

Water & Sewer Rates Hearing

August 23rd, 2023

1

Town of Belmont Water/Sewer

- Town has approximately 635 service connections for water, for a total population of 1,600 people served.
- 52 customers serviced by Laconia Water Department in the Belmont North Section, in the area of the Belknap Mall and Old State Road Route 3 area.
- 1,340 sewer accounts.
- Town conducted a water rate study issued in September 2014 and December 2018 by Underwood Engineers.
- The flow charge for Water rates were last adjusted in 2009 and the base charge last adjusted in 2019 .

2

2

Town of Belmont Water/Sewer

Rate Increase Proposal

- Water flow rates increase 87.8%, from \$3.36 to \$6.31 per 1,000 gallons
(**\$2.95 per 1,000 increase**)
- Base cost increase 28.7% from \$47.52 to \$61.17 flat fee billed quarterly
(**\$13.65 per quarter increase**)
- Sewer rates increase 22.5% from \$57.25 to \$70.13 flat fee billed quarterly
(**\$12.88 per quarter increase**)

NOTE- Rate increase percentages do not mean bills increase by same percentage

3

3

Water/Sewer Projections

- Anticipated Sewer Projects – Route 140 Sewer Main, WRBP (\$6 Million Estimate)
- Town of Belmont proposed upgrades to the Coons point sewer station and a new generator for Shaker Road station which we had grant funds for, but the voters did not approve 3 years ago.
- In the next 5-10 years the coating on the water tank will need to be addressed and current costs at this time are in the range of \$200,000
- The cost of electricity to deliver the water, chemical costs, and the overall cost of business has dramatically increased. Our average water bill to run the water & sewer stations monthly are \$2,150.
- The Iron and Manganese facility is designed and waiting until we have sufficient funding or is required by DES because exceedance of MCL levels. Total projected cost a year ago was \$3 Million with half in grant funding. Today's projection is \$4.5 Million with no grant funding.

4

4

NHDES RECOMMENDATIONS

Below are areas where improvements or operating adjustments are recommended for BWD and/or BWDN, some of which could lead to significant deficiencies in the future if not addressed:

As part of the Lead Service Line Inventory (LSLI) for the 2021 federal Lead and Copper Rule Revisions (LCRR) NHDES is assisting water systems to complete this requirement by the October 16, 2024 deadline. The LSLI effort consists of three parts: Inventory, Replacement Plan, and Sampling Plan. NHDES has assigned a consulting firm (Underwood Engineers) to BWD/BWDN to help facilitate these submittals. Your consultant will be collecting all relevant service line data for your system at no cost to your water system. THIS WILL BE DONE BY UNDERWOOD AS PART OF THE RECENT LEAD LINE INVENTORY REQUIRED BY OCTOBER 2024

5

5

NHDES RECOMMENDATIONS

Below are areas where improvements or operating adjustments are recommended for BWD and/or BWDN, some of which could lead to significant deficiencies in the future if not addressed:

Developing a more complete AMP will help the BWD and BWDN get the most value from each of your assets and have the financial resources to rehabilitate and replace them when necessary. Asset management helps a system make critical decisions about how to achieve and maintain the desired level of service at the lowest appropriate cost to customers.

Currently the BWD water system is using Well 3 as the primary supply while supplementing with Well 1 when necessary. Well 2 water quality is not suitable for the system. The current drinking water standards for iron and manganese are 0.3 mg/l and 0.05 mg/l respectively. These are secondary maximum contaminant levels (MCL) which typically are not enforced by DES. However, manganese also has a health advisory set by EPA of 0.3 mg/L. The BWD may find themselves over this limit in the future if the currently increasing trend of manganese in the wells continues. It is our understanding that an evaluation of the installation of iron and manganese treatment facility for Well 1 and Well 3 has been completed. We recommend that this evaluation incorporate the alternative of a new supply source for comparison.

6

6

NH Water & Wastewater Rates Dashboard from NHDES August 31, 2021

Quarterly Average Water Bill

Alton- \$278.76	Laconia- \$168.06
Ashland- \$182.79	Meredith \$153.18
Campton- \$207	Penacook- \$157.74
Franklin- \$211.68	Plymouth- \$231.12
Hill- \$183.00	Rochester- \$140.28
Holderness-\$232.92	Somersworth- \$129.93
	Tilton- Northfield \$140.34

Belmont Estimated Quarterly Bill

\$111.65 - Couple

\$155.82 - Family

7

7

NH Water & Wastewater Rates Dashboard from NHDES August 31, 2021

Water Usage Rate

Alton- \$16.05	Laconia- \$7.02
Ashland- \$8.49	Meredith \$6.98
Campton- \$8.00	Penacook- \$7.98
Franklin- \$10.09	Plymouth- \$12.97
Hill- \$2.50	Rochester- \$7.79
	Somersworth- \$7.22
	Tilton- Northfield \$6.35

Belmont Proposed Water Usage Rate

\$6.31

8

8

Water/Sewer Rates Hearing 2023

Water Fund Rate History

Year	Base Charge	Flow Charge
2022	\$ 47.52	\$ 3.36
2021	\$ 47.52	\$ 3.36
2020	\$ 47.52	\$ 3.36
2019	\$ 47.52	\$ 3.36
2018	\$ 44.00	\$ 3.36
2017	\$ 44.00	\$ 3.36
2016	\$ 44.00	\$ 3.36
2015	\$ 44.00	\$ 3.36
2014	\$ 44.00	\$ 3.36
2013	\$ 44.00	\$ 3.36
2012	\$ 44.00	\$ 3.36
2011	\$ 44.00	\$ 3.36
2010	\$ 44.00	\$ 3.36
2009	\$ 44.00	\$ 3.36
2008	\$ 27.50	\$ 2.10

8/24/2023

9

9

Water/Sewer Rates Hearing 2023

Water Fund

Usage History

(in thousand gallons)

Year	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	3-year
						Average
2022	6,770	6,508	8,435	6,168	27,881	29,307
2021	7,024	7,500	8,035	6,927	29,486	30,021
2020	6,844	6,884	9,602	7,225	30,555	-

10

10

Water/Sewer Rates Hearing 2023

Water Fund Revenues and Expenditures

YEAR	ACTUAL REVENUE		ACTUAL EXPENDITURES	SURPLUS/ (DEFECIT)
	Usage Fees	Other		
2022	\$ 259,289	\$ 6,274	\$ 339,050	\$ (73,487)
2021	\$ 266,217	\$ 22,716	\$ 436,794	\$ (147,861)
2020	\$ 269,767	\$ 22,090	\$ 416,719	\$ (124,862)
2019	\$ 254,070	\$ 25,629	\$ 303,772	\$ (24,073)
2018	\$ 236,813	\$ 26,854	\$ 290,277	\$ (26,610)
2017	\$ 255,422	\$ 9,210	\$ 248,792	\$ 15,840
2016	\$ 260,415	\$ 24,627	\$ 626,774	\$ (341,732)
2015	\$ 258,358	\$ 252,960	\$ 280,180	\$ 231,138
2014	\$ 268,313	\$ 275,825	\$ 476,108	\$ 68,030
2013	\$ 253,240	\$ 123,238	\$ 301,369	\$ 75,109

11

11

Water/Sewer Rates Hearing 2023

Water Fund Water System Repair Capital Reserve Fund History

	Beginning				Ending
	Balance	Contributions	Income	Expenditures	Balance
2022	\$ 164,778	\$ 100,000	\$2,436	\$ 39,874	\$227,340
2021	\$ 92,987	\$ 100,000	\$ 16	\$ 28,225	\$164,778
2020	\$ 13,467	\$ 100,000	\$ 75	\$ 20,555	\$ 92,987
2019	\$ 40,466	\$ -	\$ 724	\$ 27,723	\$ 13,467
2018	\$ 114,387	\$ -	\$1,625	\$ 75,546	\$ 40,466

12

12

Water/Sewer Rates

- Rate adjustments utilized to prevent funds from falling into a revenue deficit.
- Rates adjusted along with budget and need to be adjusted in advance to ensure stability of rate revenue.
- With rate adjustments revenues should be reviewed as they are based on water use, which may change due to various factors.
- Future mandates not accounted for: water rulemaking lowering PFAS and PFOA standards.

13

13

Questions

14