

On July 6, 2022 the Selectboard, acting as the Board of Water and Wastewater Commissioners reviewed the Draft FY23 Water & Wastewater budget and draft water and wastewater rates. They will consider approval of them at their July 20, 2022 meeting.

Overall, the combined budgets are increasing by 3.7%. On an individual basis, the Water budget is up \$1,875 or less than 1%. The Shared Expenses budget, which is split 50/50 between both systems is down \$29,620 or 8% and the Wastewater budget is up \$63,250 or 25%.

The main reason for the increase in the Wastewater budget is the beginning of the loan payment for the first phase of the treatment plant replacement. That payment is expected to be \$33,333 in FY23 and will grow to \$182,033 a year after the project is complete (FY25 or FY26). Of the remaining budget increase, there is an additional \$20,000 in capital transfers.

For FY23, Water and Wastewater rates are set so that all operating costs and 50% of debt service expenses are covered by use charges and some income is realized to support capital expenses in the proposed and future years. For Water, the per unit quarterly fee (metered and unmetered) is proposed to increase by \$2.99 or 3% to \$102.56. The per quarter unmetered usage fee is increasing by \$2.29 or 3% to \$78.82. For a residence that uses 6,000 cu. ft/yr this equates to a \$24 annual increase.

Wastewater rates are proposed to increase more significantly due to the reasons stated above. Specifically, the per unit per quarter charge for metered and unmetered users is increasing by \$10.28 or 10%. The usage fee is increasing by \$0.013 or 35%. The per unit quarterly unmetered fee is increasing by \$6.66 or 10% to \$73.29.

For a residence that uses 6,000 cu. ft/yr these rates would result in an annual increase of \$119. Combined with the water increases, this would result in a \$143 annual increase. When the bond was voted on for the improvement project, it was estimated that residential wastewater bills would increase by \$90/quarter or \$360 annually by 2025. Therefore, wastewater customers should expect similar rate increase over the next few years.

Comments on the proposed rates can be submitted to Todd Odit, Town Manager at todit@hinesburg.org or via phone at 802-482-4206