



2022 Sanitary Sewer and Stormwater Rate Increase

Frequently Asked Questions

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What will the rate increase cost me?

The minimum **sewer** bill will increase by **\$8.58**, from \$21.54 to \$30.12. The bill for an average household bill (for 3400 gallons of water usage) will increase by **\$14.21**, from \$35.69 to \$49.90.

The residential **stormwater** monthly fee will increase by **\$3.66**, from the 2007 rate of \$3.75 to \$7.41. Commercial property bills will increase by **\$1.22** per one thousand square feet of impervious area, from the 2007 rate of \$1.25/1000 sq ft to \$2.47/1000 sq ft.

What assistance is available for low-income or fixed-income customers?

We understand that utility rates can significantly impact customers with low-income or fixed income. BSB's common practice is to participate in existing utility assistance programs. These programs include the West Virginia Housing Development Fund's Mountaineer Rental Assistance Program (<https://www.wvhdf.com/mountaineer-rental-assistance-program>) and the Low-Income Household Water Assistance Program (LIHWAP) through the West Virginia Department of Health and Human Resources (DHHR.) (<https://dhr.wv.gov/News/2022/Pages/DHHR-Announces-Application-Period-for-Low-Income-Household-Water-Assistance-Program.aspx>)

Customers with affordability concerns can contact these agencies directly, or work with Beckley Sanitary Board to connect with representatives of these programs. BSB also offers deferred payment arrangements which can be set up at our office at 301 S. Heber St.

Why does BSB need to increase its revenue?

For the Stormwater Utility, the additional \$1.17 million of funding will allow the BSB to complete at least \$9 million of storm water improvements over the next decade. This includes the following:

- Obtaining a \$5 million stormwater improvement bond to construct larger stormwater projects that cannot be funded using pay-as-you-go project investment. The first project will be the stormwater portions of the Hartley/Beckley Little League/Pinecrest Project, which will address drainage and flooding problems that date back at least 60 years.

- Cash funding \$4 million of ongoing stormwater improvements over next decade
- The ability to leverage and secure additional outside funding for projects such as the popular household hazardous waste disposal events, stormwater repair projects, and the iPond stormwater. When BSB can successfully tap competitive funding, rate payer dollars go a lot further to enable the completion of more capital improvement projects. Examples of Past Partnership Success:
 - <https://woay.com/city-of-beckley-holds-hazardous-waste-collection/>
 - <http://beckleysanitaryboard.org/education/ipond-information/>
- Improving our ability to respond to unplanned emergencies
BSB's stormwater utility has had recurring problems with large, unplanned expenses from flood events and catastrophic failures of aging infrastructure. Typical costs from these events can range from \$250,000 to \$500,000.
- Addressing cumulative rising costs from inflation

For the Sewer Utility, the rate increase provides an additional \$2.4 million of annual funding and will allow BSB to accomplish the following:

- Obtain a \$2.4 million sanitary sewer improvement bond to complete the sewer portion of the Hartley/Beckley Little League/Pinecrest project. Overflowing sewer maintenance holes and sewer backups into residences have been occurring in this neighborhood and in the parking lot of the Beckley Little League. This project replaces 80-year-old sewers and corrects these issues.
- Modernize equipment, such as more than two dozen wastewater lift stations with aged mechanical pumping and other equipment that is becoming less dependable and more costly to repair.
- Improve sewer system maintenance by expanding the maintenance staff with two additional positions
- Update and improve the Combined Sewer Overflow Program to meet environmental mandates and reduce the impact of CSO discharges on our local waterways and New River.

- Build a larger Operations Center to accommodate today's needs. BSB has operated out of its existing location since the early 1990s and it no longer accommodates the current and anticipated needs of the utility for equipment and machine storage and office space.
- Increase reserves as mandated by existing bond covenants and WV State law.
- Address cumulative rising costs from inflation

Why is this rate increase happening now?

In the seven years since sewer rates were last raised, BSB's costs to operate have increased and our infrastructure has continued to experience the effects of long-term use. Inflation has risen 14.5 %. The stormwater fee has not changed since 2007 and the money collected no longer covers rising expenses. For instance, the cost of stormwater pipe is now twice what it was in 2007. BSB can no longer operate with existing rates and still cover our costs. This rate increase will enable us to cover rising costs, begin work on major capital improvement projects, and invest in our infrastructure to ensure systems continue to function.

Why can't the City of Beckley's General Funds cover the increased operating costs of the Sanitary Board or be used for needed infrastructure projects?

The Beckley Sanitary Board receives no funding from taxpayers through the General Fund. BSB, as a public utility, is a separate enterprise fund. As such, it must be self-supported through the fees it charges users of the system and should not be funded by the general tax revenues of the City of Beckley. The BSB has been funded this way and has collected fees from for sewer service since its establishment. Fees are governed by a sewer tariff and stormwater rate ordinance, in accordance with the City of Beckley's sewer and stormwater ordinances. BSB funds are deposited, accounted for, and audited separately from City of Beckley's tax-based general funds.

Why does Beckley charge for stormwater services?

Beckley, like many other municipalities in WV and the United States, is required to comply with federal rules governing stormwater. The city's municipal separate storm sewer system (MS4) is

mandated by the federal government and requires us to have a stormwater management plan. Beckley's stormwater management plan was prepared and approved in 2004 with a multimillion-dollar implementation cost. Recognizing the need to fund this service Beckley created a stormwater utility in accordance with state code, and there are over 1,200 stormwater utilities like BSB in the United States.

How do the proposed stormwater fees compare to other communities?

The new stormwater fee is comparable to similar communities within and outside the state of West Virginia. The single family monthly residential rate of \$7.41 is comparable with other local jurisdictions such as Morgantown (\$6.94; stepwise increase to \$7.58 by 2025), Huntington (\$7.15), and Martinsburg (\$9, approximate).

What is the Hartley-Pinecrest-Beckley Little League Project?

Flooding and sewer problems have been documented in the Hartley Ave neighborhood and the Beckley Little League for more than 50 years. Residents of this neighborhood have experienced flooded homes, sewer backups and overflowing sewer maintenance holes, as well as sink holes and sub-surface issues in lawns and driveways. The existing storm pipes in the area are too small for the size of the watershed and are no longer reliable. The sewers are also too old and are susceptible to overflowing, especially during storm events.

What is the Combined Sewer Overflow (CSO)?

"Combined Sewer" refers to the combined flow of both wastewater and stormwater, in the same pipe. This flow can come from poor or outdated design in which stormwater was intentionally directed to the sewers (from roof drain downspouts, or other drain inlets) or from groundwater leaking into to aged sewer pipes with cracks or faulty connections. A Combined Sewer Overflow "CSO" is a permitted and regulated "relief point" location where sewer and stormwater can legally overflow the sewer system and enter receiving streams. This discreet permitted location helps to relieve the system during storm events, when the pipes are overwhelmed with water, thus reducing sewer overflows in other locations, such as homes and businesses.

Beckley Sanitary Board currently operates one permitted CSO, which releases combined sewer and stormwater into Little Whitestick Creek during heavy rains. The CSO is equipped with chlorine disinfection and dechlorination, to minimize water quality impacts when the CSO is active. In our continued pursuit of better water quality in the Beckley Watershed and to comply with national goals for CSO communities, Beckley Sanitary Board has set a long-term goal of removing the Whitestick CSO or managing it so that it does not release water as often. This effort will require upgrades at the wastewater treatment plant, as well as in the sewer collection system. The proposed rate increases will begin to address these upgrades.

What is the Beckley Sanitary Board Operations Center Project?

The Operations Center Project will address longstanding challenges surrounding Beckley Sanitary Board's facilities, including materials and equipment storage and office space. BSB moved into its current headquarters on S Heber St (Five Corners) over 30 years ago. BSB is a much more complex and expansive operation today than we were in the 1990s. The existing location has less than one acre of land and the building does not contain enough garage, warehouse, and office floor space. The S Heber St lot is used for storage of the majority of the fleet of vehicles and equipment for the BSB Collections Department, as well as gravel piles, prefabricated sewer and stormwater structures, and some pipe. The available storage space at this location is limited, meaning pipe and other materials must be stored in smaller quantities. Additional materials must be stored at three other satellite locations across Beckley. These circumstances create ongoing productivity losses and other inefficiencies, as BSB personnel must allow routinely additional travel time to and from these sites on any BSB construction projects. The layout of the lot also presents difficulty for suppliers' large delivery trucks to bring needed materials. BSB therefore must purchase smaller quantities at a time, incurring additional cost per unit for us and our customers. The current BSB Office Building is not optimized for the demands of a modern utility. The two-story office space is not ADA compliant and is not equipped with modern safety and security measures. Many of the BSB personnel working in the office are sharing office spaces, which has led to interrupted work schedules when staff needed to work from separate locations during Covid-19 Procedures. The limited

layout of the existing office space has also presented challenges in hosting the university students who participate in BSB's Internship Program. Beckley Sanitary Board has worked with an architecture firm to assess the feasibility of renovating the existing building. The renovations, which would have included interior and exterior remodeling and installation of an elevator, were deemed overly expensive, while not providing a completely effective solution. In pursuit of constructing a new operations center, Beckley Sanitary Board purchased a six-acre property on New River Dr out of bank foreclosure. This location will keep the BSB base of operations central to our customers and service area, while allowing for single-site storage of equipment and materials, and modernization of facilities.

Where can I get more information?

Thank you for your interest in understanding Beckley Sanitary Board's rate making process as we strive to serve our customers and our community. If you have further questions, please visit our website (beckleysanitaryboard.org), or reach out to us through email or phone at (304)-256-1760 or customerservice@beckleysanitaryboard.org.