

Hewitt to explore alternative water and sewage rate structures

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Hewitt city leaders want to explore new water and sewage rate options that could potentially lower some residents' utility bills.

Hewitt City Council on Monday heard a presentation from Dan Jackson of Economists.com outlining options for setting water and wastewater rates. The Plano-based company has guided the city in crafting utility charges for the past five years.

Hewitt has enacted annual sewage rate increases since 2010, primarily to ensure that wastewater revenues fully cover the costs of maintaining the city's sewage system. The city also has raised water rates in three of the past four years.

Water and wastewater bills last year increased by \$3.50 a month to \$59.70 for residents who use 5,000 gallons, and by \$8.50 per month to \$97.95 for residents who use 10,000 gallons.

Jackson's firm's preliminary forecast has Hewitt increasing water rates by another 25 cents per 1,000 gallons this fall, as well as raising the base sewage rate by \$3 and hiking wastewater usage fees by 75 cents per 1,000 gallons above 5,000 gallons of water used.

But council members want to look at alternatives to make sure the rate fairly charges residents for the water and sewage they use.

For example, sewage bills are based on the amount of water used in a household and capped at 20,000 gallons. But that means residents incur wastewater charges for water that does not impact the sewage system, such as watering a lawn or washing cars.

"I've always felt like if it's going through the sewer system, they need to pay for it," Councilman Travis Bailey said. "If it's not, I feel like that's penalizing people."

An alternative Jackson presented is basing sewage charges on a winter water average, which would be calculated on the December through February water usage, when residents likely are not using as much water outside their homes.

"It's the best means out there for tying your sewage charges to what you actually use," Jackson said. "That family of eight that flushes the toilet a lot more every day than the couple on the fixed income, they would pay a higher sewer charge because even in the wintertime they're going to have higher water usage."

Councilman James Vidrine also suggested lowering residential water rates and shifting the increases

to businesses and commercial clients, who could write off some of the charges as business expenses and receive a tax break.

“We’re mainly a bedroom community, but we are attracting a lot of businesses, and if I know as a business (that) I can write it off, I don’t have as much of a problem with a higher rate,” said Vidrine, a developer.

But Mayor Ed Passalugo advocated for higher step increases in water charges based on usage to encourage lower water consumption. Hewitt relies on surface water purchased from the city of Waco to meet its water needs, an arrangement that accounted for about 41 percent of Hewitt’s water costs during the 2013 fiscal year.

The current base water charge covers 3,000 gallons of water. After that, residents pay \$4.35 per 1,000 gallons of water for the next 4,000 gallons used, \$4.85 for the next 5,000 gallons used, and \$5.25 per 1,000 gallons above 12,000 gallons of water.

“We’re trying to do conservation,” Passalugo said. “As our water table keeps dropping and we keep paying more money to the city of Waco, (costs) are going to go up.”

Jackson said he would calculate different rate options and present them to the council this summer to consider during budget workshops.

In other action, the council approved awarding a \$111,915.38 bid to Spacesaver Public Safety System for various police records and evidence storage lockers and fire equipment storage racks to be installed in the city’s new joint police and fire building.

The \$3.6 million facility is set to open in December.