

Chester Metropolitan District

2018/2019 Budget

Public Hearing

Wednesday, June 27, 2018, 2:00 PM
Jean M. White Room, Chester County Library
100 Center Street, Chester SC 29706

CMD Attendees: Fred W. Castles, III, Executive Director; Susan Roddey, Executive Assistant; Clay Shannon, MIS; Rebecca W. Moon, Finance Manager; Arthur Gaston, Attorney.

Public Attendees: None

The Public Hearing to discuss the proposed 2018/2019 Budget was opened at 2:00 PM. Mr. Castles introduced the CMD Attendees and stated that since no members of the public were present, the meeting would be recessed for fifteen minutes pending their arrival.

The Public Hearing was adjourned at 2:17 PM, as no members of the public were in attendance.

Chester Metropolitan District

2018/2019 Budget

Public Hearing

Wednesday, June 27, 2018, 5:00 PM
Jean M. White Room, Chester County Library
100 Center Street, Chester SC 29706

CMD Attendees: Fred W. Castles, III, Executive Director; Susan Roddey, Executive Assistant; Clay Shannon, MIS; Rebecca W. Moon, Finance Manager; Arthur Gaston, Attorney.

Public Attendees: None

The Public Hearing to discuss the proposed 2018/2019 Budget was opened at 5:00 PM. Mr. Castles introduced the CMD Attendees and stated that since no members of the public were present, the meeting would be recessed for fifteen minutes pending their arrival.

The Public Hearing was adjourned at 5:15 PM, as no members of the public were in attendance.

Chester Metropolitan District

Proposed FY 2019 Budget Public Hearing

Agenda
June 27, 2018

- I. Welcome & Introductions

- II. Budget Presentation
 - A. Revenue
 - B. Expenditures
 - C. Proposed Capital Expenditures
 - D. New Rate Structure
 - E. Fee Changes

- III. Public Comment

- IV. Close Meeting

Chester Metropolitan District

	<i>Fiscal Year Ended June 30, 2018 Adopted Budget</i>	<i>Fiscal Year Ending June 30, 2019 Proposed Budget</i>
Revenues:		
Water Service Revenue	\$5,131,076	\$6,345,364
Residual Management Fees	714,665	-
Capital Project Fee	147,063	-
Tap Fees for New Development	-	450,684
Expense Reimbursements	327,000	223,500
Penalties	48,000	74,000
Other Miscellaneous Revenue	69,759	128,000
Total Projected Revenues	<u>\$6,437,563</u>	<u>\$7,221,548</u>
Expenditures:		
Admin and General Exp	\$1,325,017	1,174,480
Filter Plant	1,399,474	1,566,481
Sludge Operations	218,289	-
Distribution - Chester	902,666	1,326,562
Distribution - Great Falls	224,571	-
Distribution - Hydrant	15,200	-
Meter Department	295,088	417,170
Engineering	266,183	257,528
MIS	155,305	215,478
Human Resources	283,940	605,851
Total Operations and Maintenance	\$5,085,733	\$5,563,550
Principal and Interest on Debt	520,453	577,126
Capital Outlay	357,241	763,573
Capital Projects	147,063	147,000
Depreciation and Contingency	<u>327,073</u>	<u>170,299</u>
Total Projected Expenditures	<u>\$6,437,563</u>	<u>\$7,221,548</u>



CHESTER METROPOLITAN DISTRICT

FISCAL YEAR 2018-2019

PUBLIC HEARING

Wednesday, June 27, 2018
5:00 PM

Jean M. White Room, Chester County Library
100 Center Street
Chester, South Carolina 29706

INTRODUCTION

IF YOU WISH TO SPEAK, PLEASE SIGN IN ON THE FORM AT THE BACK OF THE ROOM. PUBLIC COMMENT WILL BE TAKEN IN THE ORDER YOU SIGN IN AFTER THIS PRESENTATION.

• **AGENDA:**

- Revenue
- Expenditures
- Proposed Capital Expenditures
- New Rate Structure
- Fee Changes
- Public Comment

REVENUE

	<i>Fiscal Year Ended June 30, 2018</i>	<i>Fiscal Year Ending June 30, 2019</i>
	<i>Adopted Budget</i>	<i>Proposed Budget</i>
Revenues:		
Water Service Revenue	\$5,131,076	\$6,345,364
Residual Management Fees	714,665	-
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EXPENDITURES

	<i>Fiscal Year Ended June 30, 2018</i>	<i>Fiscal Year Ending June 30, 2019</i>
	<i>Adopted Budget</i>	<i>Proposed Budget</i>
Expenditures:		
Admin and General Exp	\$1,325,017	1,174,480
Filter Plant	1,399,474	1,566,481
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Human Resources	283,940	605,851
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EXPENDITURES (CONT'D)

	<i>Fiscal Year Ended June 30, 2018</i>	<i>Fiscal Year Ending June 30, 2019</i>
	<i>Adopted Budget</i>	<i>Proposed Budget</i>
<i>Principal and Interest on Debt</i>	520,453	577,126
<i>Capital Outlay</i>	357,241	763,573
<i>Capital Projects</i>	147,063	147,000
<i>Depreciation and Contingency</i>	327,073	170,299
Total Projected Expenditures	<u>\$6,437,563</u>	<u>\$7,221,548</u>

PROPOSED CAPITAL REQUESTS

REQUESTED ITEM	JUSTIFICATION FOR REQUEST	BUDGETED COST
New Truck	Old truck and beyond its usefull life	\$ 48,300.00
New Truck	Old truck and beyond its usefull life	\$ 23,600.00
New Truck	Old truck and beyond its usefull life	\$ 23,600.00
New Truck	New maintenance crew	\$ 23,600.00
New Backhoe	GF back how old	\$ 68,000.00
Concrete Work	concrete in roads	\$ 12,600.00
Dump Trailer	sometimes the backhoe is too small and the dump truck is too big.	\$ 6,000.00
Used Dump Truck	Used Dump Truck (per Fred)	\$ 15,000.00
Software	water modeling software	\$ 15,000.00
6" Omni Meter	Stand by Meter	\$ 6,130.00
Handheld Reader	Backup	\$ 8,892.00
Software	Tyler Software Conversion	\$ 27,767.00
Pump	Rebuild monyo pump	\$ 11,083.38
Pump	Rebuild Willet Pump #1	\$ 9,116.40
Pump	Rebuild Willet Pump #2	\$ 14,200.00
Equipment	New Development Richburg	\$ 450,684.00

Total Capital Requests \$ 763,572.78

NEW RATE STRUCTURE

- CMD hired Raftelis to study our current rate structure and create a fair and more equitable water rate structure for our customers.
 - Rates were a “declining rate block” structure, meaning those who used more paid less per thousand gallons.
 - Residential customers used less water, but paid more per thousand gallons for their service.
 - Old and outdated rate structure.

CMD'S GOAL: EVERYONE PAYS THE SAME RATE

NEW RATE STRUCTURE (CONT'D)

CURRENT RATE STRUCTURE

Up to	2,000 gallons	\$21.15 (Minimum Charge)
Next	8,000 gallons	\$ 3.05 Per Thousand Gallons
Next	90,000 gallons	\$ 5.15 Per Thousand Gallons
All Over	100,000 gallons	\$ 4.74 Per Thousand Gallons
Residual Management Fee		\$ 3.71 / 4,200 gallons
DBEC Fee		\$ 0.76 Per User
Tap Fee		\$ 1,391.00 for 1" tap or cost of installation
Reconnect Fee		\$ 45.00
After-Hours Fee		\$ 65.00
Pulled Meter Fee		\$ 65.00
Hydrant Meter Permit Fee		\$ 41.00
Late Fee		\$ 3.00

(Hydrant Water billed at Regular Water Rates)

Capital Projects Fee

(monthly charge based on meter size)

Less than 2"	\$1.94	6"	\$11.58
2"	\$3.87	8"	\$15.44
3"	\$5.07	10"	\$19.30
4"	\$7.73		

NEW RATE STRUCTURE

Water Service Base Rate

(Based on Meter Size)

3/4"	\$ 14.35
1"	\$ 21.52
1.5"	\$ 39.26
2"	\$ 60.64
3"	\$ 110.56
4"	\$ 181.87
6"	\$ 359.96
8"	\$ 573.76
10"	\$ 823.27

Volumetric Usage Rate

per 1,000 Gallons	\$ 7.19
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- Effective since July 1, 2017

- Effective September 1, 2018
- Includes an increase of 7%.

NEW RATE STRUCTURE (CONT'D)

	Current Charges	7% Increase Charges	Proposed Charges 3/4"	Savings
Base Rate	\$ 27.59	\$ 29.54	\$ 14.35	\$15.15
1,000	\$ 27.59	\$ 29.54	\$ 21.54	\$8.00
2,000	\$ 27.59	\$ 29.54	\$ 28.73	\$0.81
3,000	\$ 35.67	\$ 38.19	\$ 35.92	\$2.27
4,000	\$ 43.75	\$ 46.84	\$ 43.11	\$3.73
5,000	\$ 51.83	\$ 55.49	\$ 50.30	\$5.19
6,000	\$ 59.91	\$ 64.14	\$ 57.49	\$6.65
7,000	\$ 67.99	\$ 72.79	\$ 64.68	\$8.11
8,000	\$ 76.07	\$ 81.44	\$ 71.87	\$9.57
9,000	\$ 84.15	\$ 90.09	\$ 79.06	\$11.03
10,000	\$ 92.23	\$ 98.74	\$ 86.25	\$12.49

- **CUSTOMERS WITH LOW WATER USE MAY SEE A DECREASE IN THEIR BILL**
 - Approximately 25% of residential customers use less than 1,000 gallons of water per month.
 - Those customers will now pay \$14.35 per month for water service, rather than \$29.54.
 - Approximately 14% of residential customers use 1,000 gallons of water per month.
 - Those customers will now pay \$21.54 per month for water service, rather than \$29.54.

FEES

Many of these fees include a 7% increase, which was included when the new rate structure was developed.

- NON-PAYMENT FEE – \$45.00
- LATE FEE – \$3.00
- AFTER HOURS RECONNECT FEE – \$69.00 (was \$65.00)
- PULLED METER FEE – \$69.00 (WAS \$65.00)
- TAP FEE – \$1,488.00 (was \$1,391.00)
- BACKFLOW TESTING FEE – \$12.00 PER RESULT
- HYDRANT METER FEES – (WAS \$41.00)
 - REFUNDABLE DEPOSIT – \$100.00
 - SINGLE-DAY PERMIT – \$50.00
 - 15-DAY PERMIT – \$100.00
 - 30-DAY PERMIT – \$200.00 (RENEWABLE PRIOR TO EXPIRATION)
 - METER RELOCATION FEE - \$35.00 PER RELOCATION
 - ALL WATER USE WILL BE BILLED AT REGULAR WATER RATES

DEVELOPMENT REVIEW FEES

Effective July 1, 2018 – Applies to all plan review requests

<u>Construction Plan Type</u>	<u>Fee</u>
Subdivision	\$250 + \$100 per lot
Commercial	\$250 + \$25 per parking space
Linear (no property improvements)	\$250 + \$0.25 per linear foot
<u>As-built Plan Type</u>	<u>Fee</u>
Subdivision	\$100 + \$10 per lot
Commercial	\$100 + \$2 per parking space
Linear (no property improvements)	\$100 + \$0.25 per linear foot
<u>Revisions Review</u>	<u>Fee</u>
1 st Resubmittal	No Charge
2 nd Resubmittal	25% of the Initial Review Fee
3 rd + Resubmittal	50% of the 2 nd Resubmittal Fee
<u>Construction Inspections</u>	<u>Fee</u>
1 st Inspection	No Charge
2 nd + Inspection	\$75
<u>Bac-T Sampling</u>	<u>Fee</u>
Per Sample	\$60

PUBLIC COMMENT

Each speaker will have three minutes to speak.
CMD Staff will not respond to comments at this time.



Chester Metropolitan District

P.O. Box 550

155 Wylie Street

Chester, South Carolina 29706

(803) 385-5123

www.cmdcsd.com