

CHARLOTTE WATER

THE VALUE OF YOUR WATER

Understanding Your Fiscal Year 2017 Water
and Sewer Rates

For more information visit
charlottewater.org

PROPOSED FY17 RATES



SERVING YOU

Charlotte Water serves the public by providing clean, safe water for drinking, sanitation, firefighting, manufacturing and industrial processes, and many other uses that protect and support our community and quality of life. Treatment systems remove waterborne contaminants and prevent once common disease outbreaks. The good news is that the community has invested wisely to build modern, high quality systems to protect health, safety, and the environment. However, continued, thoughtful investment is required to sustain these systems for generations to come.



PLANNING FOR THE FUTURE

Charlotte Water's long-term financial plan is designed to balance the amount of borrowing needed to sustain necessary on-going investments in the water and sewer infrastructure, without larger rate increases. As our community continues to grow and water and sewer systems age, it is important to continue investing in replacing, re-building, and expanding in accordance with a long term, balanced financing plan.

For this balanced financing plan to work, Charlotte Water needs modest rate increases each year to continue needed investments. The good news is the plan is working and avoiding interest on more borrowed money is saving customers' money. While the need for rate increases continues the amounts of the rate increases are projected to be lower over the long term.

Sound financial planning and a history of community support are two of the reasons the Charlotte Water has earned the highest possible credit rating for water/ sewer utilities from the three major credit rating agencies. This is a distinction held only by a very few systems across the United States and assures that when we do need to finance projects, investors will be anxious to buy the high-quality bonds at very low interest rates.

COSTS OF IMPROVEMENTS AND INVESTMENTS

Paying for capital and infrastructure projects, which serve a growing community and existing customers, accounts for 65% of Charlotte Water's budget.

Other key cost drivers are chemicals, power, people and fuel.

**Total FY17 budget
is \$377.3 million.**

ANNUAL B

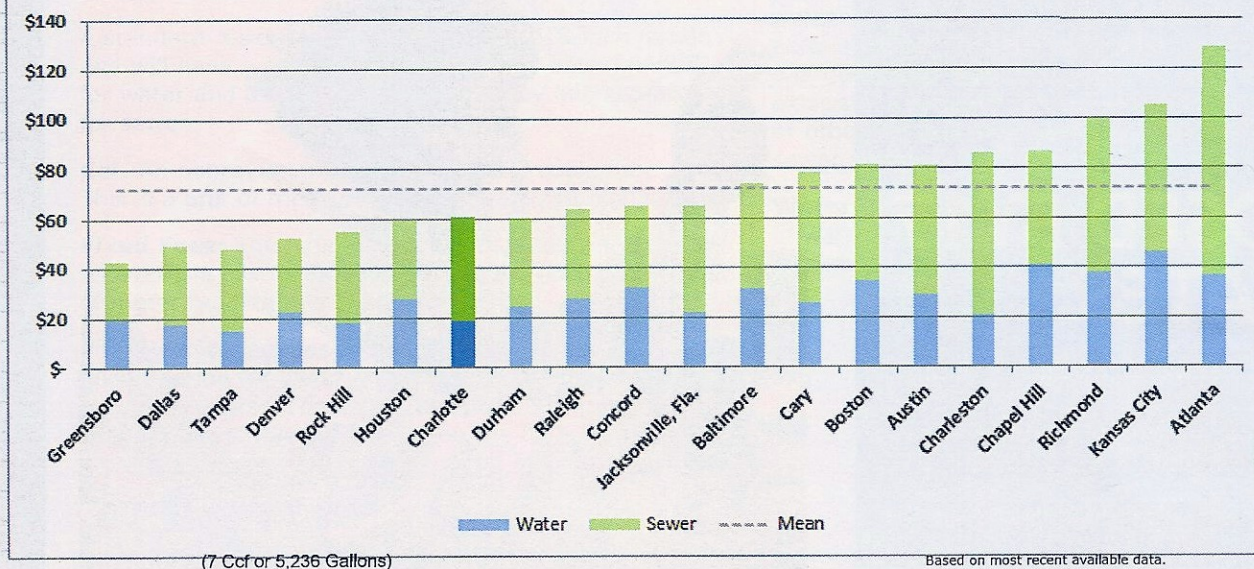
\$7.0 M

Administration, Management
Information Technology &
Support

\$241.9 M

Debt Service & Capital
Financing

HOW DO WE COMPARE? MONTHLY BILL FOR TYPICAL CUSTOMER



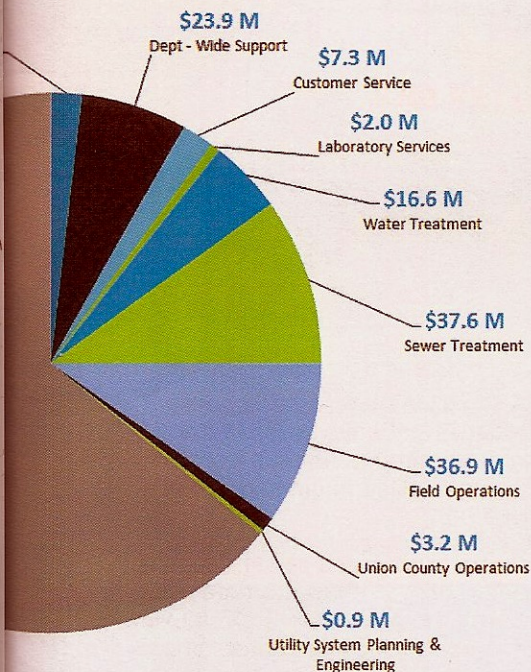
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YOUR WATER



Charlotte Water staff conduct 150,000 water quality tests each year, maintain 16,000 fire hydrants, and care for more than 8,400 miles of water and sewer mains. Rate dollars pay for these services.

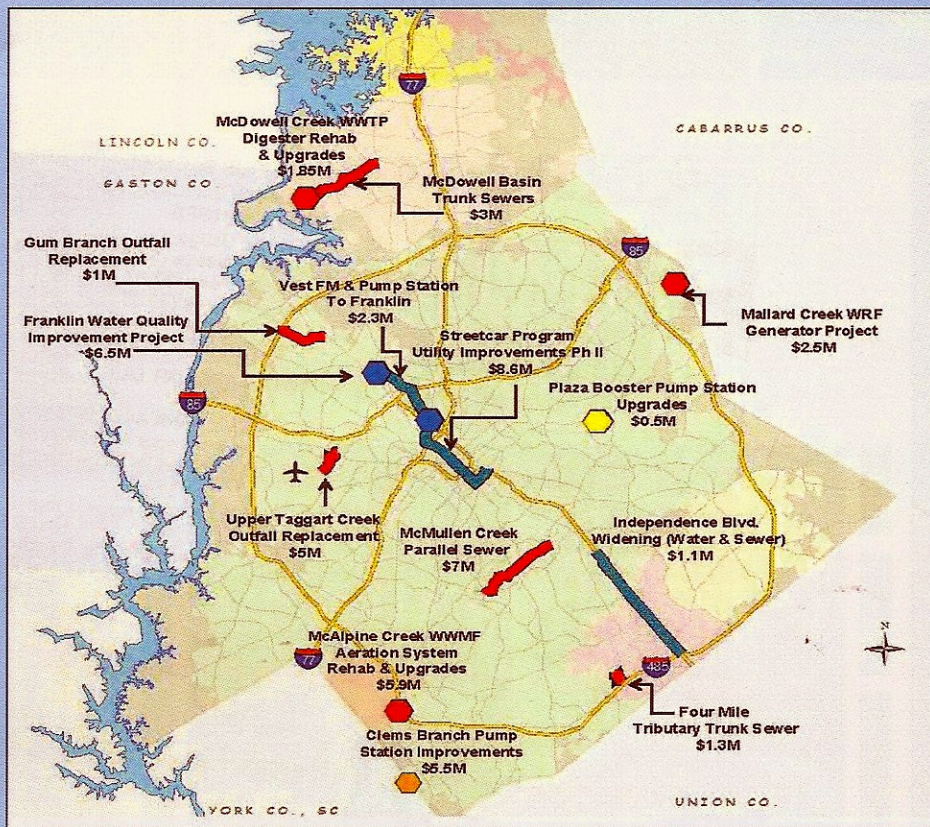
BUDGET BREAKDOWN



IS A DEAL!
 Purchases approximately
 gallons of water from
 Charlotte Water. By comparison,
 purchases a single 16.9 oz
 of water from the store.
 The same \$1, Charlotte Water
 provides 270 gallons of water to
 customers any time, day or night.

INFRASTRUCTURE INVESTMENT

Each year, Charlotte Water replaces and rehabilitates aging water and sewer pipes. This work typically involves cleaning and relining the pipes to extend their useful life. Pipes that are too badly deteriorated or that are too small are replaced with new pipes. Money is also spent each year to upgrade water and wastewater treatment plants to improve their performance, reliability, and efficiency and to replace equipment that has reached the end of its useful service life.



This map shows major projects underway or completed within the past five years as part of the Charlotte Water Community Investment Plan.

SERVICE AREA

Charlotte Water serves the City of Charlotte, the towns of Mint Hill, Matthews, Pineville, Davidson, Huntersville and Cornelius. The department also serves the unincorporated areas of Mecklenburg County. Charlotte Water is contracted to provide operations and maintenance to wastewater treatment plants that serve Union County. Union County customers pay all costs of this service.

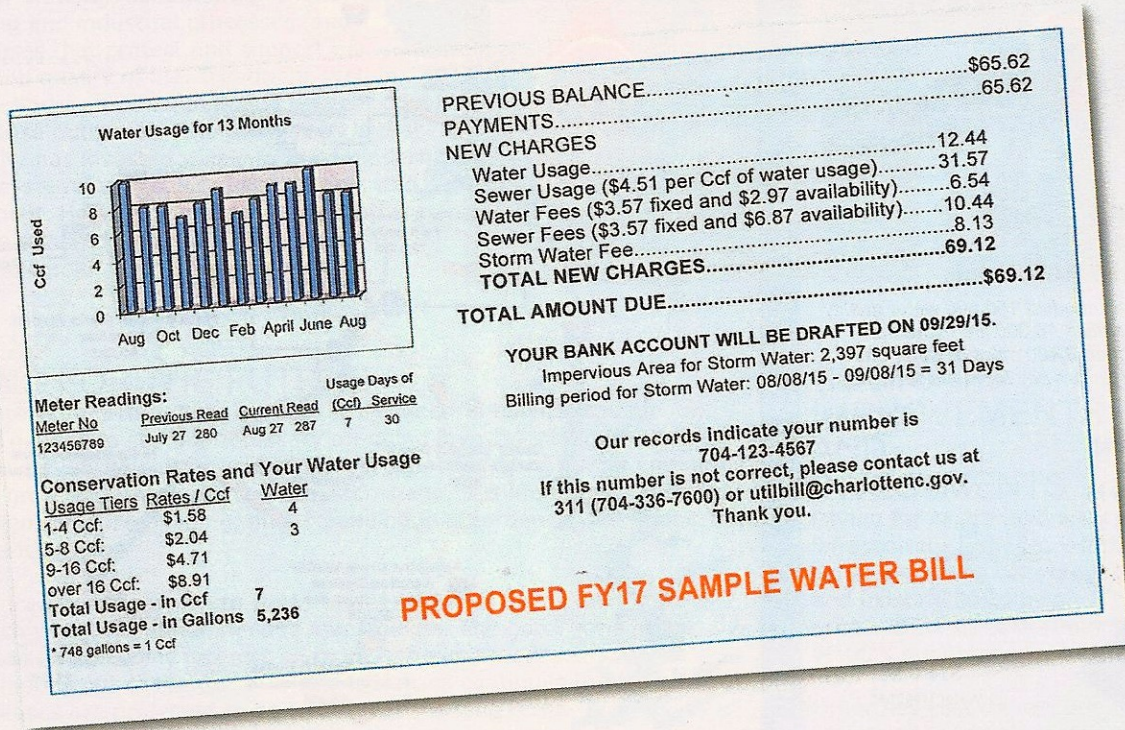
Water and Sewer Rates

	FY16	FY17
Tier 1 (0-4 Ccf)	1.58	1.58
Tier 2 (5-8 Ccf)	2.04	2.04
Tier 3 (9-16 Ccf)	4.71	4.71
Tier 4 (over 16 Ccf)	8.91	8.91
Non-Residential	2.73	2.73
Sewer Usage	4.51	4.51
Water Availability Fee	3.03	2.97
Sewer Availability Fee	5.11	6.87
Fixed Water Fee	3.15	3.57
Fixed Sewer Fee	3.15	3.57

YOUR CITY SERVICES BILL

Each month, water, sewer, and storm water customers across Mecklenburg County receive a City Services Bill.

While different departments and organizations provide the services – from the City of Charlotte to the Town of Mint Hill – the bills are combined into one document to provide better, more efficient service. Charlotte Water charges for water and sewer services, while storm water fees are charged by either the City of Charlotte, Mecklenburg County or one of the six towns in the County, depending on the property's location.



COMMON TERMS

Availability Fees: These fees apply to both water and sewer. They help Charlotte Water pay for water and sewer projects as well as reduce the impact of consumption changes due to weather. The fees vary based on the size of a customer's meter.

These fees are prorated based on the number of days of service on the bill.

A standard residential customer has a 5/8-inch meter and will have a fee of \$2.97 per 30-day billing period for water and a fee of \$6.87 per 30-day billing period for sewer.

Ccf: An abbreviation representing 100 cubic feet. This is a unit of measure which equals 748 gallons.

Fixed Fees: The fixed fees for both water and sewer recover the cost of servicing accounts, such as the cost of meter reading and billing.

The fixed fee charges are \$3.57 per 30-day billing period for water and \$3.57 per 30-day billing period for sewer. These fees are prorated based on the number of days of service on the bill.

Irrigation Meter: A separate meter that supplies water only to an outdoor irrigation system. Water used through an irrigation meter is not subject to sewer usage charges and is billed beginning at the Tier 3 water usage rate.

Sewer Cap: A residential customer's sewer usage is not metered. The sewer charge is based on metered water usage each month. The sewer cap is the maximum amount of water usage upon which customers are charged sewer fees. It is assumed that water use in excess of the sewer cap is used primarily for irrigation or other outdoor purposes and does not return to the sewer system.

Water Usage Rates: Vary based on the amount of water used and are divided into four tiers. Usage is measured in Ccf.