

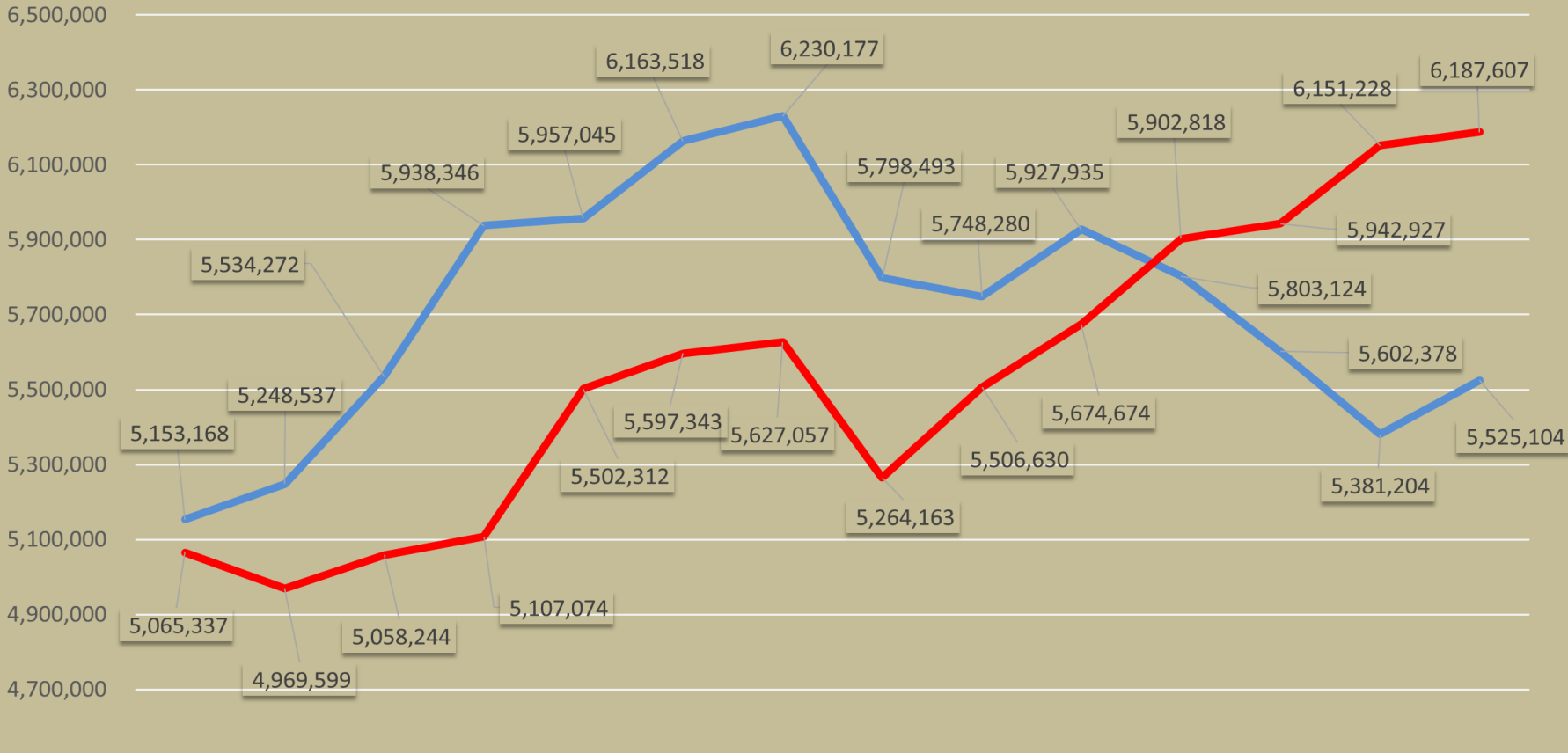
# Natchez Water Works

Rate Review / Utility Ordinance



4/12/2022

### Natchez Water Works - Audited - Operating Revenue -VS- Operating Expenses 2008-2021



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Rev	5,153,168	5,248,537	5,534,272	5,938,346	5,957,045	6,163,518	6,230,177	5,798,493	5,748,280	5,927,935	5,803,124	5,602,378	5,381,204	5,525,104
Operating Exp	5,065,337	4,969,599	5,058,244	5,107,074	5,502,312	5,597,343	5,627,057	5,264,163	5,506,630	5,674,674	5,902,818	5,942,927	6,151,228	6,187,607

**NATCHEZ WATER WORKS**  
**CAPITAL IMPROVEMENTS PLAN - PLANNED PROJECTS MAINTENANCE AND EQUIPMENT**  
Updated 1/2022

PRIORITY	DESCRIPTION	ESTIMATE
0	Sludge Disposal - Sludge to Landfill	Hold
1	Waste Water Treatment Plant Upgrades 2 (Bar Screen / Compactor) (See Engineers Estimate by WGK)	\$ 712,440.00
1	Waste Water Treatment Plant Upgrades 3 (Mechanical Grit System) (See Engineers Estimate by WGK)	\$ 743,400.00
1	Waste Water Treatment Plant Upgrades 1 - Clarifier Rehabilitation	\$ 2,009,750.00
1	Technology - Upgrades - Billing - SCADA - Accounting	\$ 450,000.00
1	Replace old problematic 2" cast iron, galv and pvc water lines	\$ 500,000.00
<b>PRIORITY 1 TOTAL</b>		<b>\$ 4,415,590.00</b>
2	Sewer Lift Station Renovations (total 67) (Lining - pumps - motors) @\$25k each	\$ 1,675,000.00
2	Waste Water Treatment Plant - Digester Blowers/Motors/Lab Equip.	\$ 125,000.00
2	Equipment (New) I.E.: Dump Truck / Mini Excavator / Hydrovac / Sewer Camera System	\$ 525,000.00
2	Elms Court Sewer Line - Ongoing Repairs due to Erosion / Bulkheads/Retaining Walls	\$ 500,000.00
<b>PRIORITY 2 TOTAL</b>		<b>\$ 2,825,000.00</b>
3	Inflow and Infiltration	\$ 1,500,000.00
3	Waste Water Treatment Plant (Green House Roofs @ \$125k each)	\$ 250,000.00
3	Water Valve Changeout Program \$5000 each x 25 + 8 Valves at Union Street Tank!!!	\$ 165,000.00
3	Building Upgrades - ADA - Maintenance	\$ 125,000.00
3	Water Loss Survey	\$ 75,000.00
3	Line Manholes - Industrial - Port area - Other Misc. Locations	\$ 50,000.00
3	Old Water Meter Change Out (@4000 @ \$500 Each)	\$ 2,000,000.00
<b>PRIORITY 3 TOTAL</b>		<b>\$ 4,165,000.00</b>
4	Aged Water Line Replacement (Identify/Replace - Services) (1000 @ \$1000)	\$ 1,000,000.00
4	Truss and Trunk Line Rehabilitation	\$ 250,000.00
<b>TOTAL PRIORITY 4</b>		<b>\$ 1,250,000.00</b>
5	Kill old Water Services (1000@\$750ea)	\$ 750,000.00
5	Pigging force mains (Pintard, Port, Beau Pre, Prison)	\$ 50,000.00
5	Sewer Line replacement / Repairs - Misc. Locations	\$ 225,000.00
5	Raw Water Mains out Morgantown Road - Add Valves - Upgrade PVC to Ductile Iron Pipe??	\$ 350,000.00
5	Elevated Tanks - Exterior Full Sand Blast and Paint (over next 8 years - See estimate by WGK)	\$ 500,000.00
<b>PRIORITY 5 TOTAL</b>		<b>\$ 1,875,000.00</b>
6	Adding Lift Station on Beau Pre Force Main (Low Priority-Hold)	\$ 250,000.00
6	Water System - Pressure Monitoring System	\$ 150,000.00
?	Construct 3rd Clarifier at WWTP - (Investigate Priority)	\$ 1,500,000.00
<b>PRIORITY 6 TOTAL</b>		<b>\$ 1,900,000.00</b>
<b>TOTAL - CAPITAL PROJECTS</b>		<b>\$ 16,430,590.00</b>

Natchez Water Works  
Consumption Range Chart for Calculations

Consumption Range Cubic Feet	Average Consumption Cubic Feet	No. of Accounts
0 to 300	156	2,671
300 to 1,000	559	3,245
1,000 to 5,000	1,745	875
5,000 to 10,000	6,766	64
10,000 to 50,000	22,696	68
50,000 to 100,000	68,500	10
100,000 to 300,000	173,500	5
Over 300,000	430,000	1

Account Structure

Meter Size	Active Accounts
3/4"	6,603
1"	135
1.5"	59
2"	113
4"	18
6"	8
8"	3

**Base Rate Customers (2,671 or 38%) have not had a rate increase in 15 years.**

**All other Customers have not had a rate increase in 11 years.**

## OPTION 3 - MINIMUM CHARGE INCREASE

**BASE RATE (MINIMUM CHARGE) SHALL BE COMPUTED AS FOLLOWS:**

**20% INCREASE TO BASE RATE (YEAR 1)**

*(Note: Minimum Charges Shall Not Increase Annually)*

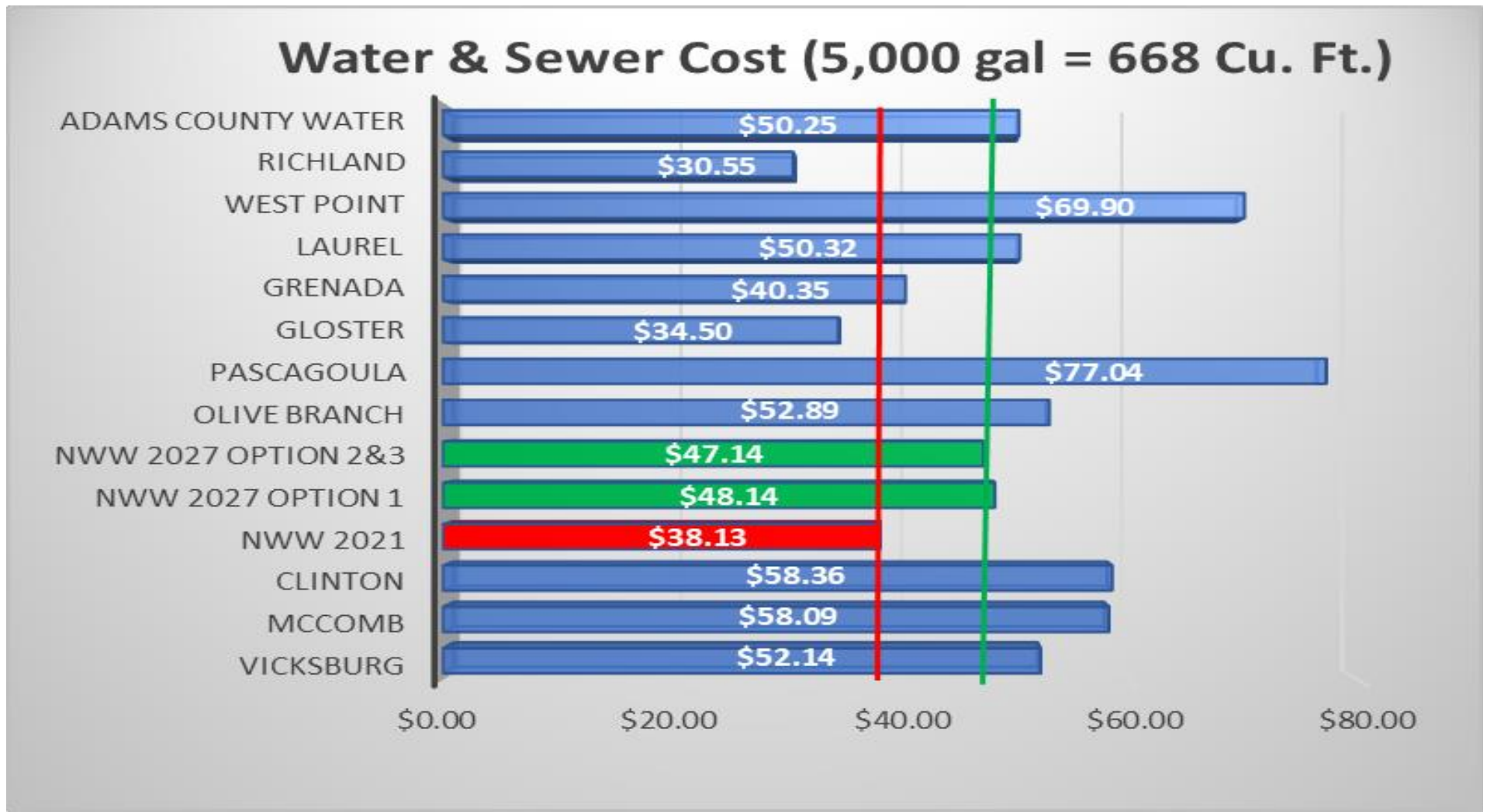
<u>MINIMUM MONTHLY CHARGES</u> (300 Cubic Feet Allowance)			<u>REVENUE INCREASE OVER TIME</u>		
Meter Size	Current	YEAR 1	Year of Increase	Increase	Running Total
3/4"	\$10.00	\$12.00	Year 1	\$350,000	\$350,000
1"	\$13.34	\$16.01	Year 2	\$160,000	\$510,000
1-1/2"	\$16.71	\$20.05	Year 3	\$172,000	\$682,000
2"	\$21.45	\$25.74	Year 4	\$109,000	\$791,000
4"	\$62.51	\$75.01	Year 5	\$109,000	\$900,000
6"	\$104.29	\$125.15	Year 6	\$117,000	\$1,017,000
8"	\$166.85	\$200.22			
				<b>Total Increase:</b>	<b>\$1,017,000</b>

## OPTION 3 - OVER 300 CUBIC FEET RATE CHARGES (Per 100 Cubic Feet)

**5% VOLUMETRIC TIER INCREASE FROM YEAR 2 TO YEAR 6**

Tier Rate Schedule (Cubic Feet)		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
From	To	No Change	5% Tier Increase	5% Tier Increase	5% Tier Increase	5% Tier Increase	5% Tier Increase
300	<b>10,000</b>	2.46	\$2.58	\$2.71	\$2.85	\$2.99	\$3.14
<b>10,000</b>	300,000	2.46	\$2.58	\$2.71	\$2.71	\$2.71	\$2.71
300,000	1,000,000	2.46	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58
1,000,000	99,999,999	2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46
<b>= Changes from Option 2</b>							

- Utility Rates Compared to present and future Natchez Water Works Rates (based on 5,000 gallons / 668 Cubic Feet) Information taken from “Allen & Hoshall 2020 Water and Sewer Rates Survey”



## % Revenue Contribution (Water and Sewer Sales) Current Rates -vs- Option 3 Tier Rates



# Mississippi city increases water and sewer rates more than 16%

Published 5:58 am Monday, October 4, 2021

People in a southwestern Mississippi city will be paying higher bills for water and sewer service.

The McComb Board of Selectmen voted 4-2 Tuesday to increase the base rate for water and sewer by \$12.41 a month, the Enterprise-Journal reported. That is about a 16.6% increase.

Effective Friday, the city's new minimum bill is \$86.88.



# CITY OF HATTIESBURG **CONSENT DECREE**

## **BACKGROUND INFORMATION**

On Wednesday, August 26, the City of Hattiesburg entered into a consent decree with the US Environmental Protection Agency (EPA) and the Mississippi Department of Environmental Quality (MDEQ) to significantly reduce sanitary sewer overflows (SSOs) and to improve the overall operations of Hattiesburg's sewer system.

The consent decree – a 16-year improvement plan – accompanies a lawsuit by the EPA after seven years of negotiations, which began in September 2012 when an EPA inspection report notated unreported SSOs.

October 1, 2021

## **Water Rate Increases Reflected on December Bill**

in News & Updates

**Hattiesburg, Mississippi** – In December, water and sewer customers will see the first of a three-year rate increase, which was voted on unanimously by the [Hattiesburg City Council](#) during its Fiscal Year 2022 budget approval in September.

The rate increase is a phased-in three-year increase, which was proposed to the council as a part of a capital improvements plan for the City's water and sewer systems which is necessary to accommodate infrastructure [needs required by the City's consent decree](#).

# Water and sewer rates going up in Jackson

Jackson city council (WLBT)

By [Anthony Warren](#)

Published: Dec. 14, 2021 at 1:02 PM CST



JACKSON, Miss. (WLBT) - Jackson residents are about to see their water and sewer rates go up.

After more than an hour and a half of discussion, the Jackson City Council narrowly approved raising its water and sewer rates for customers.

However, the council voted down a proposal to raise sanitation fees to \$35 a month.

Jackson leaders say the increases were needed to meet consent decree requirements, bring the city into compliance with its bond covenants and cover current operating costs within its solid waste division.



MISSISSIPPI STATE DEPARTMENT OF HEALTH

**REPORT OF INSPECTION OF DRINKING WATER SUPPLY**

**PWS:** 0010002 **Class:** C

An inspection of the CITY OF NATCHEZ water supply in ADAMS county was made on 02/09/2022. Present at the time of inspection was PHILLIP L WEBB, OPERATOR; WRITER. Official TONY W MOON Address P O BOX 1325 NATCHEZ MS 39121 W.W. Operator PHILLIP L WEBB Address 14 HIBISCUS LANE NATCHEZ MS 39120 No. Connections 8199 No. Meters      Population Served 15792 Field Chemical Analysis: pH      Cl2(free)      Cl2(total)      H2S N/A Iron      Fluoride      Point of Sampling DISTRIBUTION Water Rates      This inspection included a sanitary survey for compliance with the Ground Water Rule.

**COMMENTS**

Technical: 5 Managerial: 5 Financial: 4  
OVERALL CAPACITY RATING: 4.7 / 5.0

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5. The system has not raised rates within the past five years. The previous years audits show expenditures exceeding revenues. In order to ensure that the system remains financially stable, the rates should be reviewed in depth. For this reason, credit was not allowed for question F1 on the capacity assessment form.

## **OTHER CHANGES TO FEES AND PENALTIES**

- **Authorize the Board of Water Commissioners to Adjust Fees Necessary to Cover the Cost of Doing business, such as but not Limited to:**
  - **Consumer Deposits**
  - **Tap Fees for Water and Sewer**
  - **Late Fees for past due accounts**
  - **Reconnection Fees**