

Water & Sewer Rate Questions Answered

I've heard water & sewer rates are going to increase. Is that true?

Yes, rates for both the water and sewer are going to increase. The City Council needs to approve the rate increase three separate times before the rate increase can go into effect. This means the rate changes will not show up on bills before March 1, 2024.

Why are rates going up?

Rates are increasing to pay for the upgrades to the existing sewer plant. The sewer plant was constructed in 1980 with an expected life of 20 years. We are well beyond 20 years and the current plant is not meeting regulatory requirements and safety standards anymore.

Vinton, along with many other communities in Iowa, are being faced with regulations and mandates from the Environment Protection Agency (EPA) and Iowa Department of Natural Resources to make sure our sewer plant discharges the cleanest water possible to the receiving stream. We also need to make sure our employees are working in a safe environment. The only way to achieve this is with significant upgrades to the plant.

While the water plant is meeting regulatory requirements, equipment is failing and the City capacity is outgrowing the plant. The slight increase to water rates will help build the reserves required for the water plant construction in the next 2-4 years.

How will the construction project be financed?

The City plans to use the State Revolving Fund (SRF) to pay for the project. The Iowa Department of Natural Resources and the Iowa Finance Authority administer the SRF. By using an SRF construction loan, we are able to secure a fixed interest rate. The loan will be repaid over a period of 20 years with revenue received from the rates charged to residents.

Why not bond for this project?

The general obligation bond rate is currently 3.88% + fees for a 20-year term. The SRF loan is 2.68% for a 20-year term. The most fiscally responsible option for this project is the SRF loan.

Did the City receive any grants for this project?

The City did not qualify for any grants at this time. We continue to seek out grants for this and future projects.

There is a lot of information on my utility bill. What exactly do my water and sewer charges mean?

Both the water and sewer charges on your utility bill include a base (meter) charge and a usage charge. The base charge is a fixed amount that does not change each month. It helps cover the cost of the meters and associated maintenance. The water base charge is currently \$9.75 per meter per month. The sewer base charge is currently \$8.19 per meter per month.


The usage charge varies each month. The usage is the amount of water and/or sewer that flowed through your meter during a period of time. Once a month the meters are read to determine how much water/sewer you have used. The water usage charge is currently \$2.65 per 100 cubic feet. The sewer usage charge is currently \$1.78 per 100 cubic feet.

The City is required to collect a Water Excise Tax which is 6%. This tax is collected by the City but passed directly through to the State of Iowa.

What are the proposed new rates going to be?

	Current	Proposed
Water Base Charge	\$9.75 per meter per month	<i>\$10.25 per meter per month</i>
Water Usage Charge	\$2.65 per 100 cubic feet	<i>\$3.05 per 100 cubic feet</i>
Sewer Base Charge	\$8.19 per meter per month	<i>\$20.48 per meter per month</i>
Sewer Usage Charge	\$1.78 per 100 cubic feet	<i>\$4.45 per 100 cubic feet</i>

Let's look at actual bills and what impact the proposed rates will have.

(Anonymous resident bill for example) 

Water Rate Plan (██████████)							
Reads	Unit	Days	Mult.	Current	Previous		
Nov-30 - Jan-02	cf	34	10	8004	7979		
Charges				Used	Amount		
Water				250 cf	6.63		
Taxes					Amount		
Water Excise Tax					0.40		
Total for 72524830					\$ 7.03		

Household of 1.

Actual usage for 34 days = 250 cubic

feet. (Usage is found on your monthly utility bill, see above.)

	Current	Proposed	(Usage /100) x Rate
Water Base Charge	\$9.75	\$10.25	
Water Usage	\$7.03	\$7.63	= (250/100) X \$3.05
Sewer Base Charge	\$8.19	\$20.48	
Sewer Usage	\$4.45	\$11.13	= (250/100) X \$4.45
Water Excise Tax	\$1.01	\$1.07	
TOTAL	\$30.43	\$50.56	

In this scenario, the monthly bill at this address would increase \$20.13.

Household of 4.

Actual usage for 31 days = 472 cubic feet.

	Current	Proposed	(Usage /100) x Rate
Water Base Charge	\$9.75	\$10.25	
Water Usage	\$12.51	\$14.40	= (472/100) X \$3.05
Sewer Base Charge	\$8.19	\$20.48	
Sewer Usage	\$8.40	\$21.00	= (472/100) X \$4.45
Water Excise Tax	\$1.34	\$1.48	
TOTAL	\$40.19	\$67.61	

In this scenario, the monthly bill at this address would increase \$27.42.

Household of 6.

Actual usage for 31 days = 950 cubic feet.

	Current	Proposed	(Usage /100) x Rate
Water Base Charge	\$9.75	\$10.25	
Water Usage	\$26.69	\$28.98	= (950/100) X \$3.05
Sewer Base Charge	\$8.19	\$20.48	
Sewer Usage	\$16.91	\$42.28	= (950/100) X \$4.45
Water Excise Tax	\$2.19	\$2.35	
TOTAL	\$63.73	\$104.34	

In this scenario, the monthly bill at this address would increase \$40.61.

These rates increase will make it even harder for me to pay my bill. How can I lessen the impact of these rates?

- Be aware of when your tap is running. Do you leave the water on when brushing your teeth or washing your hands? Do you rinse your dishes before loading the dishwasher?
- Test your toilet. Undetected internal leaks from tank to bowl could waste up to 100 gallons a day. Drop a small amount of food coloring in the tank and wait 10 minutes without flushing. Any color appearing in the toilet bowl indicates a leak. Repairing leaks can be as simple as changing a washer, grabbing some pipe tape or replacing a worn toilet valve seal.
- Fix a leaky faucet right away. Those few drops add up quickly.
- Install water-saving fixtures.

Please call City Hall at 472-4707 if you have additional questions or if you would like to discuss your utility bill further. A copy of this information can also be found on the City's website.