



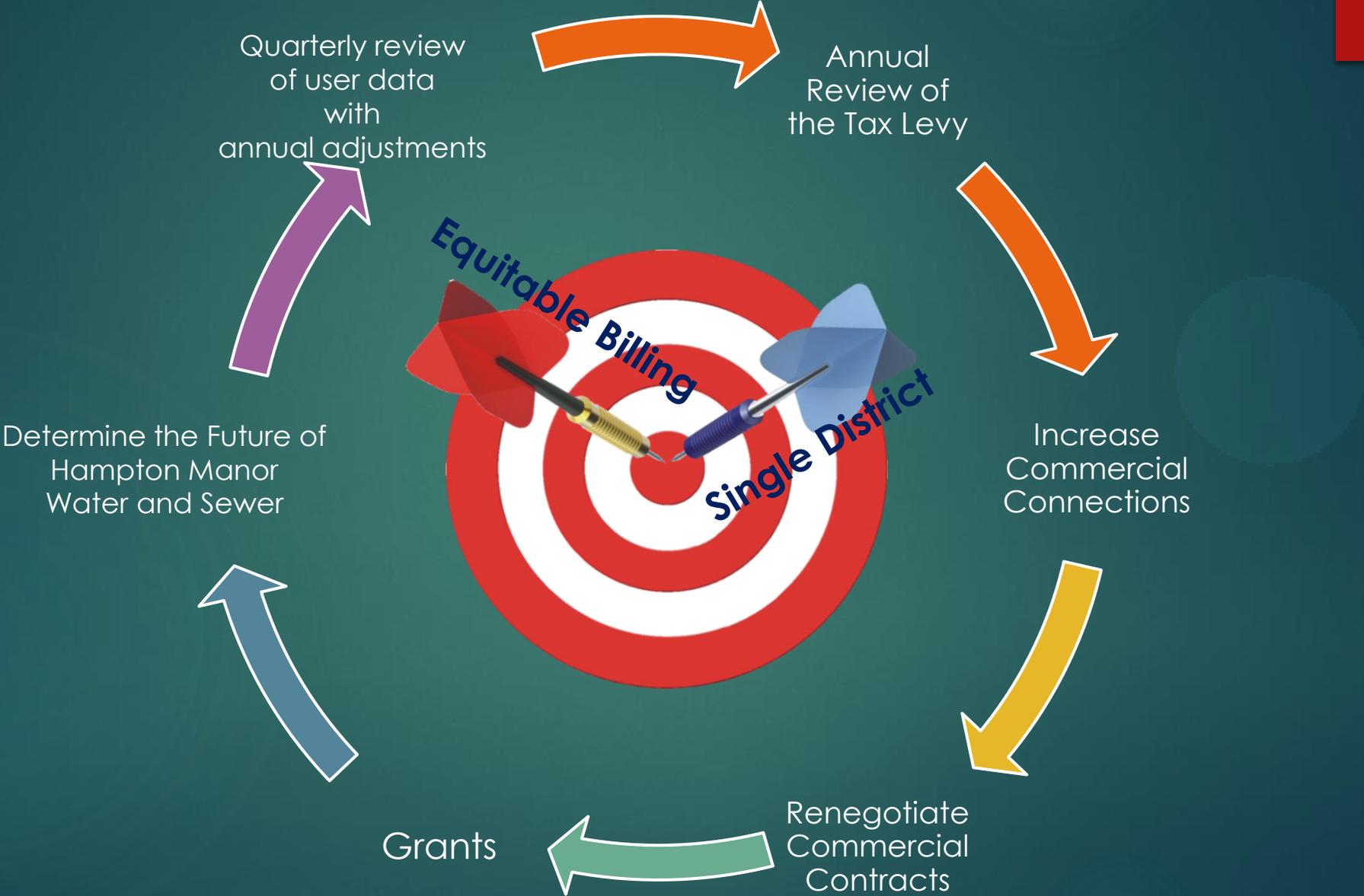
# East Greenbush

## SEWER USER RATE ANALYSIS

MARCH 16, 2016

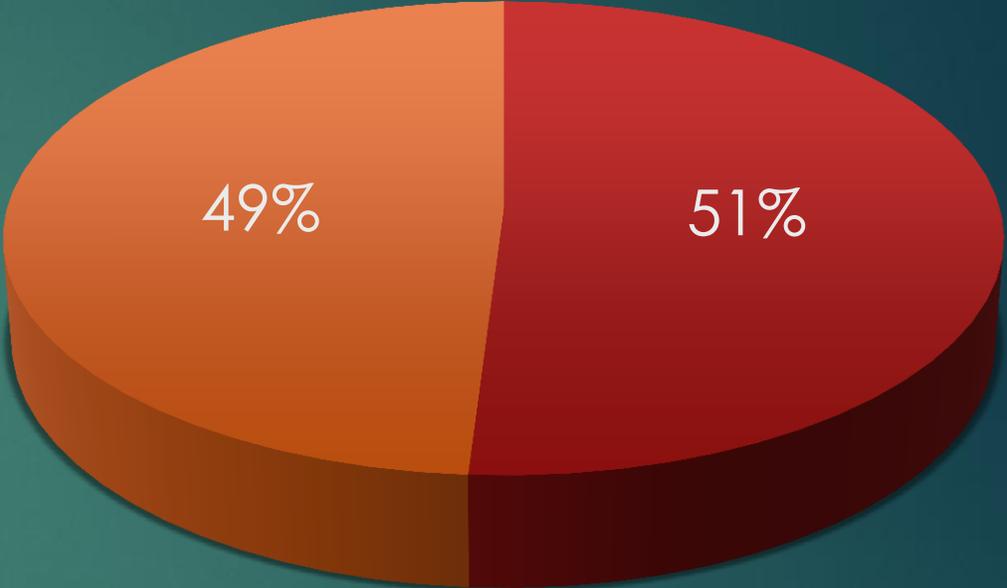
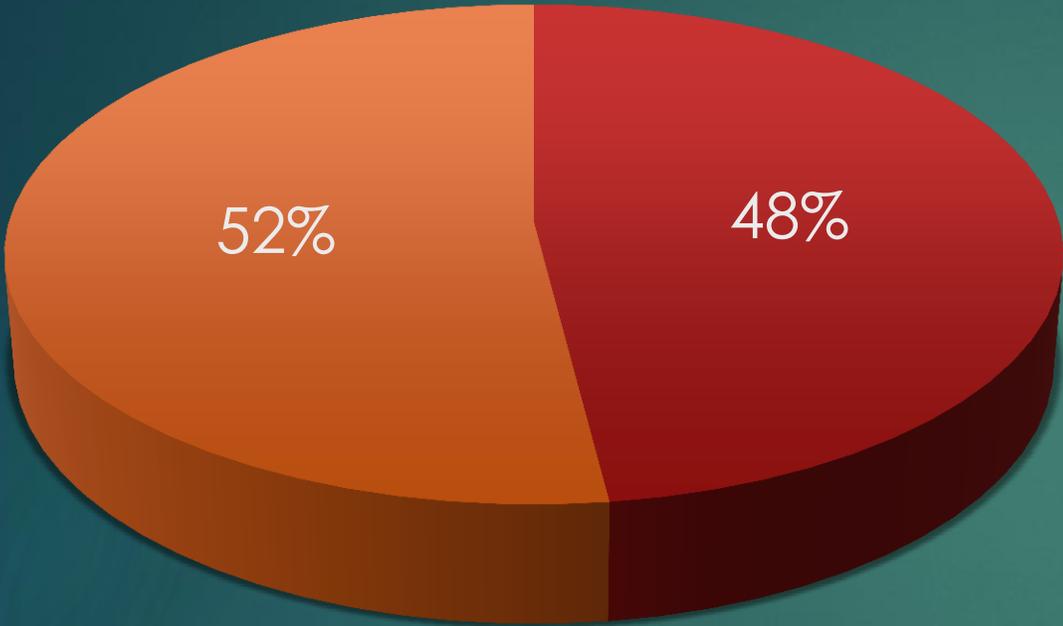
PREPARED BY JACK CONWAY AND TINA TIERNEY

# Continuous Improvement Process



# Consumption 2013- 2015

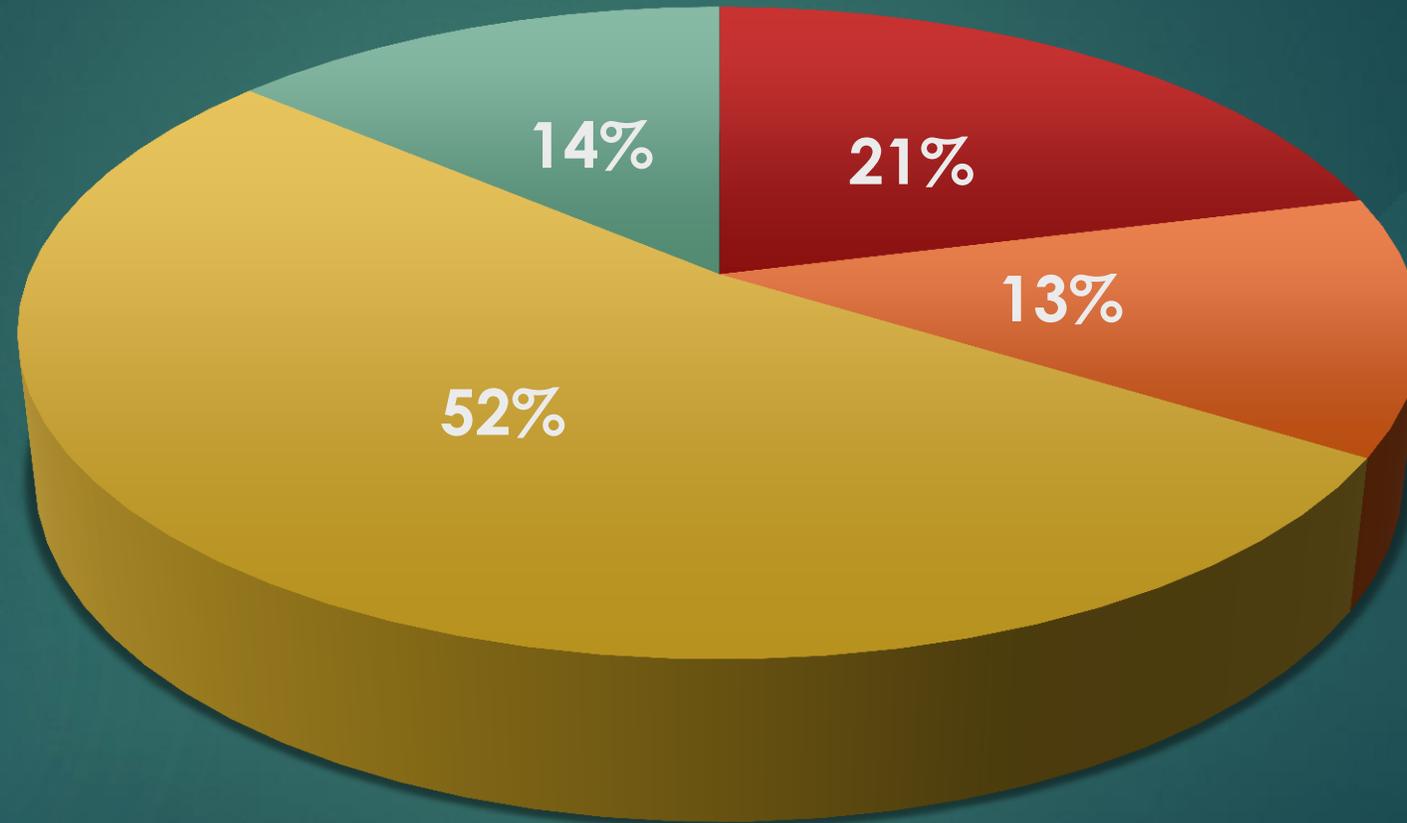
# Revenue 2013- 2015



- Commercial Consumption
- Residential Consumption

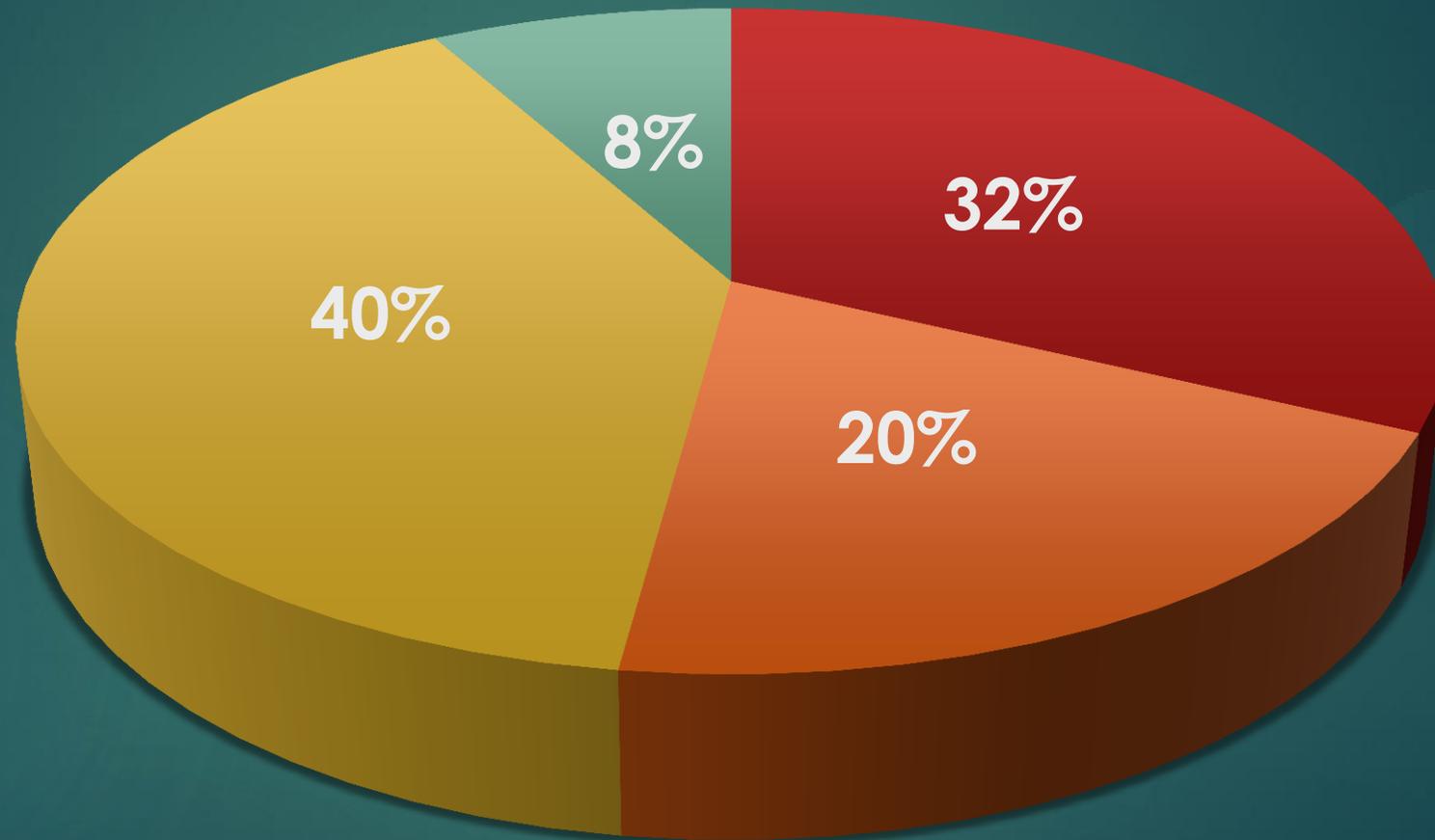
- Commercial Revenue
- Residential Revenue

# Average Consumption by District 2013-2015



■ 3rd Ave. ■ Couse ■ General ■ Hampton Manor

# Average Revenue by District 2013-2015



■ 3rd Ave. ■ Couse ■ General ■ Hampton Manor

# How were proposed rate increases calculated?

## THE GOAL: To increase annual revenue by \$500,000



The average percentage of consumption from 2013 – 2015 for each district was calculated:

Third Ave.	0.21
Couse	0.13
General	0.52
Hampton Manor	0.14

A financial target was calculated for each district by multiplying the overall target of \$500,000 by the district percentage of consumption:

Third Ave.	\$105,000	(0.21)
Couse	\$ 65,000	(0.13)
General	\$260,000	(0.52)
Hampton Manor	\$ 70,000	(0.14)

The increase for three districts was calculated by dividing the financial target by the annual revenue currently generated by that district:

Third Ave.	\$105,000 / \$304,464	34.5%
Couse	\$ 65,000 / \$189,003	34.4%
General	\$260,000 / \$376,818	69%

# Hampton Manor Calculation: A different approach

Residents pay a flat fee

Very little commercial consumption (5.5% of total)

An increase of 50% was  
assigned to their average  
annual revenue

$$\$76,787 \times .50 = \$38,394$$

Extra funds will be taken from  
the Hampton Manor District  
Surplus for four years

**\$31,606**

Each district will receive funds from the Sewer Fund Surplus for four years

<b>Third Ave.</b>	\$41,667/year
<b>Couse</b>	\$41,667/year
<b>General</b>	\$41,667/year
<b>Hampton Manor</b>	\$73,273/year

# SINGLE FAMILY RESIDENCE QUARTERLY SEWER RATES

	Current Minimum Charge up to 10,500 gals	Increase	Proposed Minimum Charge
<b>Third Ave.</b>	\$22.50	\$7.88	\$30.38
<b>Couse</b>	\$22.50	\$7.88	\$30.38
<b>General</b>	\$12.50	\$8.63	\$21.13
<b>Hampton Manor</b>	\$26*	\$13.00	\$39**
<i>*Hampton Manor is currently billed \$52 every 6 months</i>			
<i>**The proposed increase for Hampton Manor would be \$78 every 6 months</i>			
	Current Overage Charge/1000 gallons	Increase	Proposed Overage Charge/1000 gallons
<b>Third Ave.</b>	\$2.59	\$0.91	\$3.50
<b>Couse</b>	\$2.59	\$0.91	\$3.50
<b>General</b>	\$1.42	\$0.98	\$2.40
<b>Hampton Manor</b>	N/A	N/A	N/A

# SINGLE FAMILY RESIDENCE ANNUAL SEWER RATES FOR MINIMUM USERS

	<b>Current Annual Charge for Minimum Users</b>	<b>Amount of Increase</b>	<b>Proposed Annual Charge for Minimum Users</b>
Third Ave.	\$ 90	\$ 31.50	\$ 121.50
Couse	\$ 90	\$ 31.50	\$ 121.50
General	\$ 50	\$ 34.50	\$ 84.50
Hampton Manor	\$ 104	\$ 52.00	\$ 156.00

# MULTI-UNIT RESIDENCE (2 FAMILY, DUPLEXES, 1 FAMILY WITH APARTMENT) QUARTERLY SEWER RATES

	Current Minimum Charge up to 13,125 gals	Increase	Proposed Minimum Charge
<b>Third Ave.</b>	\$28.50	\$9.98	\$38.48
<b>Couse</b>	\$28.50	\$9.98	\$38.48
<b>General</b>	\$15.63	\$10.78	\$26.41
<b>Hampton Manor</b>	\$45*	\$22.50	\$67.50**
<i>*Hampton Manor is currently billed \$90 every 6 months</i>			
<i>**The proposed increase for Hampton Manor would be \$135 every 6 months</i>			
	Current Overage Charge/1000 gallons	Increase	Proposed Overage Charge/1000 gallons
<b>Third Ave.</b>	\$2.59	\$0.91	\$3.50
<b>Couse</b>	\$2.59	\$0.91	\$3.50
<b>General</b>	\$1.42	\$0.98	\$2.40
<b>Hampton Manor</b>	N/A	N/A	N/A

# MULTI-UNIT RESIDENCE (3 UNITS OR MORE) QUARTERLY SEWER RATES

	Current Minimum Charge (average per unit for up to 5,250 gals/average per unit)	Increase	Proposed Minimum Charge
<b>Third Ave.</b>	\$11.33	\$3.97	\$15.30
<b>Couse</b>	\$11.33	\$3.97	\$15.30
<b>General</b>	\$6.25	\$4.31	\$10.56
<b>Hampton Manor (3-unit)</b>	\$64*	\$32	\$96**
<b>Hampton Manor (4-unit)</b>	\$83 <sup>+</sup>	\$41.50	\$124.50 <sup>++</sup>
<i>*Hampton Manor (3-unit) is currently billed \$128 every 6 months</i>			
<i>+Hampton Manor (4-unit) is currently billed \$166 every 6 months</i>			
<i>**The proposed increase for Hampton Manor (3-unit) would be \$192 every 6 months</i>			
<i>++The proposed increase for Hampton Manor (4-unit) would be \$249 every 6 months</i>			
	Current Overage Charge/1000 gallons	Increase	Proposed Overage Charge/1000 gallons
<b>Third Ave.</b>	\$2.59	\$0.91	\$3.50
<b>Couse</b>	\$2.59	\$0.91	\$3.50
<b>General</b>	\$1.42	\$0.98	\$2.40
<b>Hampton Manor</b>	N/A	N/A	N/A

# COMMERCIAL/BUSINESS/NON-RESIDENTIAL CUSTOMERS QUARTERLY SEWER RATES

	<b>Current Minimum Charge up to 10,500 gals</b>	<b>Increase</b>	<b>Proposed Minimum Charge</b>
<b>Third Ave.</b>	\$22.50	\$7.88	\$30.38
<b>Couse</b>	\$22.50	\$7.88	\$30.38
<b>General</b>	\$12.50	\$8.63	\$21.13
<b>Hampton Manor</b>	\$27*	\$13.50	\$40.50**
<i>*Hampton Manor is currently billed \$54 every 6 months</i>			
<i>**The proposed increase for Hampton Manor would be \$81 every 6 months</i>			
	<b>Current Overage Charge/1000 gallons</b>	<b>Increase</b>	<b>Proposed Overage Charge/1000 gallons</b>
<b>Third Ave.</b>	\$2.70	\$0.95	\$3.65
<b>Couse</b>	\$2.70	\$0.95	\$3.65
<b>General</b>	\$1.48	\$1.02	\$2.50
<b>Hampton Manor</b>	N/A	N/A	N/A

# How do the Proposed Rates in East Greenbush Compare to Other Communities?

Single Family Residence	Proposed Overage Charge/1000 gals
Third Ave.	\$3.50
Couse	\$3.50
General	\$2.40

Community	Current Overage Charge/1000 gals
Rensselaer County	\$3.69
Bethlehem	\$3.66
Niskayuna	\$3.91

# Next steps...

## Public Hearing on Proposed Rates

**Wednesday, April 13, 2016**

**7 pm**

**Town Hall**

## Town Board Vote on Proposed Rates

**Special Meeting**

**Date and Time TBD**