

April 8, 2010

## South Brunswick water hike likely to be much more than a drop in the bucket

TOM BALDWIN  
STAFF WRITER

SOUTH BRUNSWICK — Township residents could face a water-sewer rate increase of 17.6 percent due to an abundance of rainfall last year.

"We had so much rain last year," said Mayor Frank Gambatese, who said state law prevents municipalities from budgeting more for utilities in one year than they spent the prior year.

"I remember, my wife and I, we had so much rain, we shut our own sprinkler system down last summer," Gambatese said.

He added that the shaky economy has slowed construction in the township, so revenues from water and sewer hookups, for which builders pay fees, are down as well.

"We cannot run a deficit," said the mayor.

The township's chief financial officer, Joseph Monzo, presented a preliminary budget report Tuesday night to council members. The figure Monzo quoted may be adjusted as the budget process proceeds, said township spokesman Ron Schmalz.

"We took in less revenue because of less usage," he explained, adding "We had an 11 percent reduction in use in 2009 versus 2008."

That, he said, meant residents in 2008 used 1.75 million gallons and then used 1.59 million gallons last year. Schmalz called the 2008 figure normal, or average, for South Brunswick's annual consumption.

"This (the decline in water consumption) was the result of a very wet (2009) summer," said Schmalz.

He said Monzo estimated South Brunswick is moving toward spending \$21.5 million on water this year, "however, the revenue from last year's billing was \$19.9 million."

"The utility as a whole will finish the year with a \$730,000 deficit, which will need to be raised in 2010," Schmalz said Monzo reported.

Alternatives to the 17.6 percent jump are to be discussed when the council meets April 26, Schmalz said. "There are different areas that they are looking at," he added.

"We have to raise it," the mayor said. "It's just a matter of how much."