\$486.07</u>
8"	<u>\$771.16</u>
10"	<u>\$1,777.77</u>
12"	<u>\$1,896.38</u>

SEC. W1c SURCHARGE OUTSIDE THE METROPOLITAN DISTRICT

In towns outside the limits of The Metropolitan District, in addition to charges under SEC. W1a and W1b, there shall be a surcharge determined from the size of the meter installed on the premises, as follows:

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$14.98</u>
3/4"	<u>\$14.98</u>
1"	<u>\$14.98</u>
1 1/2"	<u>\$48.60</u>
2"	<u>\$77.80</u>
3"	<u>\$145.89</u>
4"	<u>\$243.55</u>
6"	<u>\$486.07</u>
8"	<u>\$771.16</u>
10"	<u>\$1,777.77</u>
12"	<u>\$1,896.38</u>

SEC. W1f SURCHARGE OUTSIDE THE METROPOLITAN DISTRICT FOR CAPITAL IMPROVEMENTS

In towns outside the limits of The Metropolitan District for which capital improvements or layout and assessment projects are constructed, in addition to charges under SEC. W1a, W1b and W1c, there shall be a surcharge on the water rates determined from the size of the meter installed on the premises, as follows:

Farmington

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$0.18</u>
1"	<u>\$0.36</u>
1 1/2"	<u>\$1.94</u>
2"	<u>\$6.17</u>
3"	<u>\$10.79</u>
4"	<u>\$13.44</u>
8"	<u>\$353.71</u>

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$0.74</u>
1"	<u>\$2.60</u>
1 1/2"	<u>\$12.40</u>
2"	<u>\$28.26</u>
3"	<u>\$41.96</u>
4"	<u>\$119.93</u>
6"	<u>\$43.32</u>
8"	<u>\$4,854.28</u>

Glastonbury

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$1.44</u>
3/4"	<u>\$3.40</u>
1"	<u>\$3.33</u>
1 1/2"	<u>\$8.65</u>
2"	<u>\$16.57</u>
3"	<u>\$51.05</u>
4"	<u>\$51.05</u>

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$3.58</u>
3/4"	<u>\$4.96</u>
1"	<u>\$9.59</u>
1 1/2"	<u>\$28.76</u>
2"	<u>\$49.83</u>
3"	<u>\$131.23</u>
4"	<u>\$128.08</u>

South Windsor

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$0.31</u>
3/4"	<u>\$0.51</u>
1"	<u>\$0.92</u>
1 1/2"	<u>\$1.41</u>
2"	<u>\$3.15</u>
3"	<u>\$32.97</u>
4"	<u>\$32.97</u>

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	<u>\$0.57</u>
3/4"	<u>\$0.70</u>
1"	<u>\$1.73</u>
1 1/2"	<u>\$2.22</u>
2"	<u>\$7.62</u>
3"	<u>\$87.23</u>
4"	<u>\$29.01</u>
6"	<u>\$25.10</u>

SEC. W6f CHARGES FOR PRIVATE FIRE PROTECTION SERVICE

Charges for **metered or unmetered** connections to water mains supplying water for fire protection **including combination services**, ~~metered, or unmetered~~, shall be in accord with the following table:

<u>SIZE OF CONNECTION</u>	<u>MONTHLY CHARGE</u>
2"	<u>\$17.91</u>
3"	<u>\$23.30</u>
4"	<u>\$34.98</u>
6"	<u>\$58.67</u>
8"	<u>\$88.21</u>
10"	<u>\$147.73</u>
12"	<u>\$207.76</u>

<u>SIZE OF CONNECTION</u>	<u>MONTHLY CHARGE</u>
2"	<u>\$19.85</u>
3"	<u>\$25.82</u>
4"	<u>\$38.77</u>

6"
8"
10"
12" & Larger

\$65.02
\$240.00
\$375.00
\$540.00

Respectfully submitted,



Scott W. Jellison
Chief Executive Officer

REVISIONS TO WATER ASSESSMENT RATES AND OTHER RELATED CHARGES AND SPECIAL WATER RATES AND CHARGES

To: Water Bureau for consideration on November 28, 2018

In support of the annual water operating budget, staff is submitting these rates in conjunction with the revisions to the proposed Fiscal Year 2019 water rates and other peripheral charges associated with the delivery and sale of water as part of the annual budget adoption process.

Staff has reviewed these rates in light of the costs associated with them on a 'typical' model basis and makes the following recommendations:

Water Assessment Rates and Other Related Charges:

	<u>Current</u>	<u>Proposed</u>
Main Pipe Assessment	\$77.00/ft	<u>\$95.00/ft</u>
Service Pipe Taps		
Domestic (includes spacer and meter costs):		
1" Service Tap with 5/8" Meter	\$550.00	<u>\$670.00</u>
1" Service Tap with 3/4" Meter	\$575.00	<u>\$675.00</u>
1-1/2" Service Tap with 1" Meter	\$695.00	<u>\$800.00</u>
2" Service Tap with 1-1/2" Meter	\$1,400.00	\$1,400.00
4" Service Tap with 2" Meter	\$1,450.00	\$1,450.00
4" Service Tap with 3" Meter	\$1,580.00	\$1,580.00
6" Service Tap with 4" Meter	\$1,780.00	\$1,780.00
8" Service Tap with 6" Meter	\$2,400.00	\$2,400.00
10" Service Tap with 8" Meter	\$3,370.00	\$3,370.00
Fire Service		
2" Fire Service Tap	\$565.00	<u>\$650.00</u>
4", 6", 8" Fire Service Tap	\$460.00	<u>\$550.00</u>
Hydrants		
Installed after the main	\$9,800.00	<u>\$10,800.00</u>
Hydrant Maintenance	\$100.00	<u>\$125.00</u>
Hydrant Relocation	\$15,000.00	\$15,000.00
	deposit +/- actual	deposit +/- actual
	cost + overhead	cost + overhead
Fire Flow Testing	\$340.00	<u>\$400.00</u>

Special Meter Charges and Deposits:

	<u>Current</u>	<u>Proposed</u>
Hydrant Meters		
Administrative and meter reading fee, including connection and inspection fees + actual water use to be billed	\$1,000.00	\$1,000.00
Hydrant Meter Deposit	\$1,500.00	\$1,500.00
Subsequent re-inspection and testing fee, if backflow prevention device required	\$50.00	<u>\$100.00</u>
Frozen, Lost or Damaged Meters		
5/8" meter	\$200.00	<u>\$225.00</u>
3/4" meter	\$240.00	<u>\$260.00</u>
1" meter	\$275.00	<u>\$300.00</u>
1-1/2" meter	\$920.00	<u>\$1,000.00</u>
2" meter	\$1,155.00	<u>\$1,300.00</u>
3" meter	\$1,355.00	<u>\$1,425.00</u>
4" meter	\$1,615.00	<u>\$1,700.00</u>
6" meter	\$2,560.00	<u>\$2,700.00</u>
8" meter	\$4,000.00	<u>\$4,100.00</u>
Radio transmitter unit	\$155.00	<u>\$200.00</u>
Spacer Charges		
5/8", 3/4"	\$145.00	<u>\$160.00</u>
1"	\$150.00	<u>\$165.00</u>
1-1/2"	\$200.00	<u>\$225.00</u>
2" & larger	\$220.00	<u>\$250.00</u>

	<u>Current</u>	<u>Proposed</u>
3 rd Party Damaged Hydrant Charge Repair or Replacement	actual cost + overhead	actual cost + overhead
Delinquent Account Review and Lien Fees	\$85.00	<u>\$90.00</u>
Delinquent Account Review and Lien Fees – Condo Assoc.	\$26.00	\$26.00
Checks Returned for Insufficient Funds	\$50.00	<u>\$60.00</u>
Shut-Off /Turn-on for Non-Payment	\$100.00	<u>\$125.00</u>
Shut-Off/Turn-on for Non-Payment (subsequent event in same year)	\$200.00	<u>\$225.00</u>
Scheduled Overtime/Emergency Inspections	\$325.00	\$325.00
Off and On Within 12 Months	\$95.00	<u>\$110.00</u>
Install Permanent Meter (No Service Tap)		
5/8" – 1" Meter	\$95.00	<u>\$110.00</u>
2" Meter & larger	\$240.00	<u>\$275.00</u>
Backflow Prevention Device Testing	\$90.00	<u>\$200.00</u>
Cross Connection Service	N/A	<u>\$90.00</u>
Service Call 1 st visit free	N/A	N/A
Service Call - Subsequent visits	\$90.00/ea	\$90.00/ea
Closing Meter Reading Fee (per visit)	\$90.00	<u>\$110.00</u>
Water Wagon - Non-Sunday	\$1,030.00	\$1,030.00
Water Wagon – Sunday	\$1,350.00	\$1,350.00
Water Tanker – Administrative Fee		
+ actual water use to be billed	\$75.00	\$75.00
Administrative Review for Water and/or Sewer Services	\$465.00	\$465.00
Tampering of Hydrant or Water Supply		
First offense	\$500.00	\$500.00
Subsequent offense	\$1,000.00	\$1,000.00
Water Service Installation Charge	\$1,800.00	\$1,800.00

It is RECOMMENDED that it be:

Voted: That the Water Bureau hereby adopts the following schedule of fees effective January 1, 2019:

Water Assessment Rates and Other Related Charges:

Main Pipe Assessment	\$95.00/ft
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Service Pipe Taps

Domestic (includes spacer and meter costs):

1" Service Tap with 5/8" Meter	\$670.00
1" Service Tap with 3/4" Meter	\$675.00
1-1/2" Service Tap with 1" Meter	\$800.00
2" Service Tap with 1-1/2" Meter	\$1,400.00
4" Service Tap with 2" Meter	\$1,450.00
4" Service Tap with 3" Meter	\$1,580.00
6" Service Tap with 4" Meter	\$1,780.00
8" Service Tap with 6" Meter	\$2,400.00
10" Service Tap with 8" Meter	\$3,370.00

Fire Service

2" Fire Service Tap	\$650.00
4", 6", 8 " Fire Service Tap	\$550.00

Hydrants

Installed after the main	\$10,800.00
Hydrant Maintenance	\$125.00
Hydrant Relocation	\$15,000.00

deposit +/- actual
cost + overhead
\$400.00

Fire Flow Testing

Special Meter Charges and Deposits:

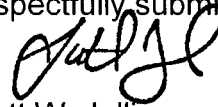
Hydrant Meters

Administrative and meter reading fee, including connection and inspection fees + actual water use to be billed	\$1,000.00
Hydrant Meter Deposit	\$1,500.00
Subsequent re-inspection and testing fee, if backflow prevention device required	\$100.00

Frozen, Lost or Damaged Meters	
5/8" meter	\$225.00
3/4" meter	\$260.00
1" meter	\$300.00
1-1/2" meter	\$1,000.00
2" meter	\$1,300.00
3" meter	\$1,425.00
4" meter	\$1,700.00
6" meter	\$2,700.00
8" meter	\$4,100.00
Radio transmitter unit	\$200.00
Spacer Charges	
5/8", 3/4"	
1"	\$160.00
1-1/2"	\$165.00
2" & larger	\$225.00
3 rd Party Damaged Hydrant Charge	
Repair or Replacement	actual cost + overhead
Delinquent Account Review and Lien Fees	\$90.00
Delinquent Account Review and Lien Fees – Condo Assoc.	\$26.00
Checks Returned for Insufficient Funds	\$60.00
Shut-Off/Turn-on for Non-Payment	\$125.00
Shut-Off/Turn-on for Non-Payment (subsequent event in same year)	\$225.00
Scheduled Overtime/Emergency Inspections	\$325.00
Off and On Within 12 Months	\$110.00
Install Permanent Meter (No Service Tap)	
5/8" – 1" Meter	\$110.00
2" Meter & larger	\$275.00
Backflow Prevention Device Testing	\$200.00
Cross Connection Service	\$90.00
Service Call 1 st visit free	N/A
Service Call - Subsequent visits	\$90.00/ea
Closing Meter Reading Fee	\$110.00
Water Wagon - Non-Sunday	\$1,030.00
Water Wagon – Sunday	\$1,350.00
Water Tanker – Administrative Fee	

+ actual water use to be billed	\$75.00
Administrative Review for Water and/or Sewer Services	\$465.00
Tampering of Hydrant or Water Supply	
First offense	\$500.00
Subsequent offense	\$1,000.00
Water Service Installation Charge	\$1,800.00

Respectfully submitted,



Scott W. Jellison
Chief Executive Officer