



**CITY OF SOMERVILLE, MASSACHUSETTS
WATER & SEWER DEPARTMENT
KATJANA BALLANTYNE
MAYOR**

JOHN DELUCA
Director

May 20, 2019

Honorable President and Members of the City Council:

Pursuant to Chapter 11, Section 11-125 and Section 11-164 of the Code of Ordinances of the City of Somerville, the tables below outline the amended proposed water and sewer volumetric rates for the Fiscal Year 2020 (FY20). Given the substantial need for investment in our aging and fragile water and sewer system and the increasingly strict regulatory environment we confront, the Administration's original rate proposal, submitted on March 25, 2019, included increases of 6% for water and 7.5% for sewer. The Council rejected these rate increases on May 9, 2019.

Though the Administration continues to emphasize that the original rate proposal is the appropriate and responsible choice in light of our system needs, we now submit the following amended rate proposal:

1. A 5% increase in water volumetric charges;
2. A 5.5% increase in sewer volumetric charges;
3. No change to existing base charges for both water and sewer; and,
4. The creation of a Discount Tier for all rate payers billed tri-annually that aims to provide particular relief to low-volume users.

The first table on the next page describes the proposed residential tiers, which reflect the addition of the Discount Tier for any usage under 8 units [748 gallons per unit x 8 units, or 5,984 gallons of water].

If you have any questions, please contact me at jdeluca@somervillema.gov.



Table 1: Proposed FY20 Residential Volumetric Charges (tri-annual bills)

			FY2020 Residential Volumetric Charges (\$/billing unit*)		
	Tier	Tier Range (per CCF)	Water	Sewer	Combined
	Discount Tier (<i>new</i>)	0-8	\$3.91	\$7.79	\$11.70
	T1	9-13	\$4.35	\$8.65	\$13.00
	T2	14-67	\$6.27	\$11.04	\$17.31
	T3	68-133	\$6.57	\$11.58	\$18.15
	T4	OVER 133	\$6.83	\$11.99	\$18.82

*One unit = 100 cubic feet (CCF) or 748 gallons of water

Table 2: Proposed FY20 Commercial Volumetric Charges (bi-monthly bills)

			FY20 0 Commercial Volumetric Charges (\$/billing unit*)		
	Tier	Tier Range (per CCF)	Water	Sewer	Combine
	T1	0-10	\$4.35	\$8.65	\$13.00
	T2	11-100	\$6.27	\$11.04	\$17.31
	T3	101-200	\$6.57	\$11.58	\$18.15
	T4	OVER 200	\$6.83	\$11.99	\$18.82

*One unit = 100 cubic feet (CCF) or 748 gallons of water

Table 3: Total Change in Year-Over-Year Cost for Combined Water and Sewer Rates

Total Change in Annual Cost for Various Billing Units (including base and volumetric charges, amended)					
		FY19	FY20		
Total Units per Bill (in CCF) ¹		Annual Total	Annual Total	Change (FY20-FY19)	% Change
8 (example low-water use)		\$476	\$461	-\$15	-3%
15 (example 1 to 2 person household) ²		\$760	\$760	\$0	0%
41 (example of 3-family home) ³		\$2,042	\$2,110	\$68	3%
87 (example of typical restaurant) ³		\$4,358	\$4,549	\$191	4%
136 (example of typical apartment building with more than 8 units) ³		\$6,897	\$7,223	\$326	5%

¹ The examples were chosen in order to provide a range of property types in Somerville.

² Based on US Geological Survey estimate of 80 to 100 gallons of water use per person per day.

³ Based on the median usage of the applicable property type in Somerville.

