

Town of Franklin

355 East Central Street
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OFFICE OF THE TOWN ADMINISTRATOR

Memorandum

June 16, 2020

To: Town Council

From: Jamie Hellen, Town Administrator

Re: Bylaw Amendment 20-855: Chapter 82 Municipal Service Fees - Water Service Fees

To begin with the good news, we have removed consideration of a sewer rate increase as proposed earlier this year. This will save residents 3% on their sewer bills in FY21 and is good news. The reason for this is due to the fact the Charles River Pollution Control District (CRPCD) was able to lower Franklin's assessment significantly. In fact, rate payers are paying approximately \$275,000 less in the assessment, which will help absorb out likely increases next year, especially given the continued uncertainty around Dean Foods bankruptcy case involving the Garelick plant on 140. As you know, that plant is a sizable portion of the sewer enterprise fund revenue. Again, as we sit here today, this is still good news and we will adjust as needed in the future.

However, staff are recommending a water rate increase of 10% effective July 1, 2020 and 10% for July 1, 2021, respectively. The last increase was in 2018. While the economy has changed in the last 4 months, the truth is this increase was planned well before the COVID-19 crisis hit our country. The Town made substantial financial commitments for projects underway and needed to fund these. As always, we will continue to look at ways to evaluate those contracts, evaluate if future projects should not move forward.

The purposes for the rate increases are:

1. To fund the increase in debt service required for the new \$13 million dollar Iron and Manganese water treatment plant and the reconstruction of wells 6 & 9 projects on Grove Street. This project has commenced and is on schedule (see attached project schedule sheet).
2. To keep up with the general cost of doing business for the department, including the 5-year water main replacement program. Lincoln Street (from Moore Ave to Brook Street will be a major project focus for 2020).

The proposed rate is as follows:

	Current Rate	Proposed FY21 Rate	Proposed FY22 Rate
0-15 CCF (100 Cubic Feet or 748 Gallons)	\$5.75	\$6.33	\$6.96
16-40 CCF	\$6.05	\$6.66	\$7.33
41+ CCF	\$7.10	\$7.81	\$8.59

The average residential water bill will increase by approximately \$10.15 per quarter in FY21 and \$11.15 per quarter in FY22. We do have a tiered system so smaller users will pay less and larger users will pay more. Please note that while increases in water and sewer rates are frustrating, our system is much more affordable than what MWRA rate payers pay. See chart below.

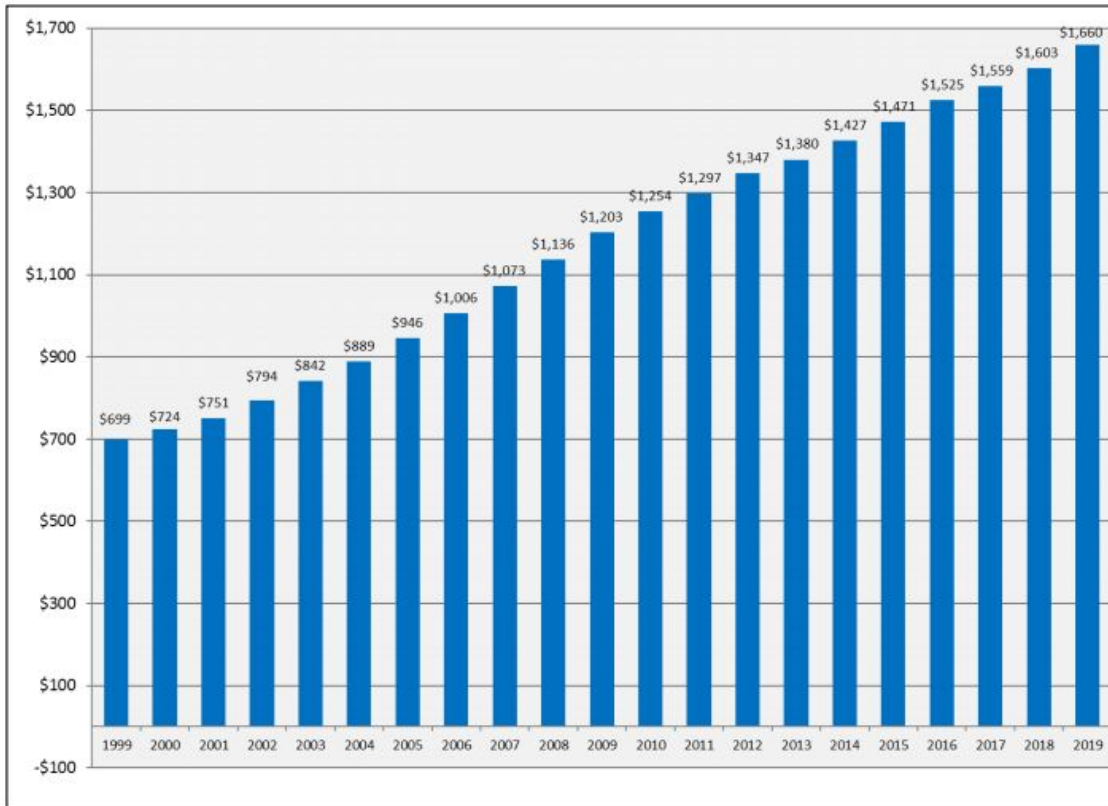
I am happy to answer any questions you may have.

CHARLES RIVER POLLUTION CONTROL ASSESSMENT HISTORY

YEAR	AMOUNT	ANNUAL INCREASE
FY14	2,158,040	-
FY15	2,272,730	114,690
FY16	2,943,810	671,080
FY17	3,593,880	650,070
FY18	6,651,680*	57,800
FY19	3,645,250	(6,430)
FY20	3,827,920	182,670

* This figure includes a separate assessment due to the MS4 compliance facility capital improvements.

Combined Annual Water & Sewer Charges in MWRA Communities 1999 – 2019 (Consumption at 120 HCF ≈ 90 kgal)



Town of Franklin DPW – Proposed Water Capital Projects

Replacement Well at Well Station No. 3

- **Purpose:** To have the ability to produce the entire DEP approved yield from this site a new supplemental water supply well (Well No. 3A) is proposed.
- **Project:** Well Construction, Source Approval, and connection into the system
- **Benefit:** To increase supply production into the system and to gain more operational flexibility.

Treatment Plant at Well Stations No. 3 and No. 6

1. Well Station Nos. 3 & 6 Treatment Plant

- **Purpose:** To provide treatment for Well Station Nos. 3 & 6.
- **Project:** New Water Treatment Plant (approx. 5000 sq. ft.) and associated treatment equipment to treat Well Station Nos. 3 & 6 water.
- **Benefit:** To provide manganese and iron filtration at Well Station Nos. 3 & 6 to supply the total approved yield of 1.22 MGD.

2. Modifications and Demolition at Well Station No. 6

- **Purpose:** Remove the existing vacuum pumping system and install submersible pumps at each well at Station No. 6.
- **Project:** New Well pumps and modifications for the six Wells that make up Well Station No. 6; Demolition of the existing Well No. 6 pump station; modifications to the existing Well Station No. 6 Chemical Building
- **Benefit:** To increase efficiency and operational flexibility of the existing Well Field to operate with the new Water Treatment Plant.

3. Modifications at Well Station No. 3

- **Purpose:** Make recommended structural and architectural repairs to the existing Well Station No. 3 pump station and chemical building.
- **Project:** Concrete repair, roof replacements, and minor process modifications within the Chemical Building
- **Benefit:** To provide resiliency to the existing infrastructure for continued operation now and into the future.

Town of Franklin DPW – Proposed Water Capital Projects

Pleasant Street Tank Service Area Energy Efficiency Project & Hillside Tank #1 Improvements

- **Purpose:** Reconfigure the existing low service area (Pleasant Street) system to eliminate the “in series” pumping. Preservation of the historic 1888 420,000-gallon Hillside Tank #1.
- **Project:** Demolition of the old tank and booster station, new prefabricated pressure-reducing valve (PRV) stations at Pleasant Street and Greystone Road and at Miller Street @ Brook Street Ext. Replace the pump at Well No. 4 with a pump capable of supplying the approved yield of Well Station No. 4 (0.921 MGD). The project also includes exterior and interior rehabilitation of Hillside Tank #1.
- **Benefit:** To reduce energy and maintenance costs associated with the existing infrastructure.

Estimated Project Costs & Schedule

Project Name	Estimated Opinion of Probable Project Costs	Anticipated Completion Date
Replacement Well at Well Station No. 3	\$0.9M	Fall 2018
Treatment Plant at Well Stations No. 3 and No. 6	\$12.6M	Fall 2020
Pleasant Street Tank Service Area Energy Efficiency Project	\$2.0M	Spring 2021
Totals	\$15.5M	



**TOWN OF FRANKLIN
BYLAW AMENDMENT 20-855**

**CHAPTER 82, MUNICIPAL SERVICE FEES
BYLAW TO AMEND THE CODE OF THE TOWN OF
FRANKLIN AT CHAPTER 82**

BE IT ENACTED BY THE FRANKLIN TOWN COUNCIL THAT: Chapter 82 of the Code of the Town of Franklin, entitled "fees" is hereby amended at Appendix B, as follows:

**Appendix B
List of Service Rates**

Effective for bills issued after September 30, 2020 Water Usage rates shall be as follows:

CCF	Water Usage	Water Usage	Water Usage
	Rate 06-30-18	Rate 9-30-20	Rate 06-30-21
0-15	\$5.75	<u>\$6.33</u>	<u>\$6.96</u>
16-40	\$6.05	<u>\$6.66</u>	<u>\$7.33</u>
41+	\$7.10	<u>\$7.81</u>	<u>\$8.59</u>

This bylaw shall become effective according to the provisions outlined in the Franklin Home Rule Charter.

DATED: _____, 2020

VOTED:

UNANIMOUS: _____

A True Record Attest:

YES: _____ **NO:** _____

ABSTAIN: _____

ABSENT: _____

**Teresa M. Burr, CMC
Town Clerk**

**Glenn Jones, Clerk
Franklin Town Council**