## WATER DEPARTMENT – FIRE DISTRICT NO.1 438 GRANBY ROAD SOUTH HADLEY, MA 01075 413-532-0666

January 1, 2024

To the Water Customers of Fire District No.1:

As the Water Commissioners of Fire District No. 1, our goal has always been to operate the Water Department in the most cost-efficient manner while providing a clean and safe water supply. As most of you are aware, the aging infrastructures all over the country are becoming a growing concern - Fire District No. 1 is no exception.

Some examples of our infrastructure needs are the painting of our two (2) - 1.5-million-gallon water tanks. Our Alvord St. water tank was painted back in 2004 and will need to be re-painted within the next two years. Our Industrial Drive water tank will need to be repainted within the next 6-8 years. The estimated cost of these projects combined is approximately \$3 million dollars. While these are our most pressing projects, there are several other improvements that must also be addressed such as water mains, vehicles, etc. Our Capital Plan is on our website at <a href="https://www.shdistrictl.org">www.shdistrictl.org</a> under the Water Department section. We strive to complete much of this water main construction and repairs with our own staff and equipment to ensure the expenses are as low as possible. Improvement projects are critical to improving our water system above its present level to ensure reliability of quality and supply.

These projects have limited avenues for state and federal funding to assist with the costs since the Fire District is separate from the Town of South Hadley. As a member of the Massachusetts Water Resource Authority (MWRA), we are fortunate to be offered 10-year interest free loans from the MWRA for some of our projects. We also have Stabilization (Savings) accounts as a funding option.

In order to meet these expenses and debt payments, we need to increase our water rate by 8% from the current rate of \$3.92 to \$4.23 per 100 Cubic Feet (748 gallons). For the average household, this would be an average increase of \$38.00 per year.

With the rising costs associated with projects and maintenance work, combined with the fact that no one likes to see a rate increase, this investment is extremely important to the safety and health of our water supply system and its customers. We have been extremely fortunate that our rates have remained stable for the last seven (7) years.

To conclude, water is our most precious resource. The aging of infrastructures is a nationwide crisis. The Water Distribution system of Fire District No.1 is owned entirely by the consumers and managed by the Board of Water Commissioners. We are fully committed to operating the Water Department efficiently by providing the consumers with services they deserve and expect from a municipal department at the lowest possible cost.

If any additional information is needed, please feel free to contact our Water Superintendent, Jeffrey Cyr, at the number listed above.

Respectfully Yours,

Board of Water Commissioners - Fire District No.1

Eden DuPerier, Chair

Scott Williams, Clerk

William L. Schenker, Assoc. Member