

RYE SEWER COMMISSION
PUBLIC HEARING NOTICE

Proposed Amendments to Sewer User Fee Ordinance

The Rye Board of Sewer Commissioners will hold public hearings on Thursday, November 7, 2019, 8:00 a.m. at the Rye Beach Village District Building, 830 Central Road, Rye Beach, NH 03871 on 2 proposed amendments to the Rye Sewer User Fee Ordinance. Amendment 1 amends the Hook-Up Fee by providing that it increases 2.5% annually on January 1. Amendment 2 repeals the Capital Recovery Charge. Copies of the amendments are posted at the Rye Town Hall, Rye Beach Village District Building, on the Town of Rye Website and available from the Sewer Commission Office.

David Kohlhase, Chair
Rye Sewer Commission
Posted October 17, 2019

RYE SEWER COMMISSION
PROPOSED AMENDMENTS TO
SEWER USER CHARGE ORDINANCE

Proposed Amendment No. 1: Hook-Up Fee

Amend § 601 Amount of Hook Up Fee and § 602 Use of Hook-Up Fee as follows: (Note: New language ***emboldened and italicized***. Deleted language ~~struck through~~).

§ 601 AMOUNT OF HOOK-UP FEE.

The Hook-Up Fee is intended to recover an amount that is equitably comparable to the capital recovery charges that would have been paid had a property been connected to the system in 1991, when the system started up.

While the Capital Recovery Charge was in effect the Hook-Up Fee shall be was the summation of the capital recovery charges that would have been assessed against a property for all prior quarters, compounded at a quarterly interest rate of 2.5%. The Hook-Up Fee is currently \$254.61 per foot. As of January 1, 2020 and on each January 1 thereafter, the Hook-up Fee shall increase by 2.5%.

~~Each quarter, the~~ ***The*** Sewer Commissioners shall post the current hook-up fee per front foot and per 100 front feet and shall Amend Appendix A accordingly.

§ 602 USE OF HOOK-UP FEE REVENUES.

Revenues from Hook-Up Fees shall be separately accounted for and utilized only to defray capital expenses ~~on bonded indebtedness~~ of the wastewater facilities.

Proposed Amendment No. 2: Capital Recovery Charge

Repeal the Capital Recovery charge by deleting § 401 Capital Recovery Charge in its entirety. In the text of the ordinance, state: “§ 401 Capital Recovery Charge [repealed].

Explanation

The Capital Recovery Charge was designed to collect from users the amount required to meet the Sewer Commission’s bond payment obligations relative to the sewer project bond. The Hook-Up fee amount was determined based on the historical Capital Recovery Charges.

The bond was paid off in 2012, and the Capital Recovery Charge was eliminated after the December, 2012 sewer billing. The amendments are intended to update the Sewer User Charge Ordinance to reflect this change.