



# Utility Commission Update

OCTOBER 2009

## Aging Facilities Receiving Facelift

The Utilities Division is hard at work with two major construction projects that will bring two aging facilities into the modern century.

Construction continues on the \$55 million Thomas Water Treatment Plant project and the \$52 million project to improve the Elledge Wastewater Treatment Plant.

Parts of the Thomas plant were over 80 years old and the entire plant was razed in November 2008. Rising in its place will be a modern plant that is capable of increased capacity and will meet the stricter future water treatment regulations. The new Thomas plant will have the capacity to produce 18 million gallons of water a day, up from the previous 16-17 million gallon capacity and rebuilding this plant ensures the city has an adequate water supply before it modernizes the Neilson water plant in 2012.

Once completed in early 2010, the Thomas Plant will house a new operations building, a new basin and filter complex, two 1.5 million gallon finished water reservoirs, a finished water pumping station, a new wash water supply tank, clarifier and equalization basins, and a residuals pumping station.

Unlike the Thomas plant project, the Elledge plant only required updates to part of the facility and



Renderings of the R. A. Thomas Water Plant

has continued operation during the construction. When these improvements are complete, Elledge will still treat 30 million gallons of sewage a day, but will have the capacity to treat 100 million gallons in flood capacity.

Construction of four new primary clarifying basins at a higher elevation along Salem Creek are one of the main highlights of this improvement project. In addition, a new control building will be built and will house electrical/IT

rooms, conference rooms, and a small laboratory. A new influent pumping station is under construction, also, at a higher elevation, to allow the sewage to flow through the plant by gravity.

These projects have kept the Utilities Division hard at work to ensure that Winston-Salem and Forsyth County residents have the most cost effective utilities in all months of the year.

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# New Water Rate Structure Approved

Starting July 1, the Winston-Salem/Forsyth County Utility Commission adopted a new rate structure for Winston-Salem residents that encourages water conservation.

Currently, residential rates start at \$1.84 for every 100 cubic feet and customers pay a minimum charge no matter how little water they use. This new rate structure will result in a 29 percent decrease in the amount that all customers pay for the first 600 cubic feet (4,488 gallons) during each bi-monthly billing period. There are now five tiers of rates that will recognize and reward individual and business conservation efforts.

This new structure will help reduce water usage when total

## Bi-Monthly Water rates (Inside City Limits) Effective July 1, 2009

Tier One (0-600 Cubic Feet)	\$1.300/100 Cubic Feet
Tier Two (601-1,200 Cubic Feet)	\$1.900/100 Cubic Feet
Tier Three (1,201-1,800 Cubic Feet)	\$1.933/100 Cubic Feet
Tier Four (1,801-40,000 Cubic Feet)	\$2.150/100 Cubic Feet
Tier Five* (Industries Using 40,000+)	\$1.200/100 Cubic Feet

\*For all irrigation customers there is no discount on Tier Five.  
 \*\*100 Cubic feet of water equals 748 gallons.

Note: These rates will increase effective 10/1 by five percent when the new rate system becomes effective.

water usage system-wide is at its highest in the summer months. Reducing and leveling out helps reduce stress on the system and protect water supplies during the hottest weather. This new structure is projected to reduce water use by one million gallons during these peak months. This new

tiered structure is referred to as an “increasing block” in the industry and is the most common conservation rate structure used by municipalities.

# Rate Increase Effective October 1

When the Commission approved its budget in May, they approved a five percent increase in water rates and a nine percent increase in sewer rates that are effective on October 1, 2009. When this increase takes effect, the average household will pay a bi-monthly water and sewer bill of \$66.01, an increase of 14 cents per day.

This rate increase will help pay for the necessary updates and maintenance of the Commission’s treatment and distribution systems, including the construction of the R. A. Thomas Water Treatment Plant at a cost of \$55 million and the \$52 million worth of improvements of the Archie Elledge Wastewater Treatment Plant. In addition, the Commission is also facing the need to

replace aging portions of the Neilson water plant and replace aging water and sewer lines in the city’s older neighborhoods.

Despite the increase, Winston-Salem will continue to have some of the lowest water and sewer rates in the Southeast and the lowest among North Carolina’s largest cities.

# Answers to New Rate Structure Questions

**Q: *What are tiered water rates and why were they changed?***

A: Tiered rates are designed to encourage efficient water use by charging more, at different tiers or levels, as customers use more and to be as fair as possible while encouraging water conservation.

**Q: *When will I get my first water bill with the new rates?***

A: Customers will start seeing the new rate structure and the base changes in subsequent bills after July 1, 2009.

**Q: *If I use water in the higher tiers will all of my water be charged at that amount?***

A: No. Bills will be calculated so that water consumed within each tier is charged at that tier's rate.

**Q: *I have an irrigation meter; how am I charged for outdoor water use?***

A: Irrigation services will follow the same tier structure principle as the domestic service; however, irrigation service will not see a discount from tier five to tier six as the domestic use tiered structure.

**Q: *Why is there a discount from tier five to tier six if this new rate structure is to encourage water conservation?***

A: The discount from tier five to tier six is to limit the impact of cost on our industrial class customers who utilize water in their day-to-day production. With the old structure, there was no separate consideration in the rate structure given to a residential customer versus an industrial. Because of this, a discount has been set at 20,000 cubic feet for monthly accounts and 40,000 cubic feet for bi-monthly accounts in order to help those industries afford day-to-day operations.

**Q: *We're using less water now, but rates are increasing. Why?***

A: There are fixed costs in operating and maintaining the water and wastewater systems, regardless of how much water is used. Most of the cost to run the system does not decrease when people use less water. The money needed to cover these costs comes from customers paying for the water they use. When they use less water, the City/County Utility Commission does not take in as much money, so rates have to increase to ensure enough revenue.

**Q: *What is a water and sewer base charge?***

A: A water base charge is a fee implemented to cover costs associated with reading and servicing meters and it provides for the ability to bill for services provided. A sewer base charge encompasses only the availability to serve and billing for service provided as there is no meter to read or maintain.

**Q: *Will sewer charges be assessed at the tiered rates?***

A: No. The sewer rates for households in Winston-Salem will be \$.1.748 per 100 cubic feet regardless of volume. This rate will increase by 9% on October 1, 2009.

**CHAIRMAN**  
 David Neill

**CITY COUNCIL APPOINTMENTS**  
 Toyoko (Toy) Beatty  
 Harold R. Holmes  
 Janeen Lalik  
 James Hill Stockton  
 Randall S. Tuttle

**COUNTY APPOINTMENTS**  
 James Lowe  
 Paul S. McGill  
 Al H. Seymour  
 Stephen M. Shelton  
 Raymond D. Thomas

The City/County Utility Commission (CCUC) was established by the City of Winston-Salem and by Forsyth County as the policy making board for all water and sewer facilities operated by the City. It has the same authority and responsibility as the City or the County to fix rates, charges or assessments, and to provide for improvements and extensions to such facilities, with the exception that the Commission has no authority to issue bonds or incur debt without prior approval of the City Council.

**Meeting Date and Time**

**Second Monday of each month at 2 p.m.**

**[www.cityofws.org/utilities](http://www.cityofws.org/utilities)**



*Utility Commission Update* is produced by the Winston-Salem Forsyth County City/County Utilities Department, City of Winston-Salem, P.O. Box 251 I, Winston-Salem, NC 27102  
 Mayor: Allen Joines; City Council: Vivian H. Burke, Mayor Pro Tempore, Northeast Ward; Dan Besse, Southwest Ward; Robert C. Clark West Ward; Joycelyn V. Johnson, East Ward; Molly Leight, South Ward; Nelson L. Malloy Jr., North Ward; Wanda Merschel, Northwest Ward; Evelyn A. Terry, Southeast Ward;  
 City Manager: Lee D. Garrity  
 Forsyth County Commissioners: David R. Plyler, Chairman; Debra Conrad, Vice Chair; Beaufort O. Bailey, Ted Kaplan, Richard V. Linville, Walter Marshall, Gloria D. Whisenhunt, County Manager: Dudley Watts, Jr.



# Utility Commission Employee Spotlight



**Jack Fitzgerald**

**Title:** Civil Engineer

**Years with the City:** One plus

**Primary Responsibilities:** Supervise engineers in any capital improvement project.

**Current Projects:** Lead project engineer on the Thomas Plant Improvements, Idols Pump Station Phase One Improvement Project, Clemmons Elevated Water Tank, Salem Lake Dam Replacement and more!

**Education:** Associate Degree in Science from Wilkes Community

College, Bachelor of Science in Civil Engineering from north Carolina State University

**What does he like most about working for Utilities:** "I get to see so many different projects. It is everything from wastewater collection and water distribution to outfall lines and lift stations. There is such a large variety and so much to do."

**His Favorite Projects:** "The Thomas project because it encompasses so much. We had to tear the entire plant down to get everything, including yard piping, side structures, basins, and different foundation systems. We then graded the land and then started construction. It encompasses so much into one project and to be able to see the complete transformation of the site was great."

## More CCUC News of Note

- The Commission approved a new charge for restaurants and other commercial kitchens to more equitably recover the cost of complying with the new state standards for grease generated by food-service establishments. This charge will take effect on January 1, 2010.
- Just as a reminder, there are new hours of operation at the Hanes Mill Road Landfill, Old Salisbury Road Landfill and the Overdale Road Yard Waste Facility. The new hours are Monday through Friday from 7 a.m. to 4:30 p.m. and Saturdays from 8 a.m. to Noon.