

NOTICE OF HEARING AND REVISED RATES

NOTICE IS HEREBY GIVEN that The Southeast Morris County Municipal Utilities Authority proposes to adopt the revised schedules of service charges hereinafter set forth for water and water services, facilities and products provided to customers situated within the Authority's District (comprising the Town of Morristown, the Township of Morris, the Township of Hanover and the Borough of Morris Plains) and to other retail and non-retail customers outside the District.

The revised rates and charges reflect an increase of six percent (6%) over current rates and charges.

Rates and charges were last revised on January 1, 2013. The revised rates are proposed to become effective on January 1, 2015 for bills rendered after that date.

A PUBLIC HEARING will be held on the proposed revised charges on the 18th day of December, 2014, at 7:30 P.M., prevailing time, at the Authority's principal offices, 19 Saddle Road, Cedar Knolls, New Jersey 07927, at which time and place all interested parties, citizens and persons shall have the opportunity to be heard concerning same. The Authority reserves the right to make such further modifications or revisions of the proposed rates as may be deemed appropriate as a result of the public hearing.

NOTICE IS FURTHER GIVEN that The Southeast Morris County Municipal Utilities Authority intends to take formal action on the proposed rate revisions at its regularly scheduled meeting immediately following the public hearing at the time and place set forth above; and upon such other matters as shall properly come before the Members at that time.

**SCHEDULE NO. 1
GENERAL METERED SERVICE**

Applicable to the use of water supplied through meters in the territory services by the Authority.

The total of a customer's bill for a billing period includes consumption plus the facilities charges.

CONSUMPTION CHARGE

**RESIDENTIAL RATE
(BILLED QUARTERLY)**

<u>Quantity Used Quarterly</u>		RATE (per 100 Cubic Feet)	
		<u>EXISTING</u>	<u>PROPOSED</u>
"Lifeline" Rate	0-10	\$ 2.396	\$ 2.540
Conservation Rate	11-30	\$ 2.634	\$ 2.792
High Usage Rate	31-90	\$ 3.950	\$ 4.187
Incentive Rate	91 & Over	\$ 5.268	\$ 5.584

**REGULAR INDUSTRIAL AND COMMERCIAL RATE
(BILLED QUARTERLY)**

Existing: \$3.950 per 100 Cubic Feet
Proposed: \$4.187 per 100 Cubic Feet

**LARGE INDUSTRIAL AND COMMERCIAL RATE
(BILLED MONTHLY)**

Existing: \$3.950 per 100 Cubic Feet
Proposed: \$4.187 per 100 Cubic Feet

NOTE: One consumption unit = 100 cubic feet = 748 gallons

Residential customers are services to single family residences.

Regular Industrial and Commercial Customers are all industrial and commercial customers who are not Large Industrial and Commercial Customers.

Large Industrial and Commercial Customers are monthly-billed industrial and commercial customers with 1 inch meters or greater whose annual usage is 1,200 consumption units (120,000 cubic feet) or more.

**SCHEDULE NO. 2
GENERAL METERED SERVICE**

Applicable to the use of water supplied through meters in the territory serviced by the Authority. The total of a customer's bill for a billing period includes consumption plus the facilities charges.

**QUARTERLY FACILITIES CHARGE
ALL WATER EXTRA (SEE SCHEDULE NO. 1)**

<u>Meter Size</u>	<u>Existing Charges</u>	<u>Proposed Charges</u>
5/8 Inch	\$ 18.05	\$ 19.13
3/4 Inch	\$ 22.12	\$ 23.45
1 Inch	\$ 36.24	\$ 38.41
1 1/2 Inch	\$ 55.52	\$ 58.85
2 Inch	\$ 78.13	\$ 82.82
3 Inch	\$ 130.21	\$ 138.02
4 Inch	\$ 201.63	\$ 213.73
6 Inch	\$ 378.02	\$ 400.70
8 Inch	\$ 587.54	\$ 622.79
10 Inch	\$ 830.09	\$ 879.90

**MONTHLY FACILITIES CHARGES
ALL WATER EXTRA (SEE SCHEDULE NO. 1)**

<u>Meter Size</u>	<u>Existing Charges</u>	<u>Proposed Charges</u>
5/8 Inch	\$ 6.03	\$ 6.39
3/4 Inch	\$ 7.37	\$ 7.81
1 Inch	\$ 21.52	\$ 22.81
1 1/2 Inch	\$ 27.95	\$ 29.63
2 Inch	\$ 35.50	\$ 37.63
3 Inch	\$ 52.78	\$ 55.95
4 Inch	\$ 76.65	\$ 81.25
6 Inch	\$ 135.45	\$ 143.58
8 Inch	\$ 205.29	\$ 217.61
10 Inch	\$ 286.15	\$ 303.32

DEFINITIONS

CONSUMPTION CHARGE: This charge includes the cost of treating the water and pumping it to the customers.

FACILITIES CHARGE: This charge covers the cost of water service lines, meter installation, meter reading, billing costs and other expenses. This does not change with consumption.

BILL CALCULATION: The consumption charge is calculated by subtracting the prior meter reading from the present reading. This answer is then multiplied by the rate per 100 cubic feet. The applicable facilities charge is then added to this amount making total water bill.

SCHEDULE NO. 3 PRIVATE FIRE PROTECTION

Applicable to customers within and outside the District for Private Fire Protection.

<u>Size of Service</u>	<u>Existing Charges per Quarter</u>	<u>Proposed Charges per Quarter</u>
2 Inch	\$ 65.92	\$ 69.88
3 Inch	\$ 87.55	\$ 92.90
4 Inch	\$ 130.81	\$ 138.66
6 Inch	\$ 216.30	\$ 229.28
8 Inch	\$ 362.56	\$ 384.31
10 Inch	\$ 518.09	\$ 549.18

SCHEDULE NO. 4 PRIVATE FIRE PROTECTION SERVICE (HYDRANTS)

Applicable within and outside the District for Private Fire Protection.

<u>Private Fire Hydrants</u>	<u>Existing Charges per Quarter</u>	<u>Proposed Charges per Quarter</u>
4 Inch	\$ 56.65	\$ 60.05
4 1/4 – 4 1/2 Inches	\$ 71.07	\$ 75.33
5+ Inches	\$ 84.46	\$ 89.53

NOTE: Private Fire Hydrants are those provided by customers pursuant to Section 10A of the Authority's Rules and Regulations for Water Service.

SCHEDULE NO. 5 NON-METERED SERVICE

Applicable to the entire territory service by the Authority.

RATE

Existing: Annual Charge \$ 79.31 (outdoor drinking fountain)
Proposed: Annual Charge \$ 84.07 (outdoor drinking fountain)

**SCHEDULE NO. 6
MISCELLANEOUS SERVICE**

Applicable to the entire territory serviced by the Authority.

Charges not involving use of water.

Resumption of service after discontinuance due to non-payment of bills or violation of the Rules and delivery of 24-hour notice of discontinuance of service except that the charge for delivery of the 24-hour notice of discontinuance of service shall be waived in the case of senior citizens over the age of 65 years (upon request).

	<u>Existing</u>	<u>Proposed</u>
Meters up to and including 1 Inch	\$ 36.05	\$ 38.21
Meters larger than 1 Inch	\$ 58.71	\$ 62.23

Any other turn-offs and turn-ons regardless of reason of any service.

	<u>Existing</u>	<u>Proposed</u>
Meters up to and including 1 Inch	\$ 36.05	\$ 38.21
Meters larger than 1 Inch	\$ 58.71	\$ 62.23

TAPPING FEES

	<u>NEW</u>		<u>RENEWAL</u>	
	<u>Existing</u>	<u>Proposed</u>	<u>Existing</u>	<u>Proposed</u>
5/8 x 3/4 Inch	\$ 513.97	\$ 544.81	\$ 385.22	\$ 408.33
3/4 Inch	\$ 569.59	\$ 603.77	\$ 440.84	\$ 467.29
1 Inch	\$ 824.00	\$ 873.44	\$ 576.80	\$ 611.41
1 1/2 Inch	\$ 878.59	\$ 931.31	\$ 640.66	\$ 679.10
2 Inch	\$ 1,261.75	\$ 1,337.46	\$ 1,005.28	\$ 1,065.60

WET CUT FEES

<u>Sizes</u>	<u>Existing Charges</u>	<u>Proposed Charges</u>
4 Inch	\$ 440.84	\$ 467.29
6 Inch	\$ 502.64	\$ 532.80
8 Inch	\$ 544.87	\$ 577.56
10 Inch	\$ 695.25	\$ 736.97

OTHER SERVICES

	<u>Existing Charges</u>	<u>Proposed Charges</u>
Pumping Out Meter Pit	\$ 72.10	\$ 76.43
Annual Backflow/Detector Check	\$ 72.10	\$ 76.43
Locate and Clean Curb Box per Hour*	\$ 36.05	\$ 38.21

*One hour minimum.

LABOR AND MATERIALS

Any labor performed and all materials furnished by the Authority will be charged to the customers, at cost, unless otherwise provided in these schedules.

SCHEDULE NO. 7 SERVICE TO OTHER WATER SUPPLY SYSTEMS (Non-retail service)

Applicable outside the District of the Authority.

TERMS OF PAYMENT

Net cash on presentation of the bill.

<u>EXISTING BULK RATE PER 100 CU. FT.</u>	<u>PROPOSED BULK RATE PER 100 CU. FT.</u>
\$ 2.12	\$ 2.25

MISCELLANEOUS APPLICATION FEES

<u>TYPE OF APPLICATION</u>	FEES*	
	<u>EXISTING</u>	<u>PROPOSED</u>
A. Service Connection Outside District (Excludes new Main Extensions)		
1. Residential (per connection/unit)	\$ 29.87	\$ 31.66
2. Commercial or Industrial (single unit and accessory use)	\$ 301.79	\$ 319.90
3. Industrial Park or Commercial Complex	\$ 740.57	\$ 785.00
B. New Main Extension Outside District For purpose of providing service solely to persons or property within District		
1. Residential	\$ 156.56	\$ 165.95
2. Commercial or Industrial	\$ 301.79	\$ 319.90
C. All Other New Main Extension Outside District		
1. Residential Development (per connection/unit)	\$ 29.87 (Min. fee \$921.85)	\$ 31.66 (Min. fee \$977.16)
2. Commercial or Industrial (single use and accessory use including fire service)	\$ 2,001.29	\$ 2,121.37

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|---|-------------|-------------|
| 3. Industrial Park or Commercial Complex
(two or more units) (per connection/unit) | \$ 1,726.33 | \$ 1,829.91 |
|---|-------------|-------------|

*Preliminary Fee intended to defray the cost to the Authority of processing the initial application and making written requests (when required) to the Authority. The Authority may require a supplemental fee, cash deposit or other security in the event additional costs are incurred in connection with the application. Such fees are in addition to the connection fee required pursuant to Schedule 13.

**SCHEDULE NO. 8
APPLICATION FOR WATER MAIN EXTENSION**

Applicable within the District of the Authority.

(To cover engineering, inspection, legal, etc., costs incurred relating to application.

<u>Existing</u> <u>Application Fee</u>	<u>Proposed</u> <u>Application Fee</u>
\$502.64	\$532.80

Existing Deposit:	\$478.95 plus \$3.61 per foot of water main extension
Proposed Deposit:	\$507.69 plus \$3.83 per foot of water main extension

Application fee and deposit listed above are non-refundable. Additional cash deposits may be required to cover actual costs incurred in connection with the application. Unused portion of additional deposit will be refunded after all requirements are completed.

**SCHEDULE NO. 9
UNCOLLECTIBLE CHECK CHARGE**

If a customer or applicant for service submits an uncollectible check in payment of a bill, deposit or any service rendered, the Authority may charge a handling fee of

Existing:	\$30.90
Proposed:	\$32.75

plus any penalties the Authority may incur from its bank handling the uncollectible check.

**SCHEDULE NO. 10
SCHEDULE OF DEPOSITS**

- Omit -

**SCHEDULE NO. 11
HYDRANT PERMIT FEES**

Applicant to the entire territory serviced by the Authority to persons obtaining permits from the Authority to use Public Hydrants for purposes other than Fire Protection.

	<u>Existing</u>	<u>Proposed</u>
Deposit Required for borrowed Wrench and Adapter (deposit refunded when returned)	\$ 158.62	\$ 168.14
Monthly Charge for Unmetered Water (payable in advance)	\$ 101.97	\$ 108.09

**SCHEDULE NO. 12
WATER SEARCH SERVICE CHARGE**

Requests by customers or other authorized persons for searches for liens and/or unpaid service charges shall be subject to an administrative service charge as follows:

	<u>Existing</u>	<u>Proposed</u>
Each premise for which a search is requested	\$ 15.45	\$ 16.38

Each request must be in writing and accompanied by payment in full of the applicable charge.

**SCHEDULE NO. 13
CONNECTION FEE**

Any applicant for potable water supplied through an Authority Line shall be required to pay a connection fee pursuant to Section 18 of the Authority's Rules and Regulations for Water Service as follows:

<u>Connection Fee</u>	<u>Existing</u>	<u>Proposed</u>
(Per Equivalent Dwelling Unit)	\$ 3,984.00	No Change

An equivalent dwelling unit is defined as usage of 192.942 gallons per pay.

Reduced Rate/Credit for Public Housing Authorities and Non-profit Organizations Building Affordable Housing

- A. Effective January 26, 2005, public housing authorities and non-profit organizations building affordable housing shall be allowed a fifty percent (50%) reduction in the Connection Fee for new connections to the Water System.
- B. For units previously connected to the Water System that were demolished or refurbished to allow for new affordable housing units for which a Connection Fee was previously paid, public housing authorities and non-profit organizations shall be entitled to a credit against the Connection Fee equal to the Connection Fee previously assessed and paid for connection to the Water System for units previously connected to the Water System.
- C. The Connection Fee assessable against a public housing authority or non-profit organization for units previously connected to the Water System that were demolished or refurbished to allow for new affordable housing units shall be the lesser of the reduced rate provided for in Paragraph A above; or the current Connection Fee applicable to other types of housing

developments minus the credit provided under Paragraph B above provided that the public housing authority or non-profit organization can establish that a Connection Fee was previously assessed and paid for connecting to the Water System. If the public housing authority or non-profit organization cannot establish that a Connection Fee was previously assessed and paid for connection to the Water System, the reduced rate provided for in Paragraph A above (i.e. fifty percent (50%) of the regular Connection Fee) shall be assessed.

The reductions set forth in Paragraphs A, B and C above are provided pursuant to the provisions of P.L. 2005, Chapter 29 of the Laws of the State of New Jersey (N.J.S.A. 40:14B-23) adopted and effective on January 26, 2005.

**SCHEDULE NO. 14
IRRIGATION SERVICE**

	<u>Existing</u>	<u>Proposed</u>
Flat Rate per 100 cubic feet	\$ 5.30	\$ 5.62
Seasonal on/off; drain meter charge	\$ 108.15	\$ 114.64