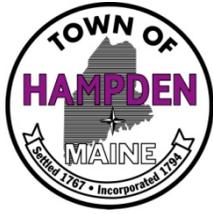


How Will Sewer Rate Changes Affect Me? An Informational Flyer from the Town of Hampden



The Town Council voted on Feb. 16 to increase sewer rates. Usage rates were increased from \$4.28 to \$9.74 per 100 CF. The capital charge, which had been \$18.12 per quarter for low users, \$36.24 for medium users and \$54.36 for high users – or more for users above 9,000 CF – will no longer be added to customers bills. All costs are incorporated into the usage charge.

The rate increase was needed. For many years, sewer revenues have not covered the Sewer Fund’s operating costs and debt service. This rate increase will bring revenues into line with costs, and provide for a multi-year repayment plan to the General Fund from loans (“interfund transfers”) over the years.

The following tables provide estimates of how the sewer rate changes will affect customers at different rates of use. These tables correspond to the median user (half of customers use more, half use less); the 25th percentile customer (75% of customers use more, 25% use less); and the 75th percentile customer (25% of customers use more, 75% use less).

25th percentile usage customer analysis, 2014					
Usage/Yr (100 CF)	Usage/quarter	Bill/Yr (current)	Bill/Yr (test) Usage	Change in cost Total	Percent Increase
30	8	\$ 200.88	\$ 292.20	\$ 91.32	45%
Median usage customer analysis, 2014					
Usage/Yr (100 CF)	Usage/quarter	Bill/Yr (current)	Bill/Yr (test) Usage	Change in cost Total	Percent Increase
49	12	\$ 282.20	\$ 477.26	\$ 195.06	69%
75th percentile usage customer analysis, 2014					
Usage/Yr (100 CF)	Usage/quarter	Bill/Yr (current)	Bill/Yr (test) Usage	Change in cost Total	Percent Increase
73	18	\$ 384.92	\$ 711.02	\$ 326.10	85%

The rate structure will affect larger users proportionally more, which will create an incentive for water conservation (since sewer billing is based on the Water District’s meter readings). No one is happy about the rate increase, but the Council felt that this was the most fair approach. The Hampden Water District (www.hampdenwaterdistrict.org) can provide advice about water conservation.

The public hearing materials include a Q&A memo responding to every question received from members of the public leading up to the public hearing. More information, including all materials that were considered by the Council at the public hearing, is online at www.hampdenmaine.gov/sewer.

Summary information was also mailed to all sewer customers in January 2016 within their sewer bill. If you have specific questions, please call the town offices at 862-3034. Thank you.