

Manager's Message – August 2022

Our offices have fielded many calls and visitors with questions and concerns over the new water-sewer rate schedule.

The water rate structure is fairly straight forward. That rate structure consists of a base rate for all users. There is also a per 1,000 gallon charge for usage. As a general rule, out of town users pay double the in-town rates.

Previously, the Town included 3,000 gallons of usage with the base rate, but that is no longer the case. Including water usage in the base rate is not within the established principles for utilities rate schedules and billing.

Finally, there is a capital improvement fee that exists largely to retire debt from the treatment plant upgrade project of several years ago and provide a balance for continued maintenance of the facility.

We empathize with Town of Spring Hope residents regarding the increased costs for goods and services in this time of ever increasing inflation. Similarly, the Town is experiencing the very same inflationary pressures. And these price pressures manifest in terms of paying for materials, repairs, vendors, supplies, and maintenance equipment. In order to operate the Town's utilities at proper levels of service and assure regulatory compliance with all applicable fiscal, health, and environmental requirements the rate structure had to change.

The water-sewer enterprise fund is State regulated and must operate as a business enterprise in order to remain economically viable. Both distribution and collection systems have many pressing needs from years of deferred maintenance, including well rehab and restoring lift station telemetry. But Public Works staff are working methodically through these system challenges by prioritizing system repairs and upgrades and restoring collection system functionality and improving water quality.

The table below clearly illustrates the lack of rate increases over 20 years. If increases were made incrementally over that time frame, it would have eliminated the necessity of such a large single-year jump in rates this fiscal year. The fact is that the Town of Spring Hope had no choice but to increase rates to the current extent in order to keep the water and sewer enterprise fund solvent and assure that our utilities remain viable and independent.

-Andrew DeIonno

Historic Rate Table Attached:

Year	Water(3000 gallons)	Additional 1000 gallons	Sewer Rate	
1998	\$ 13.50	\$ 2.00	\$ 5.00	
1999	\$ 17.00	\$ 2.50	\$ 6.25	
2000	\$ 17.00	\$ 2.50	\$ 6.25	
2001	\$ 17.00	\$ 2.50	\$ 6.25	
2002	\$ 15.00	\$ 2.50	\$ 6.25	
2003	\$ 15.00	\$ 2.50	\$ 6.25	
2004	\$ 15.00	\$ 2.50	\$ 6.25	
2005	\$ 15.00	\$ 2.50	\$ 6.25	
2006	\$ 15.00	\$ 2.50	\$ 6.25	
2007	\$ 15.00	\$ 2.50	\$ 6.25	
2008	\$ 15.00	\$ 2.50	\$ 6.25	
2009	\$ 16.50	\$ 3.00	\$ 8.00	
2010	\$ 16.50	\$ 3.00	\$ 8.00	
2011	\$ 16.50	\$ 3.00	\$ 8.00	
2012	\$ 16.50	\$ 3.00	\$ 8.00	
2013	\$ 16.50	\$ 3.00	\$ 8.00	
2014	\$ 16.50	\$ 3.00	\$ 8.00	
2015	\$ 16.50	\$ 3.00	\$ 8.00	
2016	\$ 16.50	\$ 3.00	\$ 8.00	
2017	\$ 16.50	\$ 3.00	\$ 8.00	
2018	\$ 17.00	\$ 3.50	\$ 8.20	\$2.00 Base
2019	\$ 17.00	\$ 3.50	\$ 8.20	\$2.00 Base
2020	\$ 17.00	\$ 3.50	\$ 8.20	\$2.00 Base
2021	\$ 17.00	\$ 3.50	\$ 8.20	\$2.00 Base
2022	Base \$ 29.28	\$ 6.03	\$ 8.44	\$10.76 Base