

INVITATION TO COMMENT IN PUBLIC HEARINGS ON OWASA'S PROPOSED BUDGET FOR JULY 2017 THROUGH JUNE 2018 AND PROPOSED RATES

**Thursday, May 25, 2017 at 7 PM in the Council Chamber at the Chapel Hill
Town Hall, 405 Martin Luther King Jr. Boulevard**

We cordially invite you to comment in the Orange Water and Sewer Authority Board of Directors' public hearings on Thursday night, May 25th on the proposed budget for the coming fiscal year and rates proposed to go into effect in October 2017.

The time limit for each speakers in the hearing will be 4 minutes, unless otherwise determined by the Board of Directors, but we invite you to provide more detailed comments by e-mail to board_and_leadership@owasa.org or by letter to Andrea Orbich, Clerk to the Board, 400 Jones Ferry Road, Carrboro, NC 27510. If you have questions for OWASA staff, please contact us at 919-968-4421 or info@owasa.org.

No increases in monthly rates are needed for the sixth year is a row. Changes in service availability fees and some other charges are proposed as shown below. The proposed budget includes:

- \$21.9 million for service operations
- \$15.2 million for capital projects such as renewing and replacing water and sewer lines and including \$1 million for the Advanced Metering Infrastructure project
- \$6.9 million for debt payments on bonds sold to help pay for capital projects

MONTHLY WATER VOLUME CHARGES (no changes)			
Increasing block water rates* for individually-metered residences			
	WATER USE PER MONTH	CURRENT	PROPOSED
Block 1	1,000 – 2,000 gal./ month	\$2.63 per 1,000 gal.	\$2.63 per 1,000 gal.
Block 2	3,000 – 5,000 gal./ month	6.39 per 1,000 gal.	6.39 per 1,000 gal.
Block 3	6,000 – 10,000 gal./ month	7.83 per 1,000 gal.	7.83 per 1,000 gal.
Block 4	11,000 – 15,000 gal./ month	10.94 per 1,000 gal.	10.94 per 1,000 gal.
Block 5	16,000 or more gal./ month	19.79 per 1,000 gal.	19.79 per 1,000 gal.
Year-round rate--multi-family master-metered 5.67 per 1,000 gal. 5.67 per 1,000 gallons (no change)			
Seasonal water rates* for businesses, institutions and other non-residential customers			
Off-peak seasonal rate (October- April)		4.16 per 1,000 gal.	4.16 per 1,000 gal.
Peak seasonal rate (May-September)		7.91 per 1,000 gal.	7.91 per 1,000 gal.
Irrigation-only water rate (service through a separate meter used only for irrigation)*			
(does not vary by time of year)		8.51 per 1,000 gal.	8.51 per 1,000 gal.
* Please see the table below of water rate surcharges that apply in water shortages.			
SEWER VOLUME CHARGE			
Gallons billed per month for sewer-only service		Minimum of 6,000	Minimum of 4,000
(does not vary by time of year)		6.48 per 1,000 gal.	6.48 per 1,000 gal.
Max. billed at individually-metered residence		15,000 gal. per month	15,000 gal. per month

SEPTAGE/HIGH STRENGTH WASTEWATER (no changes)			
Charge per 1,000 gallons		140.00	140.00
Administrative charge per trip		30.00	30.00
Charges per pound			
Biological Oxygen Demand		0.43	0.43
Suspended Solids		0.52	0.52
Ammonia Nitrogen		3.04	3.04
Phosphorus		12.26	12.26

SERVICE AVAILABILITY FEES (one-time charges for system capacity when a location is first connected to the water/sewer system)			
RESIDENTIAL WATER: 5/8" or 3/4" meter at single-family residence			
	CURRENT	PROPOSED	
< 1,300 square foot home	1,265.00	\$1,033.00	
1,300 - 1,700 square-foot home	1,545.00	\$1,207.00	
1,701 - 2,400 square-foot home	1,956.00	\$1,552.00	
2,401 - 3,100 square-foot home	3,344.00	\$2,470.00	
3,101 – 3,800 square-foot home	4,546.00	\$3,429.00	
>3,800 square-foot home	7,631.00	\$5,406.00	
1" meter, any single-family residence	9,260.00	\$8,143.00	
5/8" or 3/4" meter, multi-family residence	1,363.00	\$1,112.00	
1" meter, multi-family residence	9,260.00	\$8,143.00	
NON-RESIDENTIAL OR IRRIGATION-ONLY WATER			
5/8" meter	3,704.00	\$3,255.00	
1"	9,260.00	\$8,143.00	
1-1/2"	18,519.00	\$16,275.00	
2"	29,631.00	\$26,040.00	
3"	59,262.00	\$52,081.00	
4"	92,596.00	\$81,376.00	
6"	185,192.00	\$162,752.00	
8"	296,308.00	\$260,403.00	

SERVICE AVAILABILITY FEES (one-time charges for system capacity when a location is first connected to the water/sewer system)			
RESIDENTIAL SEWER: 5/8" or 3/4" meter, single-family residence**			
	CURRENT	PROPOSED	
< 1,300 square foot home	2,938.00	\$2,829.00	
1,300 – 1,700 square-foot home	3,549.00	\$3,270.00	
1,701 – 2,400 square-foot home	3,611.00	\$3,384.00	
2,401 – 3,100 square-foot home	4,425.00	\$3,859.00	
3,101 – 3,800 square-foot home	4,781.00	\$4,256.00	
>3,800 square-foot home	5,431.00	\$4,541.00	
1" meter, any single- or multi-family res.	12,301.00	\$13,088.00	
5/8" or 3/4" meter, multi-family residence	3,183.00	\$3,064.00	
NON-RESIDENTIAL SEWER **			
5/8" meter	6,317.00	\$6,553.00	
1"	15,792.00	\$16,392.00	
1-1/2"	31,584.00	\$32,763.00	
2"	50,535.00	\$52,421.00	
3"	101,070.00	\$104,842.00	
4"	157,922.00	\$163,816.00	
6"	315,844.00	\$327,632.00	
8"	505,350.00	\$524,211.00	
** if applicable, added fee for excess capacity installed by developer	4% of avail. fee		4% of avail. fee

SERVICE INSTALLATIONS			
	CURRENT	PROPOSED	
Complete water service, 5/8" meter	3,570.00	3,650.00	
Complete water service, 3/4" meter with fire protection	3,650.00	3,860.00	
Complete water service, 1" meter	3,790.00	3,770.00	
Meter only, 5/8"	260.00	270.00	
Meter only, 3/4" fire + domestic service	360.00	400.00	
Meter only, 1" fire + domestic service	360.00	360.00	
Meter only, 1"	360.00	360.00	
Meter only, 1-1/2"	600.00	810.00	
Meter only, 1-1/2" fire + domestic service	610.00	840.00	
Meter only, 2"	790.00	810.00	
Meter only, 2" fire + domestic service	720.00	740.00	
Remote readable 5/8" meter and box	470.00	420.00	
Delivery charge --3" and larger meters	140.00	110.00	
Water tap (minimum fee)	340.00	350.00	
Water tap reinspection fee	125.00	125.00	
Sewer tap (minimum fee)	340.00	340.00	
Sewer tap reinspection fee	125.00	125.00	
Reinspect backflow preventer or grease trap	125.00	125.00	

VARIOUS			
	CURRENT	PROPOSED	
Service start/stop, during business hours	45.00	45.00	
Service start/stop, after business hours	80.00	80.00	
Security deposit if required (residence)	50.00 or 100.00	50.00 or 100.00	
Security deposit if required (non-residential)	2 x avg. bill	2 x avg. bill	
Late payment fee if balance is \$10 or more	2.40 + 5% int.	2.40 + 5% int.	
Account delinquency fee	45.00	45.00	
Recovery of debt collection costs	actual cost	actual cost	
Returned check/dishonored draft	25.00	25.00	
Hydraulic fire flow test	290.00	300.00	
Set or remove temporary hydrant meter	300.00	320.00	
Hydrant meter security deposit	1,000.00	1,000.00	
Field test of 5/8" or 3/4" meter (if a fee)	100.00	100.00	
Field test of larger meter	260.00 min.	260.00 min.	
Shop meter test—meter > 3/4"	160.00	160.00	
Bulk water sale, admin. charge/trip	25.00	25.00	
Bulk water per 1,000 gal.	6.02	6.02	
Construction observation per foot (\$100 minimum)	3.69	3.69	
Plans review per foot (\$100 minimum)	3.63	3.63	

RECLAIMED WATER SERVICE			
MONTHLY SERVICE - UNIVERSITY ACCOUNTS			
	CURRENT	PROPOSED	
Monthly service charge	24,000.00	24,000.00	
Charge per 1,000 gal.	0.60	0.60	
MONTHLY SERVICE - NON-UNIVERSITY ACCOUNTS			
Monthly service charges			
5/8" meter	8.37	8.37	
1"	16.74	16.74	
1-1/2"	30.96	30.96	
2"	47.62	47.62	
Charge per 1,000 gal.	2.18	2.18	

RECLAIMED WATER SERVICE			
SERVICE AVAILABILITY FEES - NON-UNIVERSITY ACCOUNTS			
	CURRENT	PROPOSED	
5/8" meter	1,229.00	1,229.00	
1"	3,073.00	3,073.00	
1-1/2"	6,146.00	6,146.00	
2"	9,833.00	9,833.00	
Larger than 2"	Determined from expected demand		
SERVICE CONNECTION FEES			
Same as for drinking water service			
RECLAIMED WATER -- FILLING CONTAINERS OF AT LEAST 50 GALLONS, AFTER TRAINING			FREE—all customers

LAKE RECREATION					
SERVICE	OWASA CUSTOMER/ORANGE COUNTY RESIDENT		OTHER LAKE PATRONS		
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Cane or flat bottom boat rental fee	4.50 + lake use fee(s)	4.50 + lake use fee(s)	8.00 + lake use fee(s)	8.00 + lake use fee(s)	
Kayak rental fee	15.00+ lake use fee(s)	15.00+ lake use fee(s)	20.00 + lake use fee(s)	20.00+ lake use fee(s)	
Lake use fee-- ages 12 to 64	4.50 per person	4.50 per person	5.50 per person	5.50 per person	
Lake use fee--under 12	2.00 per person	2.00 per person	2.50 per person	2.50 per person	
Lake use fee--senior (65 and older)	0.00	0.00	2.50 per person	2.50 per person	
Launch fee--private boat	3.50	3.50	7.00	7.00	
Electric trolling motor rental	15.00	15.00	22.00	22.00	
Individual pass for boat rentals	82.00	82.00	(Passes not offered)		
Individual pass for lake use - adult	46.00	46.00			
Individual pass-- renting boat with elec. motor	163.00	163.00			
Group pass for up to 3 people--boat rental	163.00	163.00			
Group pass for up to 3 people--boat w/ elec. motor	245.00	245.00			

SURCHARGES IN WATER SHORTAGES FOR INDIVIDUALLY-METERED RESIDENTIAL CUSTOMERS					
Water shortage stage	Water use Block 1 1,000-2,000 gallons	Water use Block 2 3,000-5,000 gallons	Water use Block 3 6,000-10,000 gallons	Water use Block 4 11,000-15,000 gallons	Water use Block 5 16,000 or more gallons
Stage 1	No surcharge	No surcharge	1.25 x Block 3 rate	1.5 x Block 4 rate	2 x Block 5 rate
Stage 2	No surcharge	1.25 x Block 2 rate	1.5 x Block 3 rate	2 x Block 4 rate	3 x Block 5 rate
Stage 3, Emergency	No surcharge	1.5 x Block 2 rate	2 x Block 3 rate	3 x Block 4 rate	4 x Block 5 rate
FOR NON-RESIDENTIAL, IRRIGATION ONLY AND MULTI-FAMILY MASTER-METERED RESIDENTIAL CUSTOMERS, the rate surcharges in water shortages are: Stage 1: 1.15 times the applicable water rate; Stage 2: 1.25 times the applicable rate; and Stage 3 or Emergency Shortage: 1.5 times the applicable rate.					