

FEE STRUCTURE PRINCIPLES

- 1) The current fee structure was developed in 2003; the purpose is to update the fees to the current industry market prices.
- 2) The current single fee concept (vs. separate connection and capital recovery fees) has an inherent response to erode the capital recovery return as construction costs increase; separation of the fees and the use of “cost” in the connection fee will generally self-adjust for construction inflation and hold the return from the capital recovery fee at status quo.
- 3) The new fee structure brings a discount to higher density residential applicants and incentivizes conservation into the design of the dwelling plumbing.

HARRISONBURG PROPOSED WATER FEE COMPARISON

Meter Size = inches	Hburg Current Fees	Hburg Maximum Fees (1)	ROCKINGHAM COUNTY	WVWA	DRAPER ADEN
5/8 Meter	\$7,000	\$9,500	\$9,200	\$10,000	\$9,631
1 Meter	\$15,000	\$21,000	\$22,975	\$19,000	n/a
1 1/2 Meter	\$30,000	\$42,000	\$46,025	\$42,000	n/a
2 Meter	\$50,000	\$63,000	\$73,650	\$63,000	n/a
3 Meter	\$100,000	\$125,000	\$147,225	\$125,000	n/a
4 Meter	\$150,000	\$222,500	\$229,975	\$222,500	n/a
6 Meter	\$300,000	\$415,000	\$460,000	\$410,000	n/a
8 Meter	\$450,000	\$615,000	\$690,025	\$615,000	n/a
10 Meter	\$750,000	\$1,010,000	\$1,149,550	\$1,010,000	n/a
12 Meter	\$900,000	\$1,385,000	\$1,379,425	\$1,375,000	n/a

(1) Maximum fees are discounted for multifamily residential applications to the extent that plumbing design minimizes water usage.

External Comparison

Old Fee structure

3" Meter Size----\$40,000 water & \$60,000 sewer = \$100,000 total

New Fee structure

3" Meter Size----Non-Residential = \$125,000

Residential = \$75,000 to \$125,00

The discount to multifamily residential is estimated but will be directly related to the fixture count as designed into the dwelling plumbing.

Market Comparison

3" Meter Size----Western Virginia Water Authority = \$125,000

Rockingham County = \$147,225