

Representative Policy Board of the South Central Connecticut Regional Water District

Notice of Public Hearing and Filing of Rates and Other Charges for Water and Related Services

The Representative Policy Board ("RPB") of the South Central Connecticut Regional Water District ("the District") will hold a public hearing at 7:00 p.m. on Thursday, March 21, 2019, at the offices of the South Central Connecticut Regional Water Authority ("the Authority"), 90 Sargent Drive, New Haven, Connecticut, to consider the application of the Authority to establish rates, other charges, and rate schedules for water and related services ("the 2019 Rate Application").

The public hearing is to be held pursuant to provisions of Sections 10 and 14 of the District's enabling legislation, which is Connecticut Special Act 77-98, as amended. The Authority's proposed rates are to be effective as of the delivery of all or a portion of the Authority's Water System Revenue Bonds, proposed to be issued on or about July 2019 (the "proposed bonds"). The Authority anticipates that total revenues to be raised by the proposed increase in rates will be approximately \$7,521 million, or 6.3%, more than revenue from existing rates and charges during the historical period of twelve months referenced in Section 619A(1) of the South Central Connecticut Regional Water Authority's Water System Revenue Bond Resolution General Bond Resolution.

The proposed 4.75% yield on the proposed bonds is based on an assumed interest rate. The Authority's proposal contemplates that the actual rate increase will be adjusted, depending on the effective interest rate paid by the Authority on the proposed bonds as follows:

Interest Rate	Revenue Increase
3.25% and Lower	6.0%
Above 3.25% and up to 3.75%	6.1%
Above 3.75% and up to 4.25%	6.2%
Above 4.25% and up to 4.75%	6.3%
Above 4.75% and up to 5.25%	6.5%
Above 5.25% and up to 5.75%	6.6%

A typical example of quarterly bills at existing rates and proposed rates is provided by the following table. The average residential customer of the Authority's district will experience an increase of approximately \$10.77 per quarter, or 6.7%.

TYPICAL QUARTERLY BILLS AT EXISTING AND PROPOSED RATES

Meter Size	Quarterly Consumption in Cubic Feet (l)	Existing Rates	Proposed Rates
5/8"	500	\$78.11	\$83.34
5/8"	2,500*	160.87	171.64
5/8"	8,000	388.46	414.46
1"	30,000	1,221.06	1,303.20
2"	54,000	2,242.02	2,392.86
2"	100,000	3,978.53	4,246.30
6"	100,000	36,961.71	39,454.22
8"	1,500,000	51,580.41	55,048.80

*Average residential customers
(l) One cubic foot equals 7.4805 gallons

All of the users of the water supply system of the Authority, as well as owners of the property served or to be served, residents and taxpayers in the member towns of the District, and other interested persons shall have an opportunity to be heard concerning the matters under consideration.

Members of the Authority and its consultants and a representative of the Office of Consumer Affairs of the RPB will be available at the public hearing to discuss details of the proposed rates, other charges, and rate schedules for water and related services. Copies of the 2019 rate application are available for public inspection at the District's offices, 90 Sargent Drive, New Haven, Connecticut 06511.

NOTICE POSTED BY:

Thomas P. Clifford III, Chairperson
Representative Policy Board of the
South Central Connecticut
Regional Water District

Notice is hereby given that the Authority has filed with the Representative Policy Board for its approval, the following rates and other charges for water and related services within the District to become effective on the delivery date of all or a portion of the proposed bonds, based on a revenue increase of 6.3%.

QUARTERLY WATER RATES

Service Charges	Existing Service Charges	Proposed Service Charges
Meter Size		
5/8"	\$57.42	\$61.26
3/4"	67.02	71.52
1"	88.56	94.50
1-1/2"	134.07	143.07
2"	203.52	217.20
3"	595.23	635.28
4"	893.40	953.52
6"	1,671.72	1,784.22
8"	2,725.41	2,908.80
10"	3,874.92	4,135.68
12"	5,024.88	5,363.07
Privately Owned	19.10	20.38

Consumption Charges	Existing Rates / per Hundred Cubic Feet	Proposed Rates / per Hundred Cubic Feet
Cubic Feet		
Small (5/8 - 3/4" meters)	\$4.138	\$4.415
Medium (1 - 2" meters)	3.775	4.029
Large (3 - 6" meters)	3.529	3.767
Very Large (8" and up)	3.257	3.476

MONTHLY WATER RATES

Service Charges	Existing Service Charges	Proposed Service Charges
Meter Size		
5/8"	\$19.14	\$20.42
3/4"	22.34	23.84
1"	29.52	31.50
1-1/2"	44.46	47.69
2"	67.84	72.40
3"	198.41	211.76
4"	297.80	317.84
6"	557.24	594.74
8"	908.47	969.60
10"	1,291.64	1,378.56
12"	1,674.96	1,787.69
Privately Owned	19.10	20.38

Consumption Charges	Existing Rates / per Hundred Cubic Feet	Proposed Rates / per Hundred Cubic Feet
Cubic Feet		
Small (5/8 - 3/4" meters)	\$4.138	\$4.415
Medium (1 - 2" meters)	3.775	4.029
Large (3 - 6" meters)	3.529	3.767
Very Large (8" and up)	3.257	3.476

SEASONAL WATER RATES

Service Charges	Existing Service Charges	Proposed Service Charges
Meter Size		
5/8"	\$287.15	\$306.48
3/4"	335.07	357.62
1"	442.85	472.65
1-1/2"	670.35	715.46
2"	1,017.69	1,086.18
3"	2,976.55	3,176.87
4"	4,467.60	4,768.27

Consumption Charges	Existing Rates / per Hundred Cubic Feet	Proposed Rates / per Hundred Cubic Feet
Cubic Feet		
All Consumption	\$6.574	\$7.016

PUBLIC AND PRIVATE FIRESERVICE RATES

Service Charges - Annual	Existing Rates	Proposed Rates
Public		
Inch-Feet	\$0.07798	\$0.08323
Hydrants	160.54	171.36

Private	Existing Rates	Proposed Rates
1" Connection	\$178.64	\$190.36
2" Connection	178.64	190.36
3" Connection	178.64	190.36
4" Connection	288.56	307.48
6" Connection	663.00	709.04
8" Connection	1,786.32	1,903.48
10" Connection	3,806.56	4,056.24
12" Connection	6,845.48	7,294.52
14" Connection	16,585.00	17,672.88
16" Connection	23,563.20	25,108.80

SERVICE AREA MISCELLANEOUS WATER AND NON-WATER RATES

Miscellaneous Water Rates	Existing Rates	Proposed Rates
Hydrant Permits		
Meter Service Charge	\$276	\$276
Minimum Service Charge	145	171
Seasonal Minimum Charge (existing rate includes 60,000 gallons/proposed rate 80,000)	567	813
Tank Truck Water Annual Charge (plus: water rate at 4.415 per ccf applicable)	52	59
Wholesale (per million gallons)	2,500	2,621
Raw Water (per ccf)	0.5948	0.6348

Miscellaneous Non-Water Rates	Existing Rates	Proposed Rates
Termination & Reconnection Charge (turn-off and turn-on)	\$151	\$151
Termination & Reconnection Charge (after hours call-in)	215	215
Collection Visit Fee (non-shut)	41	41
Other Collection Activity	(A)	(A)
Tampering of Hydrant		
First Offense	500	500
Subsequent Offense	1,000	1,000
Unable to Access Vault/Pit		
First Offense	500	500
Subsequent Offense	1,000	1,000
Unmetered Active Service Fee	500	500
Obstructed Curb Valve		
First Offense	58	58
Subsequent Offense	(A)	(A)
Repair/Cleaning Curb Box (due to customer negligence)	126	157
Deficient Check Charge	29	29
Lien Processing Charge	27	27
Special Customer Request Charge	(A)	(A)
Waste Inspection Charge	87	87
Meter Resetting Charge	153	153

*Proposed rates are rounded to the nearest dollar

ENTIRE SERVICE AREA MISCELLANEOUS WATER AND NON-WATER RATES	Existing Rates	Proposed Rates
Service Call		
During Working Hours	\$102	\$102
After Hours Call-In	289	289

Service Call (cont.)	Existing Rates	Proposed Rates
Manual Meter Reading Fee	47	47
Missed Appointment Charge	55	55
Operate Curb Valve Charge	200	200
Repair or Replacement of Company Meter Reading Device	205	205
Mandatory Water Restriction Violation Fee per Occurrence, up to One per Day	25	25
Excavation for Termination of Service		
(1) At Curb Valve	450	457
(2) In Street at Tap Valve	(A)	(A)
Backflow Per Device Testing Charges		
1 to 5 Devices	55	55
6 to 9 Devices	50	50
10 to 50 Devices	45	45
50+ Devices	40	40
Unscheduled Test	110	110
Confined Space, Pit/Vault	110	110
Pit/Vault Requiring Pumping	(A)	(A)
Repair or Replacement of Company Meters (due to customer negligence)		
5/8" & 3/4"	220	220
1"	275	275
1-1/2"	445	450
2"	555	555
Over 2"	(A)	(A)
Private Hydrant Inspections-Annual Test	(A)	(A)
Private Hydrant Inspections-Seasonal (Two) Tests	(A)	(A)
Per Foot Costs to Install a Hydrant on New Main	(B)	(B)

(A) The charge will be the Authority's cost of material, labor and/or equipment used, plus its cost of overhead at prevailing rates. In circumstances where this procedure for charging a customer would significantly delay the final billing, the Authority will use an appropriate substitute for its cost.

(B) The actual cost of the material, labor including outside services and/or equipment used, plus overhead, in accordance with the rules and regulations.

*Proposed rates are rounded to the nearest dollar.

OTHER MISCELLANEOUS CHARGES AND CHARGES FOR PIPE INSTALLATION

Charges for all services or materials are based on the actual, direct cost of the material, labor and equipment used, plus the cost of overhead at prevailing rates. In those circumstances where the procedure will cause a significant delay in the final billing, the Authority will use an appropriate substitute for actual cost. These charges are assessed on the water bill account whenever possible otherwise a separate invoice is rendered.

CHARGES FOR PIPE INSTALLATION (SUBJECT TO PROPORTIONATE SHARING)

Charges for pipe installation under Extension of Main Rules and Regulations will be the actual cost of the pipe, labor and equipment used, plus overheads at prevailing rates. In those circumstances where this procedure will cause a significant delay in the final billing, the Authority will use an appropriate substitute for actual cost. If pavement excavation and replacement or repairs are required for the extension, these additional charges will be added to the final invoice. The cost of pipe will normally be based on 8-inch main but, if for any reason it is necessary to install pipe larger or smaller than 8-inch to satisfy the requirements

of the applicant, cost shall be based on the pipe size actually required.

SERVICE CONNECTION CHARGES

Prior to the approval of an application, a service connection charge shall be paid by each applicant for each new service connection and meter installation as follows:

Corporation Stop or Branch Connection	Existing Service Charges	Proposed Service Charges
Size		
1"	\$315 (l)	\$315 (l)
1-1/2"	330 (l)	330 (l)
2"	665 (l)	665 (l)
Over 2"	(A)	(A)

(l) Plus cost of saddle

(A) The charge will be the Authority's cost of material, labor and/or equipment used, plus its cost of overhead at prevailing rates. In circumstances where this procedure for charging a customer would significantly delay the final billing, the Authority will use an appropriate substitute for its cost.

*Proposed rates are rounded to the nearest five dollars.

METER INSTALLATION

The purpose of these charges is to defray the cost of installing the corporation stop or branch connection for a service connection, installing the meter and inspecting the installation of the service connection.

Meter Size	Existing Service Charges	Proposed Service Charges
5/8" & 3/4"	\$200	\$200
1"	245	245
1-1/2"	445	450
2"	555	555
Over 2"	(A)	(A)

LOCAL FACILITIES CHARGES

The purpose of the local facilities charges is to collect a fair contribution from the applicant toward the cost of the utility system, heretofore paid by existing customers.

A local facilities charge for each separate connection to a water main shall be paid by each applicant who desires to secure water service from the main. The applicant will pay the charge prior to the Authority's granting approval for a service connection.

Meter Size	Existing Service Charges	Proposed Service Charges
5/8" & 3/4"	\$550	\$550
1"	830	830
1-1/2"	970	970
2"	1,525	1,525
3"	6,105	6,105
4"	7,625	7,625
6"	11,510	11,510
8"	15,935	15,935

(A) The charge will be the Authority's cost of material, labor and/or equipment used, plus its cost of overhead at prevailing rates. In circumstances where this procedure for charging a customer would significantly delay the final billing, the Authority will use an appropriate substitute for its cost.

*Proposed rates are rounded to the nearest five dollars

ECONOMIC DEVELOPMENT RATE**

The Authority offers an "economic development rate" as an incentive to encourage new commercial or industrial customers in its service area, for significantly expanding operations, or distressed businesses contemplating closing by assessing the customer at 80 percent of applicable water rates for the first five (5) years of occupancy. Rates will be subject to periodic effects of a general rate increase and/or surcharges. If the customer's period of occupancy is less than five (5) years, the Authority will pro-rate the full rate back to the first date of occupancy. After the initial five (5) year period, the Authority will assess the customer its full applicable water rates.

To qualify for this economic development rate, they must consume at least 500,000 gallons of water per year.

*A new customer is defined as relocating to the Authority's service area from out-of-state or from another service area within Connecticut.

**With exceptions reviewed on a case by case basis.

Regional Water Authority

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