

Water Workshop
March 21, 2023
10 am

Agenda:

- Brief recap of water categories
- Water rate proposal for both water districts 1 & 2
 - Debit service proposal for water district 2
 - Fire Hydrant Proposal

Called to Order: 10:10 am

Present: Bob Biesemeyer, Teresa Cheetham-Palen, Chris Daly, Savana Li, Joe Pete Wilson, Rusty Hall, Jody Whitney

Water Superintendent Savana Li reviewed the categories and how that effects rates.

The new category structure reduced the number of categories from 29 to 3.

Discussed adding to the Residential/Rental category the following sentence to clarify that a property may have to pay multiple rents based on the usage of the property.

“A separate charge will be made for each type of use on the property.”

Water Super Li presented the draft rates for both districts. See attached.

Debt service in WD#2 Keene Valley will increase to approximately \$314.

Discussion of whether or not the rates fit the categories in a fair manner.

Savana will recalculate rates to restore fire hydrant maintenance paid by fire districts.

Water Super Li presented a proposal to change how the fire districts are billed for fire hydrants.

Hydrant maintenance is currently paid by fire districts and it makes sense to keep it this way. The town attorney will draft a contract to use between each fire district and water district.

Categories & Definitions

Residential/Rental

Commercial

Extension

Residential/Rental – The primary structure of full time residency and/or seasonally occupied for dwelling purposes and can only be occupied by one family at a time.

Commercial – A business operation providing a service or produces, manufactures or distributes a product. This includes a structure that rents lodging to 3 or more parties at a time.

Extension – Water use that is not part of the residential or commercial use. Such as but not limited pools, fountains, decorative landscaping, recreational use. This includes accessory dwelling units that are not being used for rental or commercial purposes.

Keene Water District Rates

(AD VALOREM)

~ Amount Needed: \$89,9689.78

(This number comes from our **TOTAL APPROPRIATIONS** in our 2023 budget for water district 1.)

~ Number of Customers Per Category:

Residential/Rental: 100

Commercial: 20

Extension: 4

Out of District Service: 3

~ Rate Per Category:

Residential/Rental: \$625.00

Commercial: \$1250.00

Extension: \$430.00

Out of District Service: Based of formula

~ Cost **Per Day** for Each Category:

Residential/Rental: \$1.71 = 1 store bought bottle of water

Commercial: \$3.42 = 2 store bought bottles of water

Extension: \$1.18 = less than 1 store bought bottle of water

~ Total Collected from Each Category Based On New Categories

Residential/Rental: \$62,500.00

Commercial: \$25,000

Extension: \$1,720.00

Out of District Service: \$750

Keene Valley Water District Rates

(Debit Service)

~ Amount Needed: \$156,605.17

(This number comes from our **TOTAL APPROPRIATIONS** in our 2023 budget for water district 2.)

~ Amount Needed for Debit Service: \$85,000.00

(This number comes from our **ESTIMATED REVEUNE** Special Assessment Line in our 2023 budget for water district 2.)

~ Number of Customers Per Category:

Residential/Rental: 207

Commercial: 20

Extension: 9

~ Rate Per Category:

Residential/Rental: \$625.00

Commercial: \$1,195.00

Extension: \$370.00

~ Cost **Per Day** for Each Category:

Residential/Rental: \$1.71 = 1 store bought bottle of water

Commercial: \$3.27 = 2 store bought bottles of water

Extension: \$1.01 = less than 1 store bought bottle of water

~ Total Collected from Each Category Based On New Categories

Residential/Rental: \$129,375.00

Commercial: \$23,900.00

Extension: \$3,330.00

Fire Hydrant Proposal

~ Proposal:

Keene Fire Department will be charged a commercial rate of \$1,250.00

Keene Valley Fire Department will be charged a commercial rate of \$1,195.00

Neither district will no longer pay rent for the use of the fire hydrants.

~ Previous practice:

Keene Fire Department was charged \$256.00 for usage and \$135.00 per hydrant

Keene Valley Fire Department was charged \$286.00 for usage and \$136 per hydrant

~ Reasons for Adopting Proposal:

1. Both districts have requested contracts if they are going to pay hydrant rent in 2023. We do not currently have one and would have to have the town lawyer draw one up.
2. The hydrants are town property, whether we have a contract or not it is the town's responsibility to maintain the hydrants.
3. There are currently no surrounding districts that require their fire departments to pay hydrant rent. (Jay, Upper Jay, Wilmington, Lake Placid, or Ausable Forks)
4. The rent collected from the hydrants goes to the water departments, whether it is collected through the water usage bill or through the fire tax. If customers don't pay it via fire tax they will pay via water usage.