

**TOWN OF HURT
NOTICE OF PUBLIC HEARING**

The Hurt Town Council will conduct a public hearing on Tuesday, October 1, 2019 at 7:00 P.M. at the Hurt Town Hall located at 533 Pocket Road. The subject of the hearing will be a proposal to restructure charges for water services in the town. Localities are authorized to charge fees and other charges for water and sewer service by Virginia Code Sec. 15.2-2119.

NOTICE OF PROPOSED UTILITY RATE RESTRUCTURING

The Hurt Town Council proposes to restructure water rates in Fiscal Year 2019-2020 to be effective December 1, 2019 and thereafter. The proposed changes are intended to make the rates more fair and equitable and to impose less of a burden on minimum water users.

<u>Current Rate Structure (quarterly)</u> \$73.50 up to 4,000 gallons Usage in excess of 4,000 gallons \$6.00 per 1,000 gallons	<u>Proposed New Rate Structure (quarterly)</u> \$24.00 regardless of usage amount Usage from the first gallon \$8.60 per thousand
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The proposed new rate structure will have the effect of decreasing the quarterly bill for lower users and increasing it for higher users. Below is a comparison of the costs to customers of the current rate structure with the proposed new structure.

Town of Hurt Utility Rate Structure Reform: FY 2019-20 Budget vs. Proposed Restructuring

Part I: Customer Cost Comparison (Quarterly)

Metered Usage Water Volume (gallons/quarter)	Rate for FY 2019-20 Effective Nov. '19 or Feb. '20	Proposed Restructure ((\$24 QSC + \$8.60/Kgal Volumetric)	
	<u>Billed Amount</u>	If Approved Would Be Effective Nov. '19 or Feb. '20	<u>Billed Amount</u>
500	\$73.50	\$28.30	-\$45.20
1,000	\$73.50	\$32.60	-\$40.90
2,500	\$73.50	\$45.50	-\$28.00
4,000	\$73.50	\$58.40	-\$15.10
5,000	\$79.50	\$67.00	-\$12.50
7,500	\$94.50	\$88.50	-\$6.00
10,000	\$109.50	\$110.00	\$0.50
12,500	\$124.50	\$131.50	\$7.00
15,000	\$139.50	\$153.00	\$13.50
17,500	\$154.50	\$174.50	\$20.00
20,000	\$169.50	\$196.00	\$26.50
25,000	\$199.50	\$239.00	\$39.50
30,000	\$229.50	\$282.00	\$52.50
35,000	\$259.50	\$325.00	\$65.50

40,000	\$289.50	\$368.00	\$78.50
45,000	\$319.50	\$411.00	\$91.50
50,000	\$349.50	\$454.00	\$104.50
60,000	\$409.50	\$540.00	\$130.50
75,000	\$499.50	\$669.00	\$169.50

Part II: Water Billing Revenue Projection (Annual)

Current FY 2019-20 budget rate of \$73.50 + \$6.00/K over 4,000 gallons	\$269,024.00
With Proposed Restructuring: Quarterly Service Charge (QSC) + volumetric billing (no overage threshold)*	\$340,625.38

**Based on 587 meters and an average total monthly volume of 2,754,587 gallons.*

The public is invited to attend and comment on the proposed new water rate billing structure.

A copy of a proposed ordinance putting the restructuring in place is available at the Hurt Town Office, 533 Pocket Road, Hurt, Virginia or by calling Susan Frazier, Clerk of Council at 434-608-0554. A copy is also available on the Town of Hurt website, townofhurtva.gov.

Susan Frazier, Clerk
Town of Hurt