



Town of Reading



Select Board Water & Sewer Rate Discussion
May 23, 2023



FY24 Rates – Slight Change to Tiers

- **After our last Select Board Meeting, the Chair asked to see slight adjustments:**
 - Combined Tier 1 & Tier 2: Same rate from 0 to 1000 cubic feet of usage
 - We are targeting similar revenue expectations as presented at the last meeting
 - Result is a smaller distribution between Tier 1 and Tier 5
 - Figures on the next slide



FY23 Rates

Water	Sewer
Rates	
\$ 11.41	\$ 10.86
Rate per 100 cubic feet of usage	

Proposed FY24 Tiered Rates

Water					
Tiers	1	2	3	4	5
Start	-	501	1,001	2,501	4,001
End	500	1,000	2,500	4,000	+
Rate	\$ 10.75	\$ 10.75	\$ 11.70	\$ 12.00	\$ 12.50
% Difference	-6%	-6%	3%	5%	10%

Sewer					
Tiers	1	2	3	4	5
Start	-	501	1,001	2,501	4,001
End	500	1,000	2,500	4,000	+
Rate	\$ 10.20	\$ 10.20	\$ 11.15	\$ 11.50	\$ 12.00
% Difference	-6%	-6%	3%	6%	10%

- **Big change: modified Tier 1 & Tier 2: from 0 to 1,000 cubic feet charged the same rate. Reduces the distribution between Tier 1 & Tier 5**
- **Water: With this plan, billings are projected to go up \$195,848 (or 2.6%) if the new structure is in place for a full year and \$36,252 (0.5%) if the new structure is in place for $\frac{3}{4}$ of a year.**
- **Sewer: With this plan, billings are projected to go up \$53,245 (or 0.7%) if the new structure is in place for a full year and \$25,059 (0.3%) if the new structure is in place for $\frac{3}{4}$ of a year.**



Projected Billing for Water

User Impact (per Bill) - Water Bills Only

User Type	Usage	Current Bill	FY 2024 - TIERS	FY 2024 - NO TIERS
Low-End User	500	\$ 57.05	\$ 53.75	\$ 58.90
Avg. Residential User (45 gpd)	1,500	\$ 171.15	\$ 166.00	\$ 176.71
Avg. Residential User (65 gpd)	2,200	\$ 251.02	\$ 247.90	\$ 259.18
Large Residential User	4,500	\$ 513.45	\$ 525.50	\$ 530.14
Large Commercial User	10,000	\$ 1,141.00	\$ 1,213.00	\$ 1,178.08
Very Large Commercial User	100,000	\$11,410.00	\$ 12,463.00	\$ 11,780.83

Projected Billing for Sewer

User Impact (per Bill) - Sewer Bills Only

User Type	Usage	Current Bill	FY 2024 - TIERS	FY 2024 - NO TIERS
Low-End User	500	\$ 54.30	\$ 51.00	\$ 55.93
Avg. Residential User (45 gpd)	1,500	\$ 162.90	\$ 157.75	\$ 167.79
Avg. Residential User (65 gpd)	2,200	\$ 238.92	\$ 235.80	\$ 246.09
Large Residential User	4,500	\$ 488.70	\$ 501.75	\$ 503.36
Large Commercial User	10,000	\$ 1,086.00	\$ 1,161.75	\$ 1,118.58
Very Large Commercial User	100,000	\$10,860.00	\$ 11,961.75	\$ 11,185.80



Recommendation for Water & Sewer Rates for FY24

Tiers	1	2	3	4	5
Water Rate	\$ 10.75	\$ 10.75	\$ 11.70	\$ 12.00	\$ 12.50
Sewer Rate	\$ 10.20	\$ 10.20	\$ 11.15	\$ 11.50	\$ 12.00
FY24 Combined Rate	\$ 20.95	\$ 20.95	\$ 22.85	\$ 23.50	\$ 24.50
FY23 Combined Rate	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27
% Difference	-6%	-6%	3%	6%	10%

Avg. Residential User (45 gpd)	Usage	Current Bill	New Bill
Quarterly Water Bill	1500	\$ 171.15	\$ 166.00
Quarterly Sewer Bill	1500	\$ 162.90	\$ 157.75
Combined Bill	1500	\$ 334.05	\$ 323.75
Usage in cubic feet			



Next Steps

- **The Board asked that we hold a Public Forum for residents. This is scheduled for May 31**
- **We developed a tool to project Residents' Water & Sewer bill by inputting their usage. We will demonstrate that tool on our public forum on May 31**
- **The Board will be asked to vote on Water & Sewer rates on June 6, following the public hearing**

A poster for a "Water Rates Public Forum" with a blue and white water-themed background. It features a water drop icon at the top center. The text is in a clean, sans-serif font.

**WATER RATES
PUBLIC FORUM**

Join us to learn about tiered water rates and share your feedback with town staff.

Town Hall Select Board Room
16 Lowell Street
Wednesday, May 31st at 6:00 PM

Or on Zoom:
[Meeting ID 899 9619 9574](#)

Use this sheet to determine a projected bill with the new tier structure, based on a quarterly usage amount.
 Simply type the quarterly usage amount into the cell in orange below to see the impact.
 The usage amount should be in cubic feet. Bills for negative (or credit) usage amounts will not calculate properly.

Current Rates	
Water	Sewer
\$ 11.41	\$ 10.86

Recommended New Tiers and Rates				
Tiers	Start	End	Water	Sewer
1	-	500	\$ 10.75	\$ 10.20
2	501	1,000	\$ 10.75	\$ 10.20
3	1,001	2,500	\$ 11.70	\$ 11.15
4	2,501	4,000	\$ 12.00	\$ 11.50
5	4,001	+	\$ 12.50	\$ 12.00

Tier breaks in cubic feet
 Rates per 100 cubic feet of usage/flow

Input quarterly usage (in cubic feet) into the cell in orange.

Quarterly Usage:	-
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Current Bill	
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Water Charge:	\$ -
Sewer Charge:	\$ -
Total Charge:	\$ -

New Bill		
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Water	Usage	Charge
Tier 1	-	\$ -
Tier 2	-	\$ -
Tier 3	-	\$ -
Tier 4	-	\$ -
Tier 5	-	\$ -
Totals	-	\$ -

Sewer	Usage	Charge
Tier 1	-	\$ -
Tier 2	-	\$ -
Tier 3	-	\$ -
Tier 4	-	\$ -
Tier 5	-	\$ -
Totals	-	\$ -

Total	Charge
Tier 1	\$ -
Tier 2	\$ -
Tier 3	\$ -
Tier 4	\$ -
Tier 5	\$ -
Totals	\$ -

Difference	
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Water Charge \$:	\$ -
Water Charge %:	0.0%

Sewer Charge \$:	\$ -
Sewer Charge %:	0.0%

Total Charge \$:	\$ -
Total Charge %:	0.0%