

Georgetown Divide PUD

Water & Wastewater Rate Study

Board Meeting

May 2, 2024



**Water Resources
Economics**

PROMOTING THE VALUE AND PRICE OF
WATER SERVICE

Agenda

- Introductions
- Goal of the Study
- Schedule
- Rate Structure Discussion

Introductions

- Water Resources Economics Project Team
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Goal of the Study

- Develop 5- to 10-year financial plan projections to identify annual rate revenue requirement
- Conduct an updated cost-of-service analysis to meet Proposition 218 requirements
- Develop a proposed 5-year water and wastewater rate schedule
- Successfully adopt rates through a Proposition 218 public hearing process

Schedule

Task	Dates
Kick-Off Meeting with District Staff	April 17, 2024
Technical Analyses (Financial Plan, COS, Rates)	May - August
Board Meeting to Present Financial Plan and Preliminary Rates	August 15, 2024
Development of Report/Administrative Record	September - October
Board Meeting to Present Final Rates	September 5, 2024
Board Meeting to Authorize Notice & Receive Report	October 17, 2024
Proposition 218 Notices Sent Out	October 28, 2024
Proposition 218 Public Hearing	December 12, 2024
Rates Implemented	January 1, 2025

Current Water Rates

Meter Size	Monthly Base Charge Effective 1/1/19
1" or smaller	\$30.88
1.5"	\$102.92
2"	\$164.67
3"	\$329.34
4"	\$514.60

Customer	Treatment Plant Charge
Treated Water	\$15.08 per month

All Customers	Usage Rate per CF Effective 1/1/19
All Usage	\$0.0268

Meter Size	Seasonal Irrigation Rate Effective 1/1/18
½ Miner's Inch	\$77.00 per month
Per each 1 Miner's Inch	\$154.20 per month

Current Wastewater Rates

Customer Type	Bi-Monthly Fee Effective 7/1/18
CDS Customer	
Developed Lot	\$75.42
Undeveloped Lot	\$35.20
Non-CDS Customer	
Developed Lot	\$15.40
Undeveloped Lot	\$13.10

Rate Structure Alternatives

- Potential options for rate structure alternatives
 - WRE and District staff discussed during kick-off meeting
 - This meeting is to receive direction from Board on rate structure options
- Two alternative options for water rate structure (in next slides)
- No proposed changes to wastewater rate structure

Water – Monthly Base Charge

Meter Size	Monthly Base Charge Effective 1/1/19
1" or smaller	\$30.88
1.5"	\$102.92
2"	\$164.67
3"	\$329.34
4"	\$514.60

- Current rates:
All meter sizes 1" and smaller are charged the same monthly rate
- Alternative:
Separate 1" meter and keep 5/8" and 3/4" meters combined
- 92% of customers have a 5/8" or 3/4" meter
- 7% of customers have a 1" meter

Water – Treatment Plant Charge

Customer	Treatment Plant Charge
Treated Water	\$15.08 per month
Raw Water	No charge

- Current rates:
All treated water customers are charged the same monthly rate
- Alternative:
Charge based on meter size
- Pays for SRF Loan related to the District's capital investment for the treatment plant
- Charging by meter size reflects system capacity – larger meters can use more water than smaller meters

Rate Structure Discussion

- Board to provide direction on:
 - Water monthly base charge
 - Water treatment plant charge
- Are there any other rate structure alternatives that the Board wishes to evaluate as part of this study?



Water Resources Economics

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Policy Objectives

- What values/policies should the rates support? What do we want the proposed rates to do/communicate?
- Some examples:
 - Revenue stability
 - Affordability
 - Conservation
 - Administrative ease
 - Customer understanding
 - Equity