

Public Utilities Committee

May 25, 2022 at 5:30 pm

Committee Members:

Tyler Hughes – Chairman - Absent
Nancy Bailey – Acted as Chairman in Tyler’s absence
Kent Gilley

Also Attending:

Stephen Lawson – Town Manager
Amanda Hawkins – Town Clerk/Treasurer

Acting Chair Nancy Bailey called the meeting to order.

The purpose of the meeting was to discuss the proposed utility rate increase for the FY2023-24 budget.

Stephen Lawson told the Committee that the proposed budget has a 3% increase for water and sewer rates for both in-town and out-of-town residents. The same as the increase that was adopted last year. The cost for chemicals, personnel, and supplies have only increased due to the extremely high inflation we are still experiencing. The requested increase would result in approximately \$66,400 more revenue for the upcoming fiscal year’s budget.

Amanda Hawkins stated that the proposed increase would:

- raise the minimum in-town water rate by \$0.58, and the over 1,500 gallon rate by \$0.19
- raise the minimum out-of-town water rate by \$0.93, and the over 1,500 gallon rate by \$0.31
- raise the minimum in-town sewer rate by \$0.62, and the over 1,000 gallon rate by \$0.19
- raise the minimum out-of-town sewer rate by \$ 1.06, and the over 1,000 gallon rate by \$0.30

Hawkins explained that overall, an in-town customer’s minimum bill would increase by \$1.20, and an out-of-town customer’s minimum bill would increase by \$1.99. If you consider a family who used 3,000 gallons of water per month their bill would increase by \$ 1.86 for in-town customers, and by \$3.05 for out-of-town customers.

Kent Gilley said he did not want to raise rates again this year since we just did a rate increase in FY2022-23 but understood that the increased costs of materials and supplies are what drive the need for the rate increase.

After further discussion the Committee agreed to recommend the utility rate increases to Council. Acting Chair Bailey adjourned the meeting at 6:07 pm.

RECOMMENDATION: The Public Utilities Committee unanimously recommends to Council an increase of 3% for in-town and out-of-town water and sewer rates as part of the FY2023-24 budget to be included in the public hearing advertisement for Ordinance 08-2023.