



**CHAMPLAIN WATER DISTRICT**  
Dedicated to Quality Water & Service



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First In The Nation ~ Excellence In Water Treatment, Partnership For Safe Water

Date: January 4, 2018  
To: CWD Served Municipal Systems  
From: Jim Fay, CWD General Manager  
RE: 2018-2019 Fiscal Year Budget

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CWD's publicly elected Board of Water Commissioners has finalized the fiscal year budget for July 1, 2018 to June 30, 2019 setting the uniform wholesale water rate at \$2.165/1000 gallons from the existing \$2.10/1,000 gallons. This is an increase of 6.5 cents per 1,000 gallons, or a 3.10% increase. Assuming this CWD wholesale increase is fully passed along in each retail rate within CWD's twelve served municipal water systems, the average family using 180 gallons per day will see a 36 cent per month increase (\$4.27/year) in water costs. We have attached a table entitled "Historical CWD Wholesale Rate Increase Impact on CWD Served Systems" which summarizes that the annual increase over the past nine years is \$4.15 per year for a family using 65,700 gallons/year.

Also please find attached a table titled "Comparative Retail Water Rates" which was just updated as of our December 2017 Survey of CWD served systems, as well as a table titled "CWD Wholesale Increase Impact on Served Municipal Systems". Please note that a family using 65,700 gallons/year (180 gallons/day), within CWD's twelve served municipal water systems in Chittenden County, has a present annual "average" water cost across CWD's served systems of \$301.13 per year (\$25.09/month). Of this \$301.13/year, \$137.97/year (\$11.50/month) is paid to CWD under the uniform wholesale water rate, and the remaining \$163.16/year (\$13.60/month) is the average retained by the respective served CWD municipal water system. With CWD's rate increase from \$2.10/1000 gallons to the proposed \$2.165/1000 gallons, the average family using 65,700 gallons per year will see an increase of \$4.27 per year (36 cents/month). If this CWD increase of 6.5 cents per 1,000 gallons is fully passed on, the average Retail water rate will increase an average of 1.42%, with a high of 2.00%, and a low of 1.00%, given the varying retail markups to the CWD uniform wholesale water rate across the twelve CWD served municipal water systems.

Finally, one item of interest this year is that the State of Vermont "water fees" are scheduled for an increase on July 1, 2018. These fees increase on a three year cycle rather than annually, and they have increased historically at an average of 12%-15% every three years. We put a place holder of 14.4% for July 1, 2018.

Please contact Jim Fay, CWD General Manager at 864-7454 (ext. 103) or by email at [jim.fay@champlainwater.org](mailto:jim.fay@champlainwater.org), if you have any questions or need further information.

## HISTORICAL CWD WHOLESAL RATE INCREASE IMPACT ON AVERAGE FAMILY

The following list shows the CWD uniform wholesale water rate for the last nine years. It also shows the annual average family using 75 gallons per day per person for an average household usage of 65,700 gallons per year. Assumes Chittenden County average family of 2.4 people/home use 180 gallons/day (75 gpd/person) for a total of 65,700 gallons per year.

FISCAL YEAR ENDING	CWD Uniform Wholesale Water Rate \$ Per 1000 Gallons	Annual Average Family Cost @65,700 Gallons/Year	Annual Family \$ Increase Over Previous Fiscal Year
2011	1.650	\$108.41	\$3.55 (30 cents/month)
2012	1.714	\$112.61	\$4.20 (35 cents/month)
2013	1.782	\$117.08	\$4.47 (37 cents/month)
2014	1.840	\$120.89	\$3.81 (32 cents/month)
2015	1.913	\$125.68	\$4.79 (40 cents/month)
2016	1.978	\$129.95	\$4.27 (36 cents/month)
2017	2.038	\$133.90	\$3.95 (33 cents/month)
2018	2.100	\$137.97	\$4.07 (34 cents/month)
2019 Proposed	2.165	\$142.24	\$4.27 (36 cents/month)

**Note: CWD's nine (9) year annual average (2011-2019) increase is \$4.15/family per year.**

**COMPARATIVE RETAIL WATER RATES**  
**Survey Compiled December 2017**

The following list represents the cost per 1,000 gallons and the annual cost for the Chittenden County average household occupancy (2.4 people per home) multiplied by 75 gallons per day per person for an average household usage of 65,700 gallons per year. The annual cost of water reflects individual characteristics of the communities water rates, i.e. any base rate per quarter, incremental rates based upon usage, or any minimum charges.

<b>Water System</b>	<b>Total Cost per 1,000 Gallons (Including any Base Rates)</b>	<b>Annual Cost Average Family</b>
CWD Wholesale (Uniform Rate)	\$2.100	\$137.97
<b>Village of Essex Junction</b>	<b>\$3.33</b>	\$218.78
<b>City of South Burlington</b>	<b>\$3.88</b>	\$254.92
<b>Colchester Town</b>	<b>\$4.09</b>	\$268.71
<b>Malletts Bay Water Company</b>	<b>\$4.09</b>	\$268.71
Colchester Fire District #2	\$4.56	\$299.59
<b>Colchester Fire District #3</b>	<b>\$4.98</b>	\$327.19
<b>Town of Williston</b>	<b>\$5.01</b>	\$329.16
<b>City of Winooski</b>	<b>\$5.17</b>	\$339.67
<b>Town of Essex</b>	<b>\$5.26</b>	\$345.58
City of Burlington	\$5.49	\$360.69
<b>Town of Milton</b>	<b>\$6.30</b>	\$413.91
<b>Town of Shelburne</b>	<b>\$6.49</b>	\$426.39
<b>**Village of Jericho</b>	<b>\$3.25</b>	\$213.53
<b>***Colchester FD#1</b>	<b>\$3.45</b>	\$226.67

**\*Bolded water systems are served by CWD**

Note: The annual average retail cost of water is \$319.30 for **10** of the 12 above "**bolded**" CWD served municipal water systems for a family using 65,700 gallons per year. Of this \$319.30 average annual family cost, \$137.97 (43%) is paid to CWD for the uniform wholesale purchase price, and the remaining dollars is retained by the respective CWD served water system.

**\*\*Village of Jericho** – Rate does not include Village Tax Rate assessment charge. Not included in

**\*\*\*Colchester FD#1** - Rate does not include bond special assessment charge. Not included in average

**CWD UNIFORM WHOLESALE INCREASE IMPACT ON SERVED MUNICIPAL SYSTEMS  
FY 2018 - 2019**

The following list represents the cost per 1,000 gallons and the annual cost for the Chittenden County average household occupancy (2.4 people per home) multiplied by 75 gallons per day per person for an average household usage of 65,700 gallons per year. The annual cost of water reflects individual characteristics of the communities water rates, i.e. any base rate per quarter, incremental rates based upon usage, or any minimum charges. Assumes average family uses 180 gallons/day (75gpd/person) for a total of 65,700 gallons per year. Therefore, "CWD" increase is: \$2.100/1000 gallons to \$2.165/1000 gallons = 0.065 cents/1000 @65,700 gallons/year = \$4.27/year or 36 cents/month.

CURRENT WHOLESALE RATE			PROPOSED CWD RATE INCREASE		
\$2.100/1000 Gallons			For New Wholesale Water Rate of \$2.165/1000 Gallons		
Water System	December 2017 Retail Rate/1000 Gallons	Current Annual Average Family Cost	For New Wholesale Water Rate of \$2.165/1000 Gallons	New Annual Average Family Cost	Estimate of Retail Rate Increase if CWD Increase Passed on 100%
Village of Essex Junction	\$3.33	\$218.78	\$3.40	\$223.05	1.95%
City of South Burlington	\$3.88	\$254.92	\$3.95	\$259.19	1.68%
Malletts Bay Water Company	\$4.09	\$268.71	\$4.16	\$272.98	1.59%
Colchester Town	\$4.09	\$268.71	\$4.16	\$272.98	1.59%
Colchester Fire District #3	\$4.68	\$307.48	\$4.75	\$311.75	1.39%
Town of Williston	\$5.01	\$329.16	\$5.08	\$333.43	1.30%
City of Winooski	\$5.17	\$339.67	\$5.24	\$343.94	1.26%
Town of Essex	\$5.26	\$345.58	\$5.33	\$349.85	1.24%
Town of Milton	\$6.30	\$413.91	\$6.37	\$418.18	1.03%
Town of Shelburne	\$6.49	\$426.39	\$6.56	\$430.66	1.00%
**Village of Jericho	\$3.25	\$213.53	\$3.32	\$217.80	2.00%
***Colchester Fire District #1	\$3.45	\$226.67	\$3.52	\$230.94	1.88%
Served System Annual Average	\$4.58	\$301.13	\$4.65	\$305.40	1.42%
CWD's Portion of Total Annual Average Retail Bill	\$2.100	\$137.97	\$2.165	\$142.24	

Proposed July 1, 2018 Annual average CWD Wholesale cost per family = \$142.24/year @ 2.165/1000 gallons

Proposed July 1, 2018 Annual percentage CWD Wholesale cost to average retail family cost of \$305.40 year = 47%

Proposed July 1, 2018 @ \$2.165/1000 gallons increases average family cost an additional \$4.27/year or 36 cents per month

**\*\*Village of Jericho – Rate does not include Village tax rate assessment charge**

**\*\*\*Colchester Fire District #1 - Rate does not include bond special assessment charge**