



## Castleton Fire District #3

P.O. Box 306  
Bomoseen, VT 05732  
802-278-8013

# WATER RATE POLICY

**Effective Date**  
**September 20, 2007**  
**(revised, January 3, 2010)**

## **POLICY:**

This policy lays out the method of calculating the billed amount for each property. The billed amount will be broken down into categories as described below. Each account's share is calculated based on the number of ERUs (Equivalent Residential Units) assigned to the property.

The method of assigning ERUs to each property is as follows:

Bills will be quarterly and will be due as indicated on the bill of the quarter. The bills are calculated and mailed January, April, July and October.

### **1. CONSTRUCTION BOND**

**Each property will share proportionally in the payment of the cost of constructing the water system regardless of whether they are connected to the system. Prior to sending the first bills of the year, the per ERU amount will be calculated by dividing the total bond payments for the upcoming year by the total number of ERUs. This amount is then divided by 4 to get the per ERU rate.**

### **2. OPERATING EXPENSES**

**Each property will share proportionally in the payment of the cost of operating the water system regardless of whether they are connected to the system. Prior to sending the first bills of the year, the per ERU amount will be calculated by dividing the total budgeted operating expenses for the upcoming year by the total number of ERUs. This amount is then divided by 4 to get the per ERU rate.**

### **3. WATER PURCHASE**

The cost of purchasing water from Castleton Fire District #1 will be shared proportionally by the properties that are connected to the water system. Each quarter prior to sending the bills, the per ERU amount will be calculated by taking the total gallons used by the entire system for the previous three months multiplied by the CFD#1 rate in effect for each of the months. This total cost of water is then divided by the number of connected ERUs.

### **4. LATE FEES**

Late Fees will be calculated in accordance with applicable state law and applied to accounts monthly. Late fees for past due amounts (amounts due in a previous quarter) will be 1.5%. Late fees for amounts due in the current quarter will be 1.0%.

### **5. BAD CHECK FEE**

When checks are returned by the bank for non payment, a bad check fee will be added to the account to be billed in the next quarter. The amount of the fee will be the same as what the bank charges us.

**ASSIGNMENT OF ERU**

In general the ERU value assigned to a property will be based on the sewer units assigned by the Town of Castleton if connected to the sewer system or on Appendix A, Table 5 of the Vermont Water Supply Rule.

The Prudential Committee will have the power to adjust the ERU value on a case by case basis. Property owners may ask for a change in assigned ERU by appearing before the Prudential Committee at a regular or specially warned meeting. Evidence supporting the property owners position must be submitted in writing at the meeting. The Prudential Committee’s decision will be made at the next regular or specially warned meeting and the property owner will be notified in writing of that decision.

Most single family homes will be assigned 1 ERU, regardless of the number of persons residing there.

Undeveloped parcels or property use that would never need water will be assigned ½ ERU.

In specific cases, as approved by the Prudential Committee, single person efficiency apartments may be assigned ½ ERU.

Properties located on private lanes that do not have a water main installed will be assigned ½ ERU.

For public buildings, the Prudential Committee may accept the basis of peak day water consumption provided in the Agency of Natural Resources Public Building Permit for the building.

**ADOPTION AND EFFECTIVE DATE:**

This Water Rate Policy was adopted and made effective by a majority vote of the Prudential Committee of the District at a meeting held on September 20, 2007.

Those voting in favor:

\_\_\_\_\_ Brad Bauman/s

Brad Bauman  
Chair - Prudential Committee

\_\_\_\_\_ Barbara Cheney/s

Barbara Cheney  
Member - Prudential Committee

\_\_\_\_\_ John O’Day/s

John O’Day  
Member - Prudential Committee