



Public Hearing for: FY 2023 Water Rates and Connection Charges

August 18, 2022

DRAFT PRESENTATION -

7/29/22



Current Water Rates

Semi-annual Minimum Charge

- Connected to system
- Not connected to system

Metered Water Charges

- Presently 5 step rate
- Increasing block, Conservation rate

General fund contribution

- More than 50% of budget

Semi-Annual Minimum Charge

The minimum charge is designed to recover costs associated with meters, billing, collections and other fixed costs.

The minimum charge is guaranteed revenue

Presently 1 minimum per meter (Meter Method)

- Connected to System
- Not Connected to System

Commencing in FY 2023, 1 minimum per dwelling unit on a single meter (Unit Method)

- Not Connected to System – No Minimum

Proposed FY 2023 Water Rates

Semi-annual Minimum Charge

- Connected to system - \$125.00 semi-annual
- Not connected to system - \$0

Metered Water Charges

- Condense to 3 step rate

Rely less on general fund contribution

- Eliminate slowly over next 10 years

Semi-Annual Step Rates

Current

5 Step Rate

1st Step: 1 to 20,000 Gallons

2nd Step: 20,001 to 35,000 Gallons

3rd Step: 35,001 to 60,000 Gallons

4th Step: 60,001 to 85,000 Gallons

5th Step: Over 85,000 Gallons

Proposed

3 Step Rate

1st Step: 1 to 20,000 Gallons

2nd Step: 20,001 to 60,000 Gallons

3rd Step: Over 60,000 Gallons

Proposed Minimum Charge Unit Method

One minimum charge per
unit connected to one
meter




Examples:

| | | | | |
|----------------------------------|--|--|--|---|
| Single family home, 1 minimum | Main home with a detached cottage 2 minimum charges | Complex with 35 units, 35 minimum charges | Building with 1 meter and 3 business, 3 minimum charges | Condo complex with 4 condos on a single meter, 4 minimum charges |
|----------------------------------|--|--|--|---|

Proposed Step Rates Unit Method

Number of units x step allowance
(applies to each step)



Examples for 1st step consumption:

| | | | | |
|--|---|--|---|---|
| Single family home, 1 st Step – up to 20,000 Gallons | Main home with a detached cottage 2 units x 20,000 = 40,000 gallons in 1 st step | Complex w/ 35 units, 35 x 20,000 = 700,000 gallons in 1 st step | Building 3 business 3 x 20,000 = 60,000 gallons in 1 st step | Condo complex with 4 condos 4 x 20,000 = 80,000 gallons in 1 st step |
|--|---|--|---|---|

FY 2023 Water Rates

WELLFLEET, MASSACHUSETTS - Water Enterprise Current vs Proposed Rates & Charges

FY 2023

| | Current Rates | Proposed 3 Step Rates |
|--|---------------|-----------------------|
| Semi-Annual Minimum Charge | | |
| Connected to system - per unit | \$86.98 | \$125.00 |
| Paid connection fee, not tied in | \$86.98 | \$0.00 |
| Semi-Annual Metered Water Charges per gallon - Meter Method | | |
| 1 to 20,000 Gallons | \$0.00140 | |
| 20,001 to 35,000 Gallons | \$0.00679 | |
| 35,001 to 60,000 Gallons | \$0.00961 | |
| 60,001 to 85,000 Gallons | \$0.01132 | |
| 85,001 Gallons and over | \$0.01415 | |
| Semi-Annual Three Step Rate - Unit Method | | |
| 1 to 20,000 Gallons | | \$0.00140 |
| 20,001 to 60,000 Gallons | | \$0.00942 |
| 60,001 Gallons and over | | \$0.01440 |

FY 2023 Water Rates

Impact Analysis 1 Unit Customer Semi-Annual Billing

WELLFLEET, MASSACHUSETTS - Water Enterprise

IMPACT ANALYSIS - Semi-annual

1 Unit Customer

Gallons

0

1,000

2,500

7,500

10,000

15,000

20,000

25,000

30,000

35,000

40,000

50,000

60,000

85,000

100,000

150,000

200,000

250,000

350,000

500,000

| Current Rates | Proposed 3 Step rates | Dollar Increase |
|---------------|-----------------------|-----------------|
| \$86.98 | \$125.00 | \$38.02 |
| \$88.38 | \$126.40 | \$38.02 |
| \$90.48 | \$128.50 | \$38.02 |
| \$97.48 | \$135.50 | \$38.02 |
| \$100.98 | \$139.00 | \$38.02 |
| \$107.98 | \$146.00 | \$38.02 |
| \$114.98 | \$153.00 | \$38.02 |
| \$148.93 | \$200.12 | \$51.19 |
| \$182.88 | \$247.25 | \$64.37 |
| \$216.83 | \$294.37 | \$77.54 |
| \$264.88 | \$341.50 | \$76.62 |
| \$360.98 | \$435.75 | \$74.77 |
| \$457.08 | \$529.99 | \$72.91 |
| \$740.08 | \$889.99 | \$149.91 |
| \$952.33 | \$1,105.99 | \$153.66 |
| \$1,659.83 | \$1,825.99 | \$166.16 |
| \$2,367.33 | \$2,545.99 | \$178.66 |
| \$3,074.83 | \$3,265.99 | \$191.16 |
| \$4,489.83 | \$4,705.99 | \$216.16 |
| \$6,612.33 | \$6,865.99 | \$253.66 |

FY 2023 Water Rates

Impact Analysis

Multi-unit Customer Semi-Annual Billing

WELLFLEET, MASSACHUSETTS - Water Enterprise

IMPACT ANALYSIS - Semi-annual

| Multi-Unit Customer | Number of Units | Current Rates | Proposed 3 Step rates | Dollar Increase |
|---------------------|-----------------|---------------|-----------------------|-----------------|
| Gallons | | | | |
| 30,000 | 2 | \$182.88 | \$292.00 | \$109.12 |
| 60,000 | 2 | \$457.08 | \$494.40 | \$37.32 |
| 100,000 | 2 | \$952.33 | \$871.20 | (\$81.13) |
| 35,000 | 2 | \$216.83 | \$299.00 | \$82.17 |
| 40,000 | 4 | \$264.88 | \$656.00 | \$391.12 |
| 85,000 | 4 | \$740.08 | \$759.10 | \$19.02 |
| 150,000 | 4 | \$1,659.83 | \$1,371.40 | (\$288.43) |
| 500,000 | 83 | \$6,612.33 | \$11,075.00 | \$4,462.67 |
| 1,500,000 | 83 | \$21,116.08 | \$12,475.00 | (\$8,641.08) |

FY 2023 Water Rates and Other Charges

WELLFLEET, MASSACHUSETTS - Water Enterprise Current vs Proposed Rates & Charges

FY 2023

Semi-Annual Minimum Charge

Connected to system - per unit

Paid connection fee, not tied in

Semi-Annual

Metered Water Charges per gallon - Meter Method

1 to 20,000 Gallons

20,001 to 35,000 Gallons

35,001 to 60,000 Gallons

60,001 to 85,000 Gallons

85,001 Gallons and over

Semi-Annual

Three Step Rate - Unit Method

1 to 20,000 Gallons

20,001 to 60,000 Gallons

60,001 Gallons and over

Meter, Fitting and Installation Fees and Charges

5/8' Water Meter & Transponder

Larger Meters and Transponder

Meter related fittings

Inspection Fee, per inspection

Other Services

Service call

Cross Connection Test (Back Flow)

Service Turn on Visit - regular working hours

Service Turn off Visit - regular working hours

Frozen Meter

Turn off for Non-Payment

Turn on for Non-Payment

Demand Shut off Notice

After hours service call (3 hour minimum)

Interest on Overdue Bills

Returned Check Fee

| | Current Rates | Proposed 3 Step Rates |
|--|---------------|-----------------------|
| Connected to system - per unit | \$86.98 | \$125.00 |
| Paid connection fee, not tied in | \$86.98 | \$0.00 |
| 1 to 20,000 Gallons | \$0.00140 | \$0.00140 |
| 20,001 to 35,000 Gallons | \$0.00679 | \$0.00942 |
| 35,001 to 60,000 Gallons | \$0.00961 | \$0.01440 |
| 60,001 to 85,000 Gallons | \$0.01132 | |
| 85,001 Gallons and over | \$0.01415 | |
| 5/8' Water Meter & Transponder | n/a | \$350.00 |
| Larger Meters and Transponder | n/a | Cost plus 10% |
| Meter related fittings | | Cost plus 10% |
| Inspection Fee, per inspection | n/a | \$150.00 |
| Service call | n/a | \$150.00 |
| Cross Connection Test (Back Flow) | n/a | \$150.00 |
| Service Turn on Visit - regular working hours | \$30.00 | \$75.00 |
| Service Turn off Visit - regular working hours | \$30.00 | \$75.00 |
| Frozen Meter | Varies | Meter cost + 10% |
| Turn off for Non-Payment | n/a | \$150.00 |
| Turn on for Non-Payment | n/a | \$150.00 |
| Demand Shut off Notice | \$15.00 | \$35.00 |
| After hours service call (3 hour minimum) | n/a | \$450.00 |
| Interest on Overdue Bills | 14% | 14% |
| Returned Check Fee | \$25.00 | \$35.00 |



Water Connection Fees

Current Connection Fees

One Time Charge

- Includes meter & connection
- Ability to finance charge over 10 years

Charges

- Residential - \$6,000
- Commercial - \$9,600

Connection Optional

- Connection from curb stop to customer's plumbing is arranged by customer, at their expense, through approved contractor

Connection Charge
changing name to....

System Development Charge

System Development Charge

One Time Charge

- Ability to connect to system
- No financing

Proposed Charges

- Residential - \$750
- Commercial - \$1,500

Separate fees

- Water meter & fittings
- Inspections
- Connection*

* Connection from curb stop to customer's plumbing is arranged by customer, at their expense, through approved contractor

System Development Charge

**Those that paid the connection charge,
but are not connected to system**

Will receive meter,
parts and
inspections as part
of original fee

Connection from curb
stop to customer's
plumbing is arranged
by customer, at their
expense, through
approved contractor

Must be current on
payments