



Town of Pepperell Department of
Public Works
PO Box 319
Pepperell, Massachusetts 01463
(978) 433-0359

NOTICE - FISCAL YEAR 2023 WATER, SEWER, AND STORMWATER RATE CHANGES

On June 30, 2022 the Board of Public Works for the Town conducted a rate hearing for the Water, Sewer, and Stormwater Enterprise Funds. The rate hearing reviewed the billing practices and proposed a number of changes to reflect a more equitable methodology. The Board heard from a number of interested parties during the rate setting process, which provided some of the basis for the changes that were approved. This flyer provides specific information on the fees including the methodology and implementation of the new rate systems. More information can be found on the Town's website.

WATER RATES

The prior rate structure contained two separate rate schedules, in addition to a fixed base charge per unit. The Fiscal Year (FY) 2023 rates include a single schedule as there is no significant differentiation between types and classes of users. The FY23 schedule has been revised to promote water efficiency and moderate the water usage charge increases for small users of the water system. An increase overall was required to ensure that the Water Division is adequately funded to provide a safe and reliable source of water to users of the system.

The water base charge was established to provide a minimum fee that is recovered from all users of the water system regardless of the amount of water used. The base charge goes towards meeting the Water Division's fixed costs that occur regardless of the amount of water used. The funds from base charges go towards ensuring the core elements of the system are funded and are able to produce the water required by each user of the system. The base charge is assessed to all individual units contained in a property, regardless of the existence of a water meter in the unit or not. Properties that have multiple units are assessed base charges equivalent to the number of units times the base charge. Likewise, the tier escalation occurs on a per unit basis. The next tier is not charged until all units in the aggregate reach the usage allowed under the previous Tier. Units are derived from the Town Assessor's database.

| TOWN OF PEPPERELL | | |
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| DPW - WATER DIVISION | | |
| Fiscal Year 2023 Water Usage Rates and Fees | | |
| | Usage (cf) | Rate |
| Base Charge per Unit* per Quarter | | \$ 30.00 |
| Tier 1 (per cubic foot) | 0 - 800 | \$ 0.0500 |
| Tier 2 (per cubic foot) | 801 - 2300 | \$ 0.0740 |
| Tier 3 (per cubic foot) | 2301 - 5300 | \$ 0.1000 |
| Tier 4 (per cubic foot) | 5301+ | \$ 0.1500 |

*unit – as derived from Town Assessor's database. A unit may be commercial, industrial, or residential in nature.

The new water rates will be effective August 1, 2022. Therefore, the bill that is enclosed with this flyer was calculated using the previous rate structure.

SEWER RATES

The prior rate structure contained five separate rate schedules, including a minimum charge. The minimum charge represented the majority of the quarterly billings under the prior structure to most sewer users. The FY23 rates include two schedules, one for those that are metered and one for those that are currently unmetered (served by private wells). The FY23 schedule has been revised to have only a single tier of usage fees. It was determined that the effectiveness of water conservation tiering was better accomplished in the water rates.

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| TOWN OF PEPPERELL | |
| DPW - SEWER DIVISION | |
| Fiscal Year 2023 Sewer Usage Rates and Fees | |
| | Rate |
| Base Charge per Unit* per Quarter | \$ 30.00 |
| Consumption charge per cubic foot | \$ 0.0970 |
| Unmetered User Charge per Quarter | \$ 224.00 |

*unit – as derived from Town Assessor’s database. A unit may be commercial, industrial, or residential in nature. No Consumption is provided within the Base Charge.

A sewer base charge was instituted to eliminate the minimum charge. The sewer base charge was established to provide a minimum amount of funding that is recovered from all users of the sewer system regardless of the amount of wastewater discharged. The base charge goes towards meeting the Sewer Division’s fixed costs that occur regardless of the amount used. The base charge is assessed for all individual units contained in a property, regardless of the existence of a water meter in the unit or not. Units are derived from the Town Assessor’s database. Properties that have multiple units are assessed base charges equivalent to the number of units times the base charge. These funds also go towards ensuring the core elements of the system are funded and are able to reliably treat and dispose of the wastewater generated by each user of the system.

The new sewer rates will be effective August 1, 2022. Therefore, the bill that is enclosed with this flyer was calculated using the previous rate structure.

STORMWATER FEES

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|---|--------------------------|
| TOWN OF PEPPERELL | |
| DPW - STORMWATER DIVISION | |
| FY2023 Stormwater Fee | |
| Class | Rate |
| Residential (per unit*) | per unit per year |
| Single Family Homes | \$ 60 |
| Condominiums | \$ 30 |
| Multi-Family Units 2-6 units per structure | \$ 30 |
| Apartments 6+ units | \$ 30 |
| Manufactured Home Units in Community Settings | \$ 30 |
| Non-Residential | Rate per year |
| 1-2 ERUs | \$ 60 |
| 3-5 ERUs | \$ 120 |
| 6-10 ERUs | \$ 240 |
| 11-20 ERUs | \$ 480 |
| 21+ ERUs | \$ 960 |

*unit – as derived from Town Assessor’s database.

Mixed Use will be determined based upon the most applicable rate structure.

Undeveloped Parcels will not receive charges.

The stormwater fee was established to provide funds for the operation, maintenance, repair and capital improvement of the Pepperell stormwater system. Recently, the Town was issued a permit by the EPA for the stormwater discharges within Pepperell. This permit contained a number of requirements to improve the water quality discharged into the Town’s rivers, streams and ponds from the municipal stormwater system.

The previous rate structure was based upon a flat \$15 per quarter per parcel charge. The FY23 rate structure adopted was created and approved to consider the differences between each parcel’s impact on the Town’s stormwater system. It specifically addresses the differences in the density of development on the parcel, the parcels impact on the Town roads, as well as unimproved properties.

The new rate structure provides for two types of properties – residential and non-residential. The base rate was established based upon a single-family home as they represent the majority of the improved properties in the Town. The impervious area from single-family homes was

calculated to 3,500 square feet. Impervious areas are surfaces that promote the runoff of stormwater like roofs and driveways. The 3,500 square feet area represents an “ERU” or equivalent residential unit. This ERU was used to determine the other rates charged to properties that were not single-family homes.

For single-family homes the \$60 per year charge remains unchanged. For denser properties containing more than one residential unit, impervious area analysis of these denser properties determined that there was approximately one-half an ERU per unit. This resulted in a charge of \$30 per unit per year.

Non-residential properties were assessed by calculating the number of ERUs on any given property, then assessing the stormwater fee based upon the number of ERUs that are on the property. A tiered schedule was approved to assess the fee to different size ERUs on each property.

The Stormwater Fees are effective August 1, 2022 with the exception of those to undeveloped properties. Undeveloped properties will not be billed a stormwater fee in FY23. Future bills for stormwater will rely on the table above. If you believe you have received a stormwater bill in error please contact the DPW and we will review the bill with you.