



Water and Sewer Enterprise Fund

The City of Archdale owns and operates water distribution and wastewater (sewer) collection systems. These utilities are operated under the authority and guidance of permits issued by the State of North Carolina. Revenues and expenditures to manage the water and sewer utilities are jointly accounted for in the *Water and Sewer Enterprise Fund*. This simply means that the Water and Sewer Fund is self-sufficient; no tax dollars are used for water or sewer costs.

Beginning in August 2019, rates for water and sewer will increase by 4.5%. This change will result in an increase of \$1.47 per month on a minimum household utility bill, which is based on 2,000 gallons of water usage. There are several reasons behind the need for a rate increase, but the primary goals remain:

- the safe provision of drinking water AND collection of wastewater,
- meeting or exceeding the requirements of state issued permits, and
- keeping the *Water and Sewer Enterprise Fund* sustainable

There are several impending plans and projects that will impact future *Water and Sewer Enterprise Fund* budgets. Unfortunately, many of these items are out of the City's control. Examples of upcoming expenditures include:

- Costs for drinking water increase each year: Randleman Lake is the source of all the City's drinking water. The Piedmont Triad Regional Water Authority (PTRWA) produces the water and sells it to Archdale and the other 5 members of the Authority. The PTRWA increases the cost of water to its members each year by an average of 3.5%.
- Costs for sewer treatment have increased dramatically in recent years: The City of Archdale sends all its sewage to High Point's Eastside Wastewater Treatment Plant. The City is charged based on how many gallons of sewage are treated and its composition. These costs can fluctuate and have increased dramatically over the past two years.
- Weant Road sewer force main project: Most of Archdale's wastewater is pumped to the Eastside plant through a 14" pipe system along Weant Road. In order to avoid a catastrophic failure of this aging sewer line, the City will be installing a new 16" pipe parallel to the current line. When this project is completed, both lines will remain in service resulting in the redundancy needed to do maintenance and repairs as necessary.

- Sewer metering and pipe upfit project: In an effort to ensure the City is paying the appropriate amount for sewer treatment, a metering system is planned along the outfall line near the Eastside plant. When this meter is installed, approximately 1,000' of the existing sewer line will be upsized for future growth.
- Eastside Wastewater Treatment Plant improvements: The City of Archdale has a 10% ownership stake in the Eastside plant. When improvements or repairs are needed at the plant, the City is required to participate in the cost. Recent projects included incinerator repairs, incinerator upgrades, and safety improvements. Ultimately, the cost to the City will approach \$2 million.
- NCDOT projects: There are several NCDOT projects in progress throughout the City of Archdale. Bridge replacement projects on School Road and Ashland Street are nearly complete and road improvements are planned on Archdale Road, Surrett Drive, Main Street, and NC-62. Each one of these projects will require water and/or sewer lines to be relocated and the City is required to pay for 30% of the costs (engineering, construction, and inspection). While currently unknown, it is expected these costs will exceed \$1 million.
- Water tank "recoating": The Archdale water tank was put into service in 2006. Maintenance standards call for repainting and greater than normal tank maintenance every 12-15 years. In the coming year, the water tank will receive a new coat of paint with the new City logo on two sides.
- Electrical upgrades required at Weant Road sewer pump station: Nearly all the City's wastewater passes through the sewer pump station on Weant Road. Electrical upgrades to the pump station and its generator are needed to ensure the facility continues to run effectively and safely. These upgrades are expected to cost \$300k-\$400k.
- New Water/Sewer Lines and Repairs: Proactive efforts are taken by the City whenever possible to improve water quality, minimize loss of services, and/or upgrade aging pipe systems. New water lines are planned in the coming years to improve water pressure and increase water quality. Additionally, the replacement of aging sewer lines in key locations will be necessary in the coming years. These projects are crucial to the sustainability of the water and sewer systems.

City officials and staff take extraordinary pride in keeping costs down for Archdale's utility customers. Decisions to make rate adjustments are taken seriously and the long-term sustainability of the *Water and Sewer Enterprise Fund* is considered.