

Winchester Water Rate Study

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Water System Overview

- Sources – 3 Groundwater Well Pump Stations
- Distribution – 30 Miles of Water Main
- Storage – 1 Water Tank (500,000 Gallon Capacity)



Water System Statistics

- Population Served
 - 1,101 service connections
 - Service population approx. 2,795
- FY17 Total Water Billed – 9.5MG
- FY17 Billed \$180,140
- Transferred from general fund \$74,950
- Total FY17 water expenses - \$278,356





The Value of Water

- Drinking Water
- Public Health
- Cooking
- Showers & Laundry
- Toilet Flushing
- Hospitals
- Firefighting
- Agriculture



American Water Works Association (AWWA)

- Water supplier must provide adequate water service to its customers as well as receive sufficient revenue to provide for operation and maintenance, system upgrades, and maintenance of the supplier's financial integrity. This includes covering all cash needs, debt obligations, and basic expenses required for a water system



Water System Improvements through USDA Funding

- New water storage tank
- Booster pump station
- Water mains on Richmond Road
- \$3.325M Funding received
 - \$2.609M Loan
 - \$0.703M Grant
 - \$13,000 Town contribution
- Annual debt service - \$128,230

Projected Water Expenses with Debt Service

	2017/2018	Projected
Total Operating Expenses	\$ 278,356	\$ 281,568
USDA Annual Debt Services	\$ -	\$ 128,230
Total Revenue needed from Rates and Fees	\$ 278,356	\$ 409,798

Need water revenues of \$410,000



Existing Water Rates

User Rates (\$/100 cubic feet)	\$1.70
Quarterly Rate	\$30.00

Proposed Water Rates

User Rates (\$/100 cubic feet)	
0-5,000	\$3.00
5,001-12,000	\$3.35
12,001-20,000	\$4.00
20,001 c/f and Greater	\$4.60
Quarterly Rate	\$50.00



Needed and Projected Revenues

Needed Revenue	\$410,000
Projected Revenue	\$433,788
Surplus	\$23,788*

* Surplus for abatements and emergencies

Non-Rate Revenue Fees

Fee		Existing Fees	Proposed Fees
Residential Service Connection			Per Meter Size ¹
	1-Inch	None	\$1,000
	1-1/2-Inch	None	\$1,200
	2-Inch	None	\$1,700
Commercial Service Connection			To be purchased and installed by developer in accordance with Town regulations
Water Connection Fee for Fire Service			
	1-Inch	\$750	\$1,000
	1-1/2-Inch	\$1,200	\$1,200
	2-Inch	\$1,700	\$1,700
	6-Inch	\$6,000	\$6,000
	8-Inch	\$8,000	\$8,000
Sprinkler Systems per quarter		\$75	\$100

Non-Rate Revenue Fees

Fee	Existing Fees	Proposed Fees
Turn On/Off	\$15	\$40
Other		
Regular Hourly Rate	\$30	\$40
After Hours Rate ²	\$70 for first hour; \$35 after	\$120 for first hour; \$60 after
Final Meter Readings	\$0	\$40
Repairs		Materials Cost Plus Hourly Rate (1hr. Min.)
Non metered per quarter	\$30	\$50
Hydrant Meter	0	\$50 Plus Usage (Billed at Highest Tier Rate)
Penalties	8% of Past Due Bill	8% of Past Due Bill

¹ Meter cost is included in Residential Service Connection Fee

² Time and a half hourly rate for any service provided after regular working hours for two employees



SCHOOL OF
GOVERNMENT
Environmental
Finance Center



Smart Management for
Small Water Systems

NH Water and Wastewater Rates Dashboard

Rates as of January 1, 2018

Last updated: January 14, 2019



NEW HAMPSHIRE
DEPARTMENT OF
Environmental
Services

Winchester - Water and Sewer

Rates Comparison

Characteristics

Links

Edit Data or Add Utility

Select residential bill and monthly consumption amount

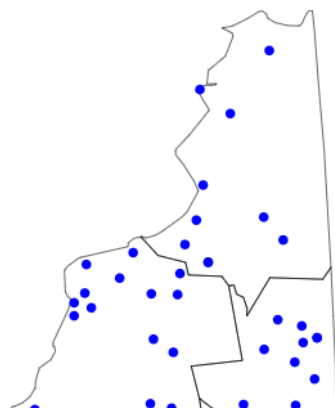
☒ Water Bill ☐ Sewer Bill ☐ Water + Sewer Bill

6,000 gallons
802 cubic feet

Monthly Water Bill: \$23.64 (\$0.004/gal)

Select comparison group: All Utilities

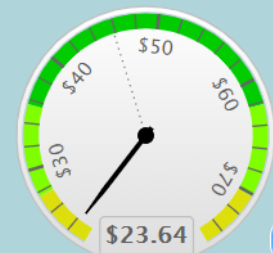
Comparing to all utilities in survey



Unsurpassed Solutions
in the Water Environment

Bill Comparison

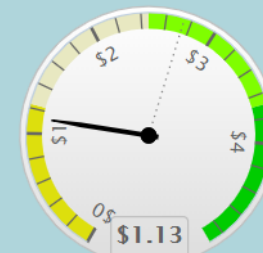
Water Bill at
6,000 gallons
Median: \$40.33 Avg: \$45.83



Min \$14.72 Max \$150.00

Conservation Signal

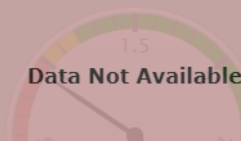
Water Price/500 gallons, after
10,000 gallons
Median: \$2.52 Avg: \$2.74



Min \$0.00 Max \$12.50

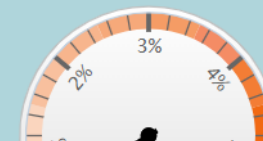
Cost Recovery

Operating
Ratio Incl. Deprec. 2016



Median Affordability

Annual Water Bills as % MHI



Comparison to Other Communities

Town	Frequency of Billing	Base Charge Pricing	Connection Fee ¹	Average Water Bill ^{1, 2}	Price Per Gallon
Hinsdale ³	Quarterly	By meter size	\$1,839	\$444.84	\$0.00618
Keene	Quarterly	By meter size	Not reported	\$462.36	\$0.00642
Marlboro	Quarterly	Constant	Not reported	\$765.36	\$0.01063
Troy	Quarterly	Constant	\$1,000	\$575.40	\$0.00799
Walpole	Quarterly	By meter size	\$750	\$519.36	\$0.00721
Winchester (Existing)	Quarterly	Constant	\$0	\$283.68	\$0.00394
Winchester (Proposed) ⁴	Quarterly	Constant	\$750	\$487.98	\$0.00678
NH Statewide Average				\$552.45	\$0.00767

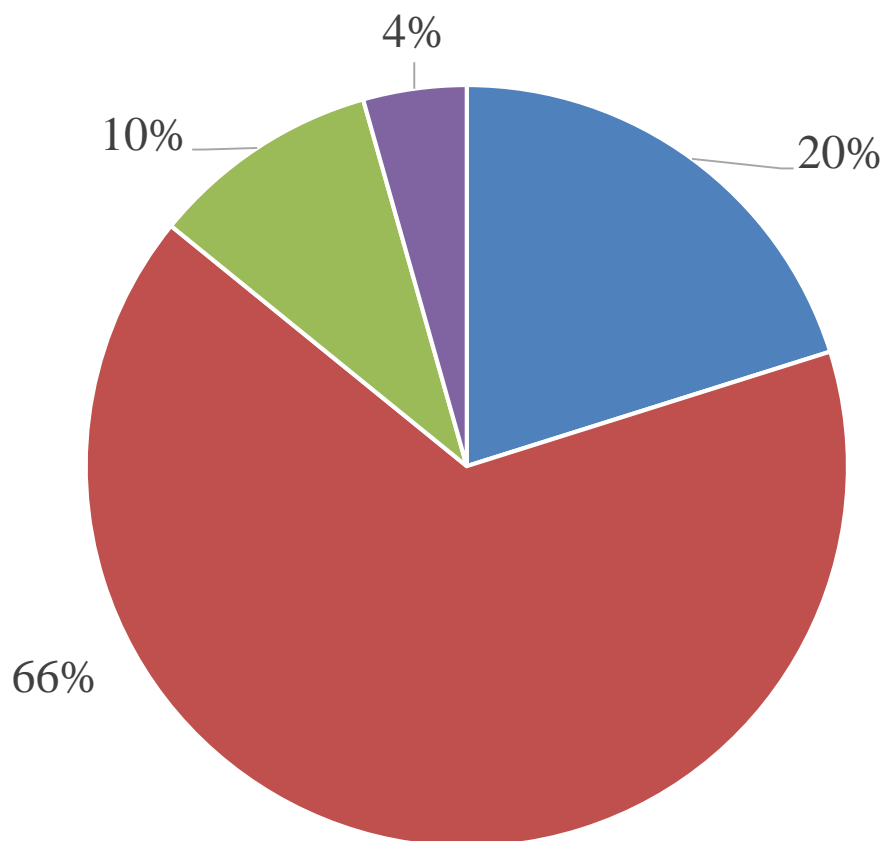
¹ Source FY17 - FY 18 Water and Wastewater Rate Structure in NH - NH DES and Environmental Finance Center at UNC and Dashboard

² Assumes usage of 71,996 gallons per year

³ Connection fees varies based on size of connection

⁴ Based on proposed tiered rates and base charge

Annual Impacts to Water Customers*



■ \$100 or less ■ Between \$100 - \$200 ■ Between \$200 - \$300 ■ Over \$300

* Assumes existing water usage remains same



What do the impacts mean?

- \$100 annually - \$0.27 per day
- \$200 annually - \$0.55 per day
- \$300 annually - \$0.82 per day



Questions?