



INVITATION TO COMMENT IN PUBLIC HEARINGS ON OWASA'S PROPOSED BUDGET FOR JULY 2022 THROUGH JUNE 2023 AND PROPOSED RATES

Thursday, May 12, 2022, at 6 PM; Public Hearings to be Held Virtually

Orange Water and Sewer Authority proposes Fiscal Year 2023 budget needed to operate, maintain, and invest in community's water infrastructure; 16% rate increase proposed

You are invited to attend the OWASA Board of Directors' virtual public hearings on Thursday, May 12, on the proposed budget and rate schedule for the coming fiscal year. The Board is considering a 16% rate increase for water and sewer services. This budget helps to ensure that we are investing in the community's water and sewer infrastructure at a level that decreases risks of failure in our systems and processes that would negatively impact the environment and OWASA customers.

Although a 7% increase was originally projected for FY23, OWASA is facing many financial challenges impacting industries across our area and the country. Inflation has significantly increased the cost of supplies needed to safely treat the community's water and wastewater, as well as the cost of construction for infrastructure. This coupled with a highly competitive labor market is applying pressure to OWASA's budget in multiple ways.

Additionally, water sales remain below projections. OWASA's investments in the community's water and sewer infrastructure are supported exclusively by fees from customers: not taxes or grants.

The proposed FY23 budget also covers the costs of deferred infrastructure investments and upgrades to technology critical to operations and billing. These deferrals were made to ensure that rates were not increased in 2020 during the height of the pandemic. Some of these technology systems are now approaching the end of their useful lives and need to be upgraded before becoming security risks. These investments will also help streamline OWASA operations for years to come.

As OWASA is updating the community's Long-Range Water Supply Plan, investments will also be needed to ensure we can continue providing essential water services to customers through 2070. These investments account for one percentage point of the proposed rate increase for FY23.

A 16% increase in rates, if approved, will raise the average residential bill for OWASA customers by \$12.71 to \$92.17. Any adjusted rates will go into effect in October 2022.

Nearly 50% of the bill customers pay for services goes toward funding critical capital improvement projects to upgrade pipes, pumps, and other important infrastructure. These investments will serve our community for many years to come. The other 50% supports the maintenance and operation of the system 24 hours a day, 7 days a week, 365 days a year.

The public hearings will be held virtually. Members of the public can attend and observe on-line or on the phone. If you would like to speak to the Board during the public hearings, please register by 3:00 p.m. the day of the meeting by contacting the Clerk to the Board at aorbich@owasa.org or 919-537-4217. To submit written comments before or within 24 hours after the public hearing, please email the Board at board_and_leadership@owasa.org or via US Postal Service to Clerk to the Board, 400 Jones Ferry Road, Carrboro, NC 27510.

MONTHLY WATER VOLUME CHARGES			
Increasing block water rates for individually-metered residences			
	WATER USE PER MONTH	Current rate	PROPOSED
Block 1	1,000-2,000 gal./month	\$2.96 per 1,000 gal.	\$3.43 per 1,000 gal.
Block 2	3,000 – 5,000 gal./month	7.18 per 1,000 gal.	8.33 per 1,000 gal.
Block 3	6,000 – 10,000 gal./month	8.81 per 1,000 gal.	10.22 per 1,000 gal.
Block 4	11,000 – 15,000 gal./month	12.31 per 1,000 gal.	14.27 per 1,000 gal.
Block 5	16,000 and more gal./month	22.26 per 1,000 gal.	25.82 per 1,000 gal.
Year-round rate: multi-family master-metered complexes \$6.37 per 1,000 gallons / \$7.39 per 1,000 gallons			
Seasonal water rates for businesses, institutions, and other non-residential customers			
	Off-peak seasonal rate (October – April)	\$4.68 per 1,000 gal.	\$5.43 per 1,000 gal.
	Peak seasonal rate (May – September)	8.89 per 1,000 gal.	10.32 per 1,000 gal.
Irrigation-only water rates (service through a separate meter used only for irrigation) (does not vary by time of year)			
		\$9.57 per 1,000 gal.	\$11.10 per 1,000 gal.
MONTHLY SEWER VOLUME CHARGES			
	Gallons billed per month for sewer-only service	Minimum of 4,000	Minimum of 4,000
	Same rate for all meter sizes	\$7.29 per 1,000 gal.	\$8.45 per 1,000 gal.
	Max. billed at individually-metered residences	15,000 gal./month	15,000 gal./month
SEPTAGE/HIGH STRENGTH WASTEWATER			
	Charge per 1,000 gallons	\$157.44	\$182.63
	Administrative charge per trip	30.00	30.00
	Charges per pound		
	Biological Oxygen Demand	0.48	0.56
	Suspended Solids	0.59	0.68
	Ammonia Nitrogen	3.42	3.97
	Phosphorus	13.79	15.99

MONTHLY SERVICE CHARGES, BY METER SIZE		
	Current rate	PROPOSED
Conventional water service		
5/8" meter – domestic service	\$16.53	\$19.17
3/4" for domestic and fire service	17.09	19.83
1" domestic service	33.21	38.53
1" meter for domestic and fire service	33.77	39.17
1 1/2" meter domestic service	71.81	83.30
2" meter domestic service	108.38	125.72
3" meter domestic service	222.90	258.57
4" meter domestic service	363.88	422.10
6" meter domestic service	792.32	919.09
8" domestic service	1,126.87	1,307.17
Irrigation-only water service		
5/8" meter	\$26.47	\$30.71
1"	52.91	61.38
1 1/2"	97.94	113.62
2"	150.64	174.75
3"	298.18	345.89
4"	457.72	530.95
6"	900.40	1,044.46
8"	1,431.89	1,660.99
Sewer service		
5/8" or 3/4" meter	\$13.49	\$15.65
1"	23.17	26.88
1 1/2"	39.95	46.34
2"	60.41	70.07
3"	114.23	132.51
4"	174.72	202.55
6"	320.16	371.38
8"	546.33	633.74

Fees for service installations and miscellaneous charges will be adjusted based on underlying material and labor costs. These new rates will be posted on the OWASA website at owasa.org.



The Care to Share Program provides bill assistance to OWASA customers who have difficulty in paying their water bill. It is supported by donations from customers. Learn more about how you can contribute or access Care to Share funding at owasa.org.

OWASA is Carrboro-Chapel Hill's not-for-profit public service agency delivering high-quality water, reclaimed water, and wastewater services. Our dedicated Team delivers valuable water and sewer services that are essential to our community's health, environment, and economy through the stewardship of infrastructure and natural resources.