

Town of Sullivan's Island Water & Sewer Department

Manager Greg Gress

843-883-5748

ggress@sullivansisland-sc.com



DATE: June 26, 2009

Sullivan's Island Water and Sewer Customers:

At the June 16th, 2009 meeting, Town Council approved a resolution for an overall increase in water and sewer rates to be effective July 1, 2009. The increase for the average customer using 6,000 gallons per month will be a minimal 1.6%, or only \$1.49 per month. The overall average cost per gallon for water and sewer service will remain under a penny a gallon at \$.0072 water and \$.0066 for sewer.

We also approved major changes to the rate structure based on the recommendations from a national recognized consulting service Raftelis Financial Consultants. The Town recognized the need for long term financial planning to continue to fully fund the annual operating costs, future operating requirements and long term capital needs. This new rate structure is designed to more appropriately reflect the actual cost of service and protect revenue sufficiency. The primary impact of this new rate structure reduces our present seven (7) tiers to three (3) tiers and eliminated the 2,000 gallon minimum usage allowance. For the first year of this new rate structure there will be varying changes to the monthly costs by usage so as to properly implement the recommended approach.

HOW WILL THESE CHANGES AFFECT YOUR BILL?

The vast majority of our residents use a 5/8" meter and the average customer using 6,000 gallons will see an increase from \$94.27 to \$95.76. Customers using 2,000 gallons per month will see an increase from \$35.03 to \$50.82. Higher user customers at 12,000 gallons will see an increase from \$193.69 to \$197.96. Additionally, all privately held property with or without structures will continue to be charged the monthly basic facility charge whether connected to the service or not.

The Town recognizes its responsibility to undertake water and sewer improvements that maintain viable and reliable service while protecting the high quality environment we now enjoy. Please be assured that all expenses were closely examined, new revenue options have been explored and importantly, capital projects will be funded from existing reserve monies. We have made significant efforts to minimize the financial impact to our customers while meeting our responsibilities for operating and maintaining public drinking water and waste water treatment facility that meet stringent Federal and State mandated guidelines.

If you have any questions please contact Greg Gress, Manager of the Water/Sewer department 883-5748 or Andy Benke, Town Administrator, 883-3198.