



Water and Sewer Rate Increases

Effective July 1, 2021

The Hillsborough Board of Commissioners approved water and sewer rate increases on June 28, with the adoption of the Fiscal Year 2021-22 budget.

The town also reduced the minimum use for water and sewer service, charging now for a minimum of 2,375 gallons to cover fixed costs for the service. Average residential utility use is 3,761 gallons monthly.

Water rates

In-town: \$9.68 per 1,000 gallons → 42-cent increase per month (previous rate: \$9.26)
\$22.99 minimum fee → 16-cent reduction per month (previous minimum: \$23.15)
Per-gallon cost → Less than 1 cent if using the minimum or less.

Out-of-town: \$18.87 per 1,000 gallons → 81-cent increase per month (previous rate: \$18.06)
\$44.82 minimum fee → 33-cent reduction per month (previous minimum: \$45.15)
Per-gallon cost → Less than 2 cents if using the minimum or less.

Sewer rates

In-town: \$13.96 per 1,000 gallons → 27-cent increase per month (previous rate: \$13.69)
\$33.16 minimum fee → \$1.07 reduction per month (previous minimum: \$34.23)
Per gallon cost → 1 cent if using the minimum or less.

Out-of-town: \$27.22 per 1,000 gallons → 53-cent increase per month (previous rate: \$26.69)
\$64.65 minimum fee → \$2.08 reduction per month (previous minimum: \$66.73)
Per-gallon cost → Less than 3 cents if using the minimum or less.

Primary reasons

- *West Fork Eno Reservoir expansion* — The \$16.9 million expansion started in 2018 to raise the reservoir about 10 feet, doubling the volume and providing adequate supply for future growth. Debt service is \$839,828 this fiscal year, with debt payments continuing through 2042. The reservoir was planned as a two-phase project in the 1990s.
- *Wastewater Treatment Plant upgrade* — The town borrowed \$17.8 million for the 2014 upgrade. It has annual debt payments of \$1.2 million through 2034.
- *Water leak detection services* — Estimated \$40,000.
- *Preparation for major projects* — Design for Water/Sewer Facility repairs and upgrades; land acquisition for sewer pump station replacement; and technical assistance on financing capital need projects totaling about \$23 million. Estimated total: \$475,000. (Estimates are high since costs for lumber, parts, chemicals and fuel have risen sharply in the past year along with everyday items like groceries.)
- *Decreased use of non-recurring revenues to balance the budget* — The town must minimize use of development fee revenues and savings to responsibly maintain the water and sewer system, maintain the AA rating for bonds sold to expand the reservoir, and plan for unexpected costs.

More information

The operation, maintenance and improvements of the Hillsborough water and sewer system are paid for by revenue generated from water and sewer rates. The town does not make a profit from providing utility services nor does it use the revenue for other purposes. For more information, see:

- [Frequently asked questions](#).
- [Contact us](#) page to reach the town board, staff or Water and Sewer Advisory Committee.