



Public Hearing and Possible Approval of Resolution to Amend the Existing New Water Meter Installation Fees

Town Council Meeting

April 17, 2024

Purpose of Presentation

- Discuss Recommendation to Amend the Existing New Water Meter Installation Fees



Background

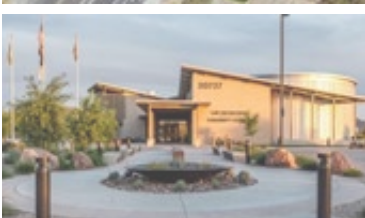
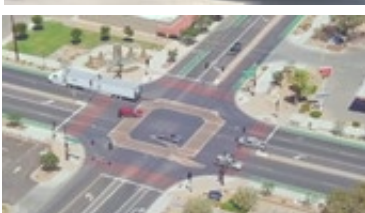
- Town Staff is Working on the Utility Rate Study, Including Taking a Comprehensive Review of Rates and Fees to Ensure Fees are Set to Recover Costs for Enterprise Funds (Water, Wastewater, and Solid Waste)
- Staff Found that the Fees Charged by the Town for New Water Meter Installation No Longer Covers the Cost of the Meter and the Associated Fees to Install the Meter at the Service Address.



Recommendation

- Staff Recommends the Following Fees for the Purchase and Installation of New Water Meters in Order to Achieve Full Cost Recovery.

Meter Type	Water Meter Price	MXU Price	Parts & Installation	Admin Fee	Recommended Fee
3/4"	\$202.64	\$156.70	\$90.94	\$49.72	\$500
1"	\$312.14	\$156.70	\$69.74	\$61.42	\$600
1 1/2"	\$1,172.24	\$156.70	\$98.45	\$172.61	\$1,600
2"	\$1,390.46	\$156.70	\$98.63	\$154.21	\$1,800
3"	\$1,732.74	\$156.70	\$184.90	\$225.66	\$2,300
4"	\$3,373.27	\$156.70	\$290.90	\$379.13	\$4,200
6"	\$6,073.01	\$156.70	\$292.66	\$677.63	\$7,200



Recommendation

- The Recommended Fees will Increase the Fees Charged for New Meters and Associated Installation Fees as Shown on the Schedule Below.

Meter Type	Current Fee	Recommended Fee	Increase
¾"	\$463	\$500	\$37
1"	\$554	\$600	\$46
1 ½"	\$858	\$1,600	\$742
2"	\$1,083	\$1,800	\$717
3"	\$1,483	\$2,300	\$817
4"	\$2,413	\$4,200	\$1,787
6"	\$5,623	\$7,200	\$1,577



Recommendation (concluded)



- Annual Revenue Increase Depends Upon the Number of Water Meters Purchased, Mainly as a Result of New, Single-Family Homes Constructed
- Assuming 1,500 New Meters are Installed, with an Expectation that 88% of those New Meters are ¾” Meters, the Annual Revenue Increase Would be \$98,015 as Shown in the Table.

Meter Type	Number of Meters Purchased	Proposed Fee Increase Per Meter	New Revenue
¾”	1325	\$37	\$49,025
1”	120	\$46	\$5,520
1 ½”	25	\$742	\$18,550
2”	25	\$717	\$17,925
3”	2	\$817	\$1,634
4”	3	\$1,787	\$5,361
6”	0	\$1,577	\$0
Total	1,500		\$98,015

Calendar

Date	Activity
February 7th	Town Council Approval of 60-Day Notice of Intention to Amend the Existing Fees for New Water Meter Installation
February 8 – April 7	60-Day Notice Period
April 17th	Town Council Public Hearing and Possible Adoption of a Resolution Amending the Fees for New Water Meter Installation
April 18th	Notification Sent to Builders (if Approved)
May 17th	Fees for New Water Meter Installation Becomes Effective (if Approved)



Recommended Motion

Motion to Approve Resolution No. 1584-24 to Amend the Existing Water Meter Installation Fees.





Discussion and Questions