### Stockton Borough - Water and Sewer System F.A.Q. July 2023

## What Should We Do If a Utility Bill Seems High or Low?

Think back to your usage history. Did you pressure wash your house? Did you leave a hose on? Have you been watering gardens more frequently?

Check for leaks. Shut off all running water in your home and check your meter to see if your meter is still running. Put food coloring in your toilet tank and see if the coloring leaks into your bowl.

Contact the water operator by emailing <u>wateroperater@stocktonboronj.us</u> You may also drop a note in the door of Borough Hall or leave a message at 609-397-0070. If you do not receive a prompt reply, you may also contact the Clerk or the Mayor. Please be advised that we do not have set office hours at Borough Hall at this time due to staffing issues.

## Where Does the Money Go From Our Utility Bills?

**Short Answer:** You are part owners in the Water and Sewer Utility system, and your payments cover the operating costs.

Long Answer: The Infrastructure Committee and other members of the Borough Council have been working with our utility operators and the New Jersey Water Association (a trade organization) to help us plan for the future of our water-and wastewater systems. These two systems are separate utilities, owned by their users (like a co-op), and do not aim to make any profit or build a surplus, but they simply collect fees to sustain themselves. These two different utilities have a completely separate budget from that of the general municipal budget for the Borough.

The Water and Sewer Department's staff members are paid small salaries, and the utilities must estimate expected operating costs for the upcoming year and then attempt to provide services for the year from that budget. As of 2022, the Water and Sewer Operator was paid \$27,870.48. The Water Supervisor was paid \$6,761.58, the Meter Reader was paid \$1,623.84, and the Utility Collector was paid \$4,000. The total for these personnel was \$40,255.42. These employees must monitor and maintain multiple facilities at least once per day, manage machinery, make or coordinate repairs, obtain and manage treatment chemicals, read meters, handle billing and payment, meet with state regulators, complete multiple yearly reports, assist customers, and be on call 24 hours a day 365 days a year. Sewer system fees are calculated on estimated operating costs and an estimated service charge paid to Lambertville, which handles our wastewater treatment. Water and Sewer employees are managed and paid by your governing body, the Mayor and Council. The governing body is paid from the general municipal budget. In 2022, your Mayor was paid \$2,103; your Council members were each paid \$1,453; and your CFO was paid \$22,500.

# How Are We Billed for These Utilities, and Why Have Utility Rates Gone Up?

**Short Answer:** There have been increasing treatment needs due to regulatory requirements and increased repairs in the system's aging infrastructure.

Long Answer: Water rates are billed as a flat fee for each water hookup combined with a usage fee of a set dollar amount for every one thousand gallons of water used. The usage units are determined by a water meter present on each water hookup. Sewer usage is not metered at individual households but is billed based on a calculation related to your individual water usage. Lambertville, which processes our wastewater, measures incoming wastewater from Stockton, and bills the Borough accordingly.

Over the last few years, we have incurred increased costs related to drinking water management and required water treatment. Your governing body attempts to keep utility rates as low as possible. Stockton's water has always been chlorinated; however, in the last few years, Department of Environmental Protection (DEP) regulations and water test

results have required the Borough to add two additional water treatments. Zinc orthophosphate is now required to inhibit corrosion. Soda ash is now required to control pH. These two chemicals cost thousands of dollars each month, and they require many additional monthly hours for our employees. Inflation and supply-chain issues have led to increases in these and other costs.

As a result of the cost of these chemicals and necessary system repairs, the Borough Council was forced to raise rates under the previous administration and under this administration. For comparison, as of May 2021, each water hookup was billed a \$250 yearly flat fee and \$3.11 per each one thousand gallons of usage. This year, each water hookup is billed a \$400 yearly flat fee and \$3.85 per each one thousand gallons of usage.

Recently, the Borough invested in having our sewer system grouted; this greatly reduced the infiltration of groundwater into our wastewater system. This improvement has lowered our wastewater treatment costs, saving the utility users a significant amount. For this reason, sewer rates have not been raised in several years. This year, Lambertville made upgrades to their wastewater treatment system. As part of our contract with them, Stockton was required to pay for a portion of these upgrades. We are hoping that sewer rates can remain stable due to the cost savings realized from the grouting repairs.

# Will Utility Rates Go Down?

It is unlikely that water and sewer rates will go down, as new drinking water and wastewater regulations are put in place all of the time. We are hoping that our system can operate as-is, but there is always the possibility that we will be required to add additional treatments. There are also costs associated with other regulations that will require us to replace a certain number of water lines each year. Like other municipalities throughout the state, our Borough has aging utility infrastructure, which will require additional investment. Also, as our existing personnel look toward retirement, personnel costs will inevitably go up.

On a positive note, as our businesses reopen, their water/sewer payments provide more income to our water system.

### What Is Our Governing Body Doing about Our Utilities?

There is no magic bullet, and there is no free lunch. The Infrastructure Committee (Mayor Lipsen, Councilperson Bill Brown, and Councilperson Ken Kozuhowski) along with Councilperson Tom Hunt have held dozens of meetings and calls with our utility operators. We have been working with them to deal with regulations, manage costs, maintain our system, and plan for the future. Just like all of you, we are utility ratepayers, as well. Already this year, the utility has saved over \$1,000 by having the NJ Water Association complete DEP reports on our behalf. The Infrastructure Committee is looking at all possible options related to the management of our water system, and more discussion of this will be taking place.

The Council is also working hard to seek Federal- and State assistance to make necessary upgrades to the system. Councilperson Brown and the Grants Committee have already begun preparing grant applications for assistance. If you or anyone you know has any expertise in grant writing, please contact the Mayor or other members of the governing body; we welcome participation and assistance.

Feel free to schedule an appointment with the Mayor (<u>alipsen@stocktonboronj.us</u>) or other members of the governing body to get more details about future infrastructure needs and plans.