

County Water Planning Committee

Agenda Monday, March 30, 2015

3:30 PM

I. Review of Monthly Construction and Operation Reports – Phase 1A, 2A & 2B

II. Resolution of support for Kerr Lake Regional Water System's Interbasin Transfer Request

The City of Henderson has applied for an increase in their allowable transfer from the Roanoke River basin and has been working through the approval process with NCDENR for the last few years. Because of the topography of the region being divided between river basins, it is necessary for an increased transfer to meet demand to 2045. The City has requested support from the County for the IBT request.

III. Water Pricing Discussion (Envirolink to lead discussion)

During the previous meeting the committee asked staff to do the following:

- Develop a fee structure that will give an allowance within the base fee.
- Provide the original signup form for the committee members to review – Previously sent to committee members.
- Provide water district boundaries and define a value for the water district – According to tax office value is \$1,313,644,506

IV. Adjournment



Vance County Water District
Operations Report
March 2015

<u>Operations Highlights:</u>	<u>Total-to Date</u>	<u>Feb 2014 (Feb 24-Mar23)</u>
Work Order Completions:		
Flush Lines	15	0
Set Meters	381	48
Locate Lines	165	19
Odor In Water / Chlorine Check	8	0
Check Usage / Leaks	171	13
Replace Meter Lid	3	0
Low pressure/No Water	23	0
Water Main Break	3	0
Distribute Boil Water Notices	9	0
Distribute Rescind Notices	9	0
Move in / move out	30	7
Phase 1 and 2 construction responses:	128	0
Water line repairs	2	0
Shut off Notices	50	0
Actual Shut offs	17	0
Restores	13	0
Cross Connection Checks	2	0
Satellite Office Activity:		
Information requests	141	8
Bill pays	802	92
Applications received	161	18

Billing Summaries:

December Billing 11/21/2014 through 12/24/2014

617 Total bills of which 363 were metered services

Gallons billed 1,054,880 Average usage 2,906 @ .00719 = \$20.89 plus \$ 30 base = \$ 50.89

January Billing 12/24/2014 through 1/21/2015

613 Total bills of which 361 were metered services

Gallons billed 1,137,841 Average usage 3,152 @ .00719 = \$22.66 plus \$ 30 Base = \$ 52.66

February Billing 01/22/2015 through 02/24/2015

617 Total bills of which 374 were metered services

Gallons billed 1,104,809 Average usage 2,954 @ .00719 = \$21.23 plus \$ 30 base = \$51.23

March Billing 02/24/2015 through 03/23/2015

625 Total bills of which 390 were metered services

Gallons billed 1,397,680 Average usage 3,584 @ .00719 = \$25.76 plus \$ 30 base = \$55.76

Water System Overview:

Customer disconnection letters will be compiled on 03/25/2015 and mailed for a shut off date on April 07.

The current customer count in Phase 1A is 235 availability accounts and 390 metered accounts.

Water services installed in Phases 2A and 2B is 279; in Phase 2A, 173 services installed, in Phase 2B, 106 services installed. The signups in new road additions in Phase 2A is 90 and in Phase 2B is 99.

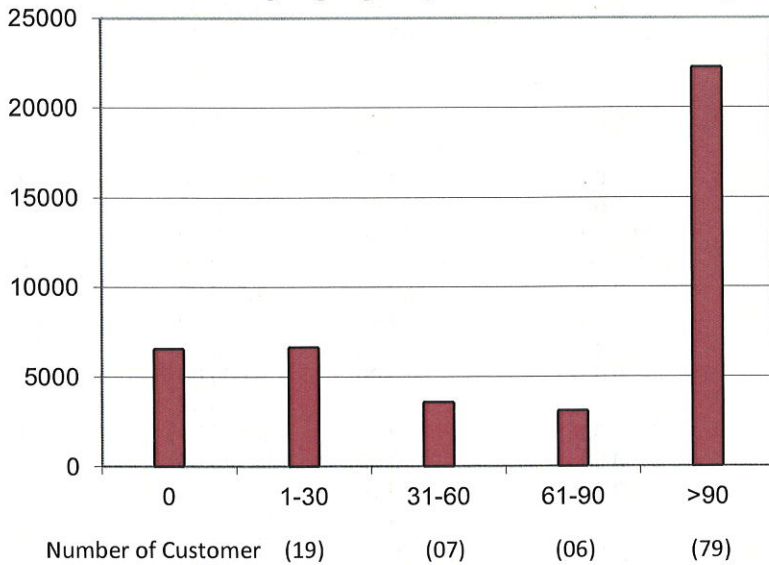
There is a total of 1085 customers committed to the water system countywide.

The current past due balance amounts are shown on the attached page.



Vance County Water District
 Operations Report
 March 2015

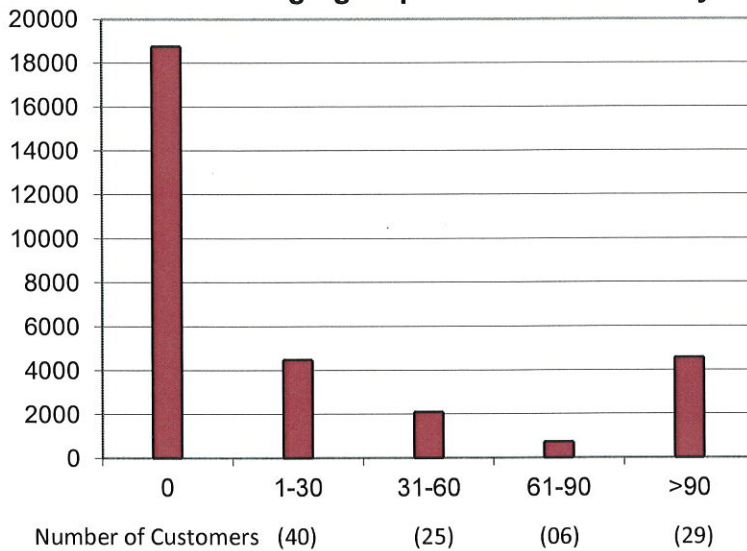
Availability Aging Report for Vance County



Availability Accounts AR*

Age	Current Month
0	\$ 6,556.20
1-30	\$ 6,634.40
31-60	\$ 3,585.60
61-90	\$ 3,095.00
>90	\$22,242.00
Total Availability AR to date	
\$ 42,113.20	

Metered Aging Report for Vance County



Metered Services AR*

Age	Current Month
0	\$18,740.95
1-30	\$ 4,477.70
31-60	\$ 2,099.03
61-90	\$ 721.49
>90	\$ 4,558.47
Total Metered AR to date	
\$ 30,597.64	
Both accounts	
\$ 72,710.84	

*Graph information as of March 23, 2015

VANCE COUNTY
 REVENUE & EXPENDITURE STATEMENT
 02/01/2015 TO 02/28/2015

16 WATER FUND

REVENUE:	CURRENT PERIOD	YEAR-TO-DATE	BUDGETED	PCTUSED
16-329-432900 INVESTMENT EARNINGS	0.81	7.57	20.00	38
16-367-436701 WATER LINE REIMB-CITY	0.00	0.00	14,266.00	0
16-375-437500 METERED WATER SALES	19,246.01	153,225.76	239,000.00	48
16-375-437501 NON-METERED WATER REVENUE	5,204.90	17,788.03	80,640.00	22
16-375-437502 WATER - DEBT SETOFF REVENUE	195.00	195.00	0.00	0
16-376-437505 CONNECTION FEES	2,180.00	5,875.00	0.00	0
16-376-437506 RECONNECT FEES	0.00	0.00	3,200.00	0
16-376-437507 NSF CHECK FEES	193.00	243.00	1,600.00	15
16-376-437508 LATE PAYMENT FEES	665.62	5,911.91	1,600.00	369
16-397-439710 TRANSFER FROM GENERAL FUND	0.00	0.00	188,979.00	0
TOTAL REVENUE	27,685.34	183,246.27	529,305.00	27
EXPENDITURE:				
16-665-500011 TELEPHONE & POSTAGE	0.00	0.00	5,500.00	0
16-665-500013 UTILITIES	42.06	1,324.69	13,350.00	10
16-665-500026 ADVERTISING	0.00	0.00	5,500.00	0
16-665-500033 DEPARTMENTAL SUPPLIES	0.00	1,567.89	28,875.00	5
16-665-500044 SPECIAL CONTRACTED SERVICES	4,057.20	29,244.60	40,896.00	72
16-665-500045 CONTRACTED SERVICES	16,036.00	40,720.74	46,800.00	87
16-665-500054 INSURANCE & BONDS	0.00	559.00	1,500.00	37
16-665-500079 PURCHASED WATER	6,628.46	41,140.40	66,385.00	62
16-665-500088 BANK SERVICE CHARGES	19.43	281.36	250.00	113
16-665-500282 BAD DEBT EXPENSE	0.00	0.00	5,000.00	0
16-665-500283 DEBT SERVICE RESERVE	0.00	0.00	21,000.00	0
16-665-500284 CAPACITY FEE-CITY	0.00	0.00	52,875.00	0
16-665-500286 SYSTEM MAINTENANCE	0.00	0.00	28,125.00	0
16-665-500347 PERMITS	0.00	780.00	870.00	90
16-665-500390 DEPRECIATION EXPENSE	0.00	0.00	23,400.00	0
16-696-500063 TRANSFER TO DEBT SER GENERAL	0.00	0.00	188,979.00	0
TOTAL EXPENDITURE	26,783.15	115,618.68	529,305.00	22
EXCESS (DEFICIT) OF REVENUE	902.19	67,627.59	0.00	

RESOLUTION

By the
Vance County Board of Commissioners

*SUPPORTING THE KERR LAKE REGIONAL WATER SYSTEM'S PROPOSED
INTERBASIN TRANSFER (IBT) PETITION*

WHEREAS, Vance County is located within portions of the Roanoke and Tar-Pamlico River basins; and

WHEREAS, the Vance County Water District is a bulk water customer of the Kerr Lake Regional Water System and provides water to citizens and property owners within Vance County who are located in both the Roanoke and Tar-Pamlico River basins; and

WHEREAS, the Kerr Lake Regional Water System has previously obtained an allocation of storage in Kerr Lake from the US Army Corps of Engineers equivalent to an average annual water demand of 20 million gallons per day (mgd); and

WHEREAS, currently the Kerr Lake Regional Water System is limited to transferring 10 mgd from the Roanoke basin and has submitted an IBT request to increase the transfer to 14.2 mgd; and

WHEREAS, the total of all the Kerr Lake Regional Water System Partners and wholesale customers are projected to have an adequate water supply for their needs through 2045 if the request to increase IBT is approved; and

WHEREAS, the proposed interbasin transfer can occur using existing pipeline infrastructure already in place; and

WHEREAS, the alternatives to the transfer all have substantially higher cost and significant potential environmental impacts from pipeline and other infrastructure construction, with no identified benefit to the environment.

NOW THEREFORE BE IT RESOLVED that the Vance County Board of Commissioners hereby:

1. Recognize the importance of the Kerr Lake Regional Water System in providing clean drinking water to a region that is divided by its river basins; and
2. Support the requested interbasin transfer request of the Kerr Lake Regional Water System as an efficient means to meet the projected water demands for the future of the region it serves.

Adopted this the 6th day of April, 2015

By: _____
Archie B. Taylor, Jr., Chairman
Vance County Board of Commissioners

ATTEST

Kelly Grissom, Clerk to the Board

VANCE COUNTY WATER DISTRICT
 PHASE 1A, 2A & 2B
 WATER RATE WORKSHEET (Year 5)

Proposed Water Rates (Phase 1 & 2 Project Area)		
Availability Fee Only	\$30.00	0 Usage
Base Rate	\$30.00	/ 1,000 gallons
Block 1	\$12.00	/ 1,000 gallons
Block 2	\$14.00	/ 1,000 gallons

Water Use and Income Estimates					
Vance County Water District	Proposed Water Customer Base		Monthly Usage	Monthly Revenue	Average Bill By Usage
Availability Fee Only	250	USERS @	0 GALLONS =	\$7,500.00	\$30.00
Base Rate	100	USERS @	1,000 GALLONS =	\$3,000.00	\$30.00
Block 1 Users	780	USERS @	3,250 GALLONS =	\$44,460.00	\$57.00
Block 2 Users	10	USERS @	6,500 GALLONS =	\$1,270.00	\$127.00
TOTAL, Monthly				\$56,230.00	
TOTAL, Annual				\$674,760.00	

VANCE COUNTY WATER DISTRICT
5 YR Income Statement



Line No.	Item	Discount Rate = 0.75%				
		2014-2015 Year 1	2015-2016 Year 2	2016-2017 Year 3	2017-2018 Year 4	2018-2019 Year 5
Operating Revenue						
1	Metered Service Revenue	\$ 239,000	\$ 414,080	\$ 513,426	\$ 520,361	\$ 527,211
1a	16375-437500 Metered Water Sales	\$ 239,000	\$ 414,080	\$ 513,426	\$ 520,361	\$ 527,211
2	Flat Rate Availability Revenue	\$ 80,640	\$ 120,960	\$ 142,560	\$ 139,765	\$ 137,024
2a	16375-437501 Non-Metered Water Revenue	\$ 80,640	\$ 120,960	\$ 142,560	\$ 139,765	\$ 137,024
3	16376-437506 Re-Connect Fees	\$ 3,200	\$ 5,350	\$ 6,560	\$ 6,601	\$ 6,642
4	16376-437507 NSF Check Fees	\$ 1,600	\$ 2,675	\$ 3,280	\$ 3,301	\$ 3,321
5	16376-437508 Late Payment Fees	\$ 1,600	\$ 2,675	\$ 3,280	\$ 3,301	\$ 3,321
6	16376-437005 Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
7	Total Operating Revenue (Sum of Line 1 thru Line 7)	\$ 326,040	\$ 545,741	\$ 669,106	\$ 673,328	\$ 677,520
Operating Expenses						
8	16665-500001 Regular Salaries- Project Manager	\$ -	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,495
9	16665-500045 Contracted Services	\$ 46,800	\$ 46,800	\$ 46,800	\$ 53,100	\$ 53,100
10	Administrative and office expenses	\$ 98,641	\$ 142,345	\$ 163,588	\$ 172,429	\$ 172,870
10a	16665-500011 Telephone & Postage	\$ 5,500	\$ 5,541	\$ 5,583	\$ 5,625	\$ 5,667
10b	16665-500044 Special Contracted Services	\$ 40,896	\$ 67,104	\$ 80,358	\$ 80,515	\$ 80,674
10c	16665-500033 Departmental Supplies	\$ 28,875	\$ 29,092	\$ 29,310	\$ 29,530	\$ 29,751
10d	16665-500054 Insurance & Bonds	\$ 1,500	\$ 1,511	\$ 1,523	\$ 1,534	\$ 1,546
10e	16665-500347 Permits	\$ 870	\$ 877	\$ 883	\$ 890	\$ 896
10f	16665-500283 Debt Service Reserve	\$ 21,000	\$ 38,220	\$ 45,932	\$ 54,336	\$ 54,336
11	16665-500286 System Maintenance	\$ 28,125	\$ 28,336	\$ 28,548	\$ 28,763	\$ 28,978
12	16665-500079 Purchased Water	\$ 66,385	\$ 240,000	\$ 241,800	\$ 243,614	\$ 245,441
13	16665-500013 Utilities	\$ 13,350	\$ 13,450	\$ 13,551	\$ 13,653	\$ 13,755
14	16665-500026 Advertising Expense	\$ 5,500	\$ 5,541	\$ 5,583	\$ 5,625	\$ 5,667
15	16665-500282 Capacity Fee- City	\$ 52,875	\$ 52,875	\$ 52,875	\$ 52,875	\$ 52,875
16	16665-500282 Bad Debt Expense	\$ 5,000	\$ 5,038	\$ 5,075	\$ 5,113	\$ 5,152
17	16665-500088 Bank Service Charges	\$ 250	\$ 252	\$ 254	\$ 256	\$ 258
18	Total operation and maintenance expenses (sum of Line 8 thru Line 14)	\$ 316,926	\$ 595,347	\$ 618,745	\$ 636,058	\$ 639,181
19	16665-500390 Depreciation Expense	\$ 23,400	\$ 23,576	\$ 23,199	\$ 23,598	\$ 24,000
20	Total operating expenses (Sum of Line 15 and Line 16)	\$ 340,326	\$ 618,923	\$ 671,944	\$ 689,656	\$ 693,181
21	Net operating income	\$ (14,286)	\$ (73,182)	\$ (2,839)	\$ (16,328)	\$ (15,662)
22	Interest expense	\$ 182,878	\$ 382,200	\$ 459,315	\$ 543,364	\$ 543,364
23	Net income	\$ (197,164)	\$ (455,382)	\$ (462,154)	\$ (559,692)	\$ (559,026)



VANCE COUNTY WATER DISTRICT
Projected Customer Counts

Line No.	Item	2014-2015 Year 1	2015-2016 Year 2	2016-2017 Year 3	2017-2018 Year 4	2018-2019 Year 5
<i>Water</i>						
1	Metered Residential Water	363	594	734	744	754
2	Metered Commercial Water (REU Equivalents)	2	2	5	5	5
3	Metered Industrial Water (REU Equivalents)	0	0			
	<i>Subtotal - Metered Water</i>	365	596	739	749	759
4	Flat Rate Residential Water	255	336	396	388	381
5	Flat Rate Commercial Water (REU Equivalents)	0	0			
6	Flat Rate Industrial Water (REU Equivalents)	0	0			
	<i>Subtotal Flat Rate Water</i>	255	336	396	388	381
	Total Water	620	932	1135	1137	1139

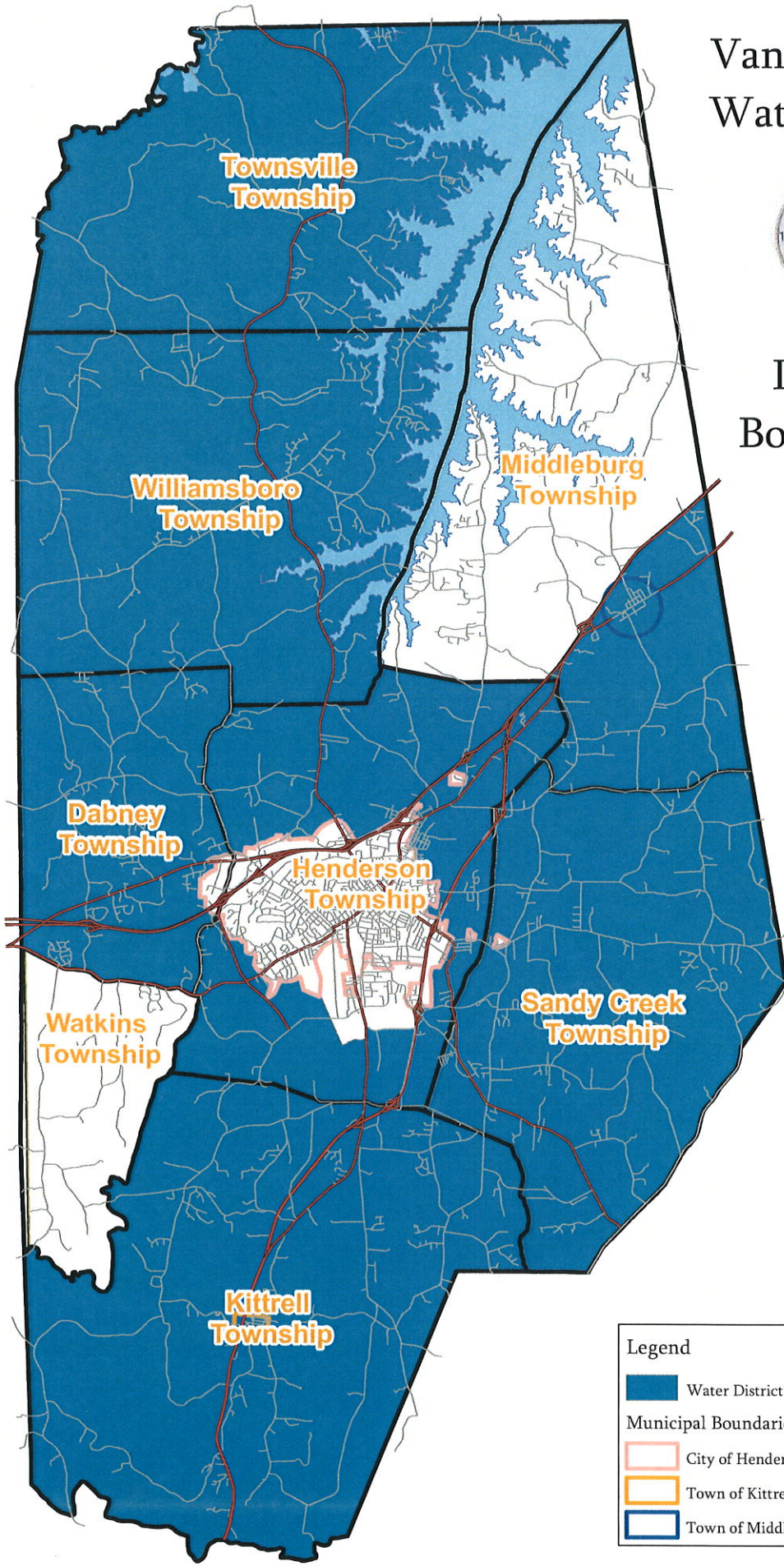
Notes

- 1 Used 0.3% growth rate based on NC Office of State Budget and Management Data
- 2 Actual total connections 365 as of Jan 2015
- 3 Year 1 - 2015 Fiscal Year
- 4 Year 1 - 620 customers located in Phase 1A
- 5 Used total initial connection for phase 2a of 172 plus 97 road addition signups (Jan. 2015)
- 6 Used total initial connection for phase 2b of 106 plus 99 road addition signups (Jan. 2015)
- 7 Assumed 60.6% participation rate. This is the rate of total signups to total potential customers based on customer mailing list and 9-25-13 email.
- 8 In all years a 70/30 ratio was used to divide customers into two groups; availability and metered customers





Vance County Water District



District Boundaries



Legend

-  Water District Boundary
- Municipal Boundaries**
-  City of Henderson
-  Town of Kittrell
-  Town of Middleburg