


# FY 2018 Water & Sewer Rates

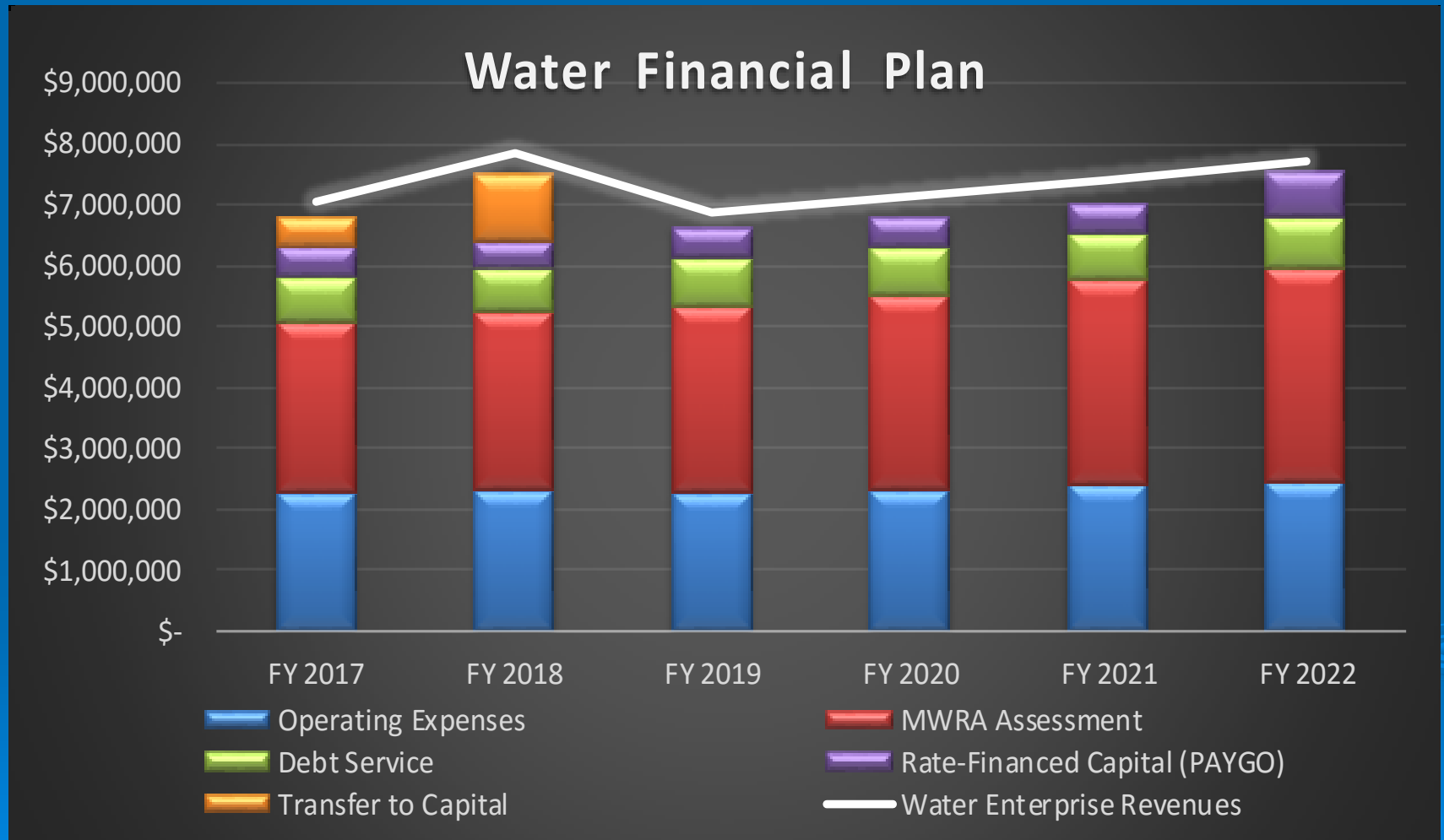
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Works

The background of the slide is a solid blue color. In the bottom right corner, there are several concentric white circles of varying sizes, resembling ripples on water. These ripples are arranged in a cluster, with some overlapping, and they extend from the bottom edge towards the center of the slide.

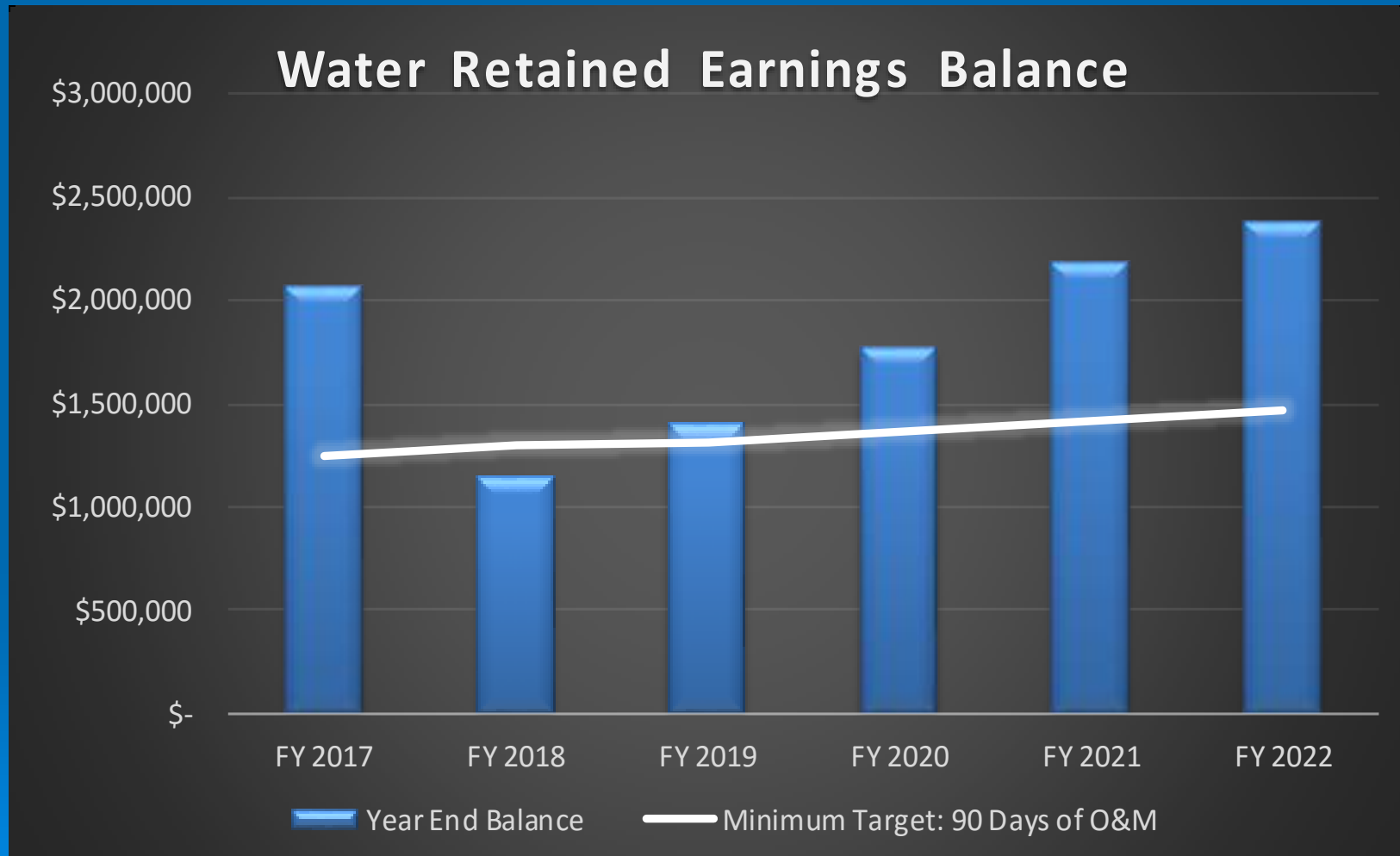
# Water & Sewer Rate Study Objectives

- Customer fairness and equity.
- Affordability.
- Adequate funding of system operations and maintenance.
- Adequate funding of infrastructure rehabilitation.
- Adequate funding of debt and contractual obligations.
- Maintenance of fund balances to ensure the long term financial and operational stability of the utility.
- Compliance with environmental regulations, state and federal laws.

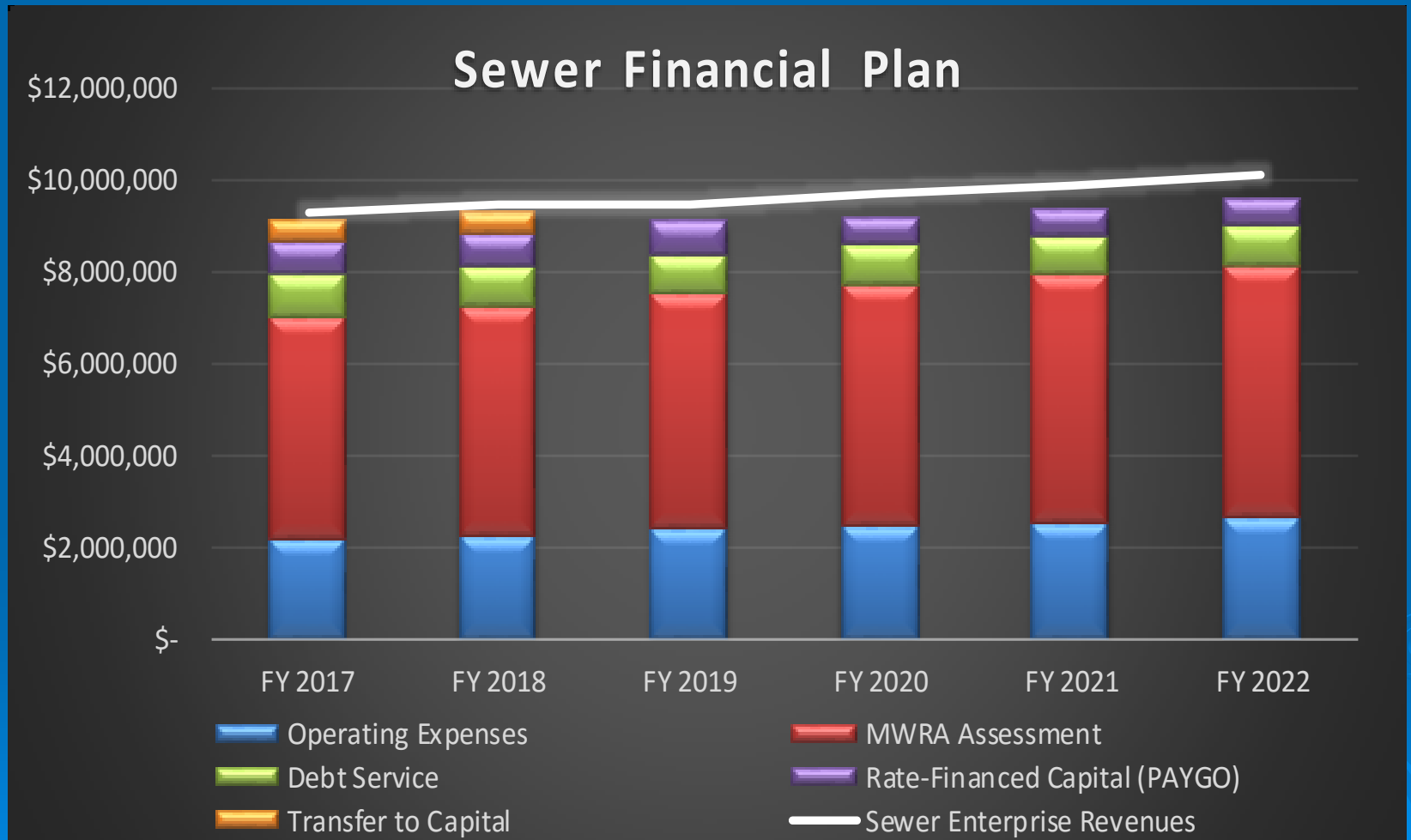
# Water Financial Plan



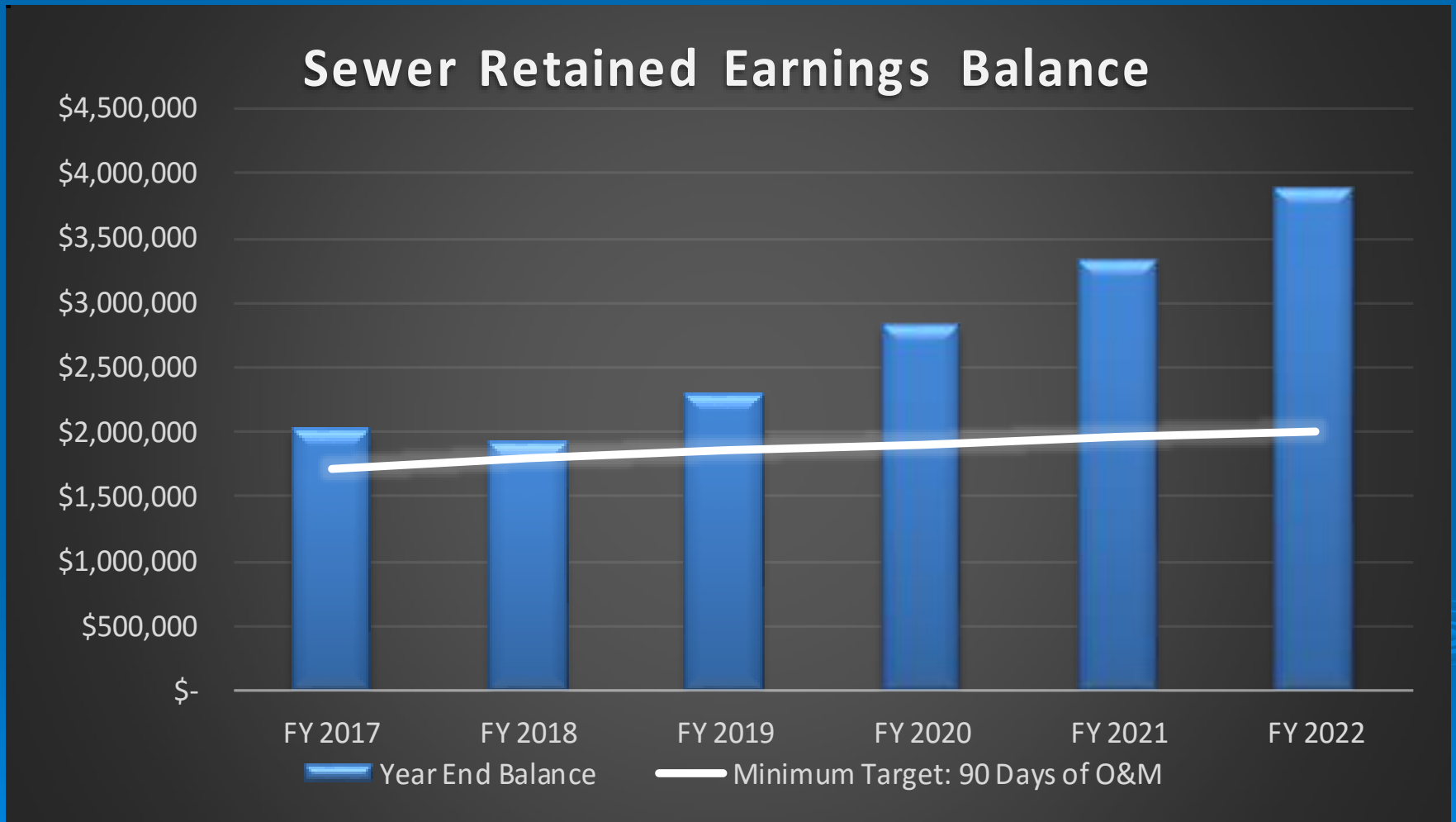
# Water Retained Earnings



# Sewer Financial Plan



# Sewer Retained Earnings



# MWRA Assessments

## Water

- MWRA's Assessment for Belmont's water in FY18 is a 3.2% increase.
- Based on total MWRA budget share for each community for total water use for the most recent calendar year.
- For Belmont, this makes up 39.2% of FY18 Budget.

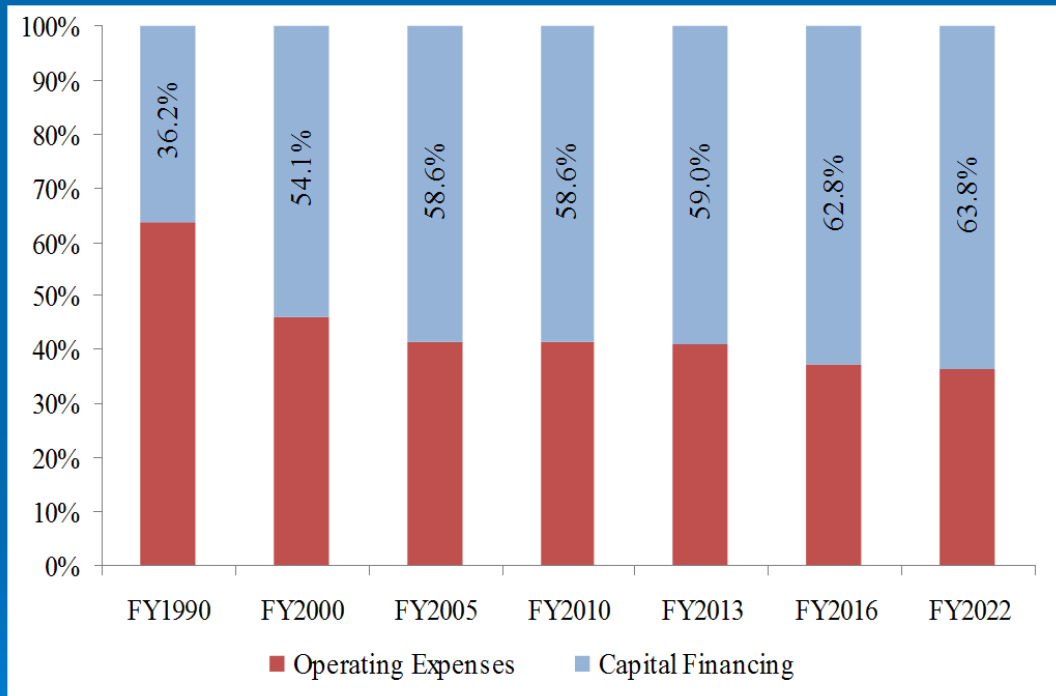
## Sewer

- MWRA's Assessment for Belmont's sewer in FY18 is a 2.4% increase.
- Based on total MWRA budget share for each community for three year average of wastewater flow and population.
- For Belmont, this makes up 53.7% of FY18 Budget.

# MWRA Debt as Percent of MWRA Expenses

These five initiatives account for nearly \$6.0 billion or 76% of spending to date:

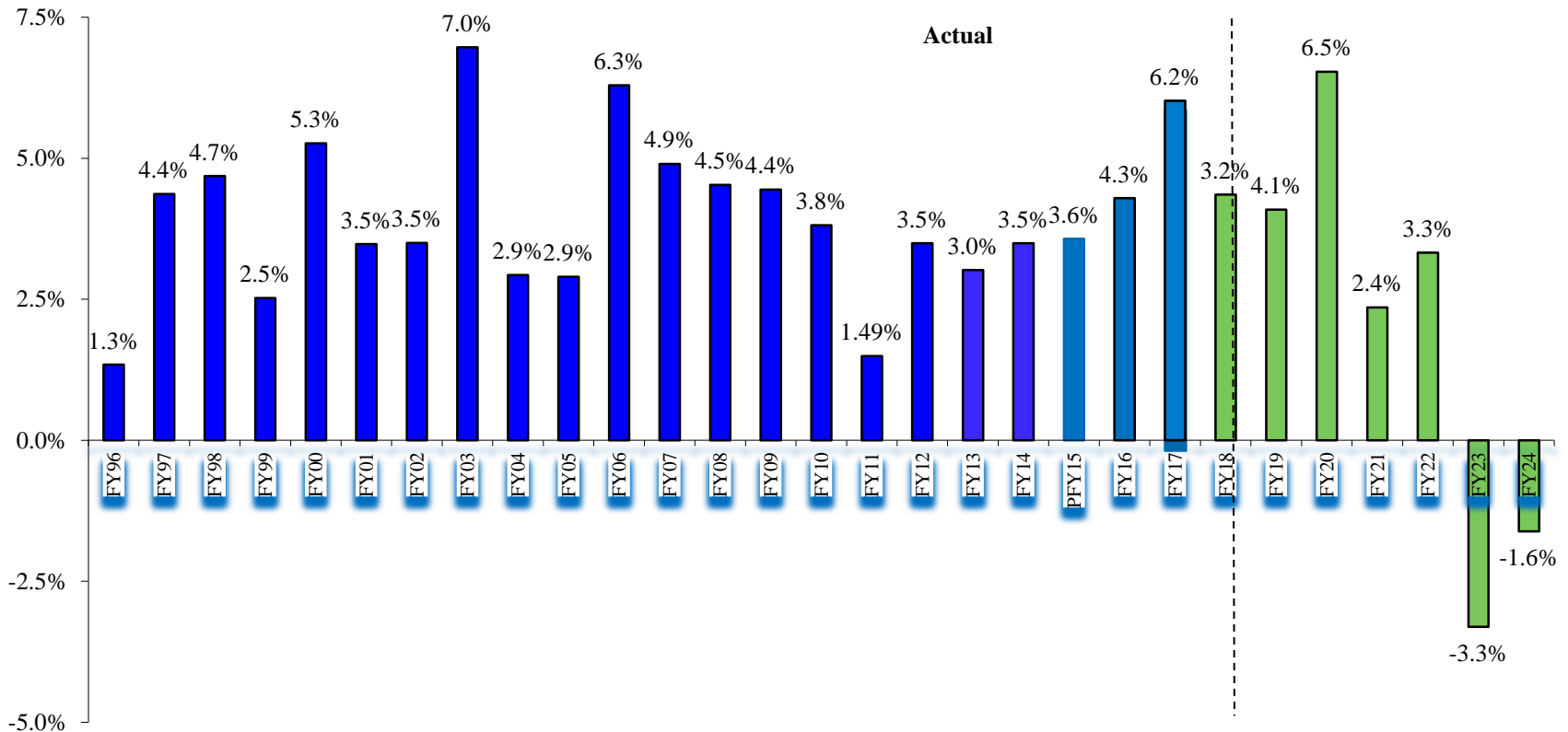
- Boston Harbor Project - \$3.8 billion (in use)
- Combined Sewer Overflow - \$853 million (32 of 35 projects complete)
- Metro West Tunnel - \$697 million
- Carroll Water Treatment Plant - \$415 million
- Covered Storage Facilities - \$232 million





# MWRA Historical and Projected Rates

Historical and Projected Rate Revenue Changes



# Belmont's Capital Infrastructure Reinvestment

## Water Budget

- Program to replace water main installed prior to 1928 began in 1995.
- Of the 91 miles of main, the program replaces 38 miles or 42% of system.
- To date 26.41 miles have been replaced or 69.5% of planned total.
- For FY18- Working with Community Development, the Water Department has 2 water main replacement projects, which will be an estimated 17,540 LF.

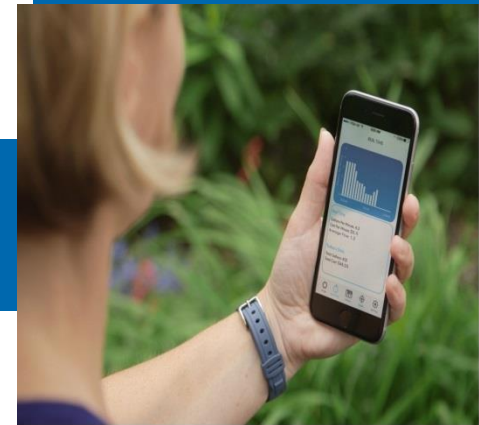
## Sewer Budget

- Focus on water quality improvements, infiltration/inflow removal and system upgrades.
- Replaced two existing pump stations, Winn Brook project – new pump station with surcharge mitigation improvements.
- On-going repairs and upgrades as part of the Pavement Management Program.
- New stormwater sampling was completed in November 2016. An Illicit Discharge Detection and Elimination plan is being completed that will detail the investigation strategy moving forward. All work is in compliance with DEP/EPA standards.

# Implementation of Smart Meters

## Why implement a Smart Water Meter

- Our current meters are scheduled to be replaced, perfect time to incorporate new smart metering technology.
- Water Conservation – Savings for both the Town and our Customers. By setting usage parameters and available consumer engagement tools, Belmont customers will be able to see their water consumption instantly using their mobile device.
- Reduced Meter Reading costs – 100% automation in meter reading and billing minimizes traditional reading operations that rely on transportation, manpower and equipment.
- Reduced account receivables – automated metering and billing enables frequent billing to the customers which reduces risks of payment defaults.
- Water theft, leakage detection and control – Abnormal consumption or leakages are reported in real time to the user and the Water Department.



# A planned approach for Smart Meters

- 80% +/- of our water meter infrastructure is scheduled for full replacement, 67% is over 20 years old
- Estimated cost of the Smart Meter Project ~\$ 2.6M
- Funding to come out of both Water and Sewer retained earnings
- Funding to be phased in over two fiscal years
- Year one (FY17) \$500K from Water and \$500K from Sewer
- Year two (FY18) +/- \$1.1M from Water and +/- \$500K from Sewer

# FY 2018 Water & Sewer Rate Recommendation

## Water

- Recommend all water fees be increased by 2.6%

## Sewer

- Recommend all sewer fees be increased by 1.8%

## Customer Impact

Based on the financial analysis the combined impact for customers is 2.1%