



# North Weld County Water District RATE SETTING INFORMATION



## NWCWD IS CHANGING THE WAY WE SET RATES

North Weld County Water District (NWCWD) is changing the way rates are calculated. These changes provide the necessary revenue to pay for the increasing costs of infrastructure maintenance and water purchases. To ease the changes to customers, NWCWD will make the transition to the new rate calculation model over time.



## COST OF SERVICE RATE SETTING

NWCWD conducted a thorough study to calculate the true cost of providing water services to residential, commercial, and wholesale customers. NWCWD will use this information to determine what portion of total costs each customer class will cover. This rate calculation method is a best practice and is the fairest way to set rates for all customers.

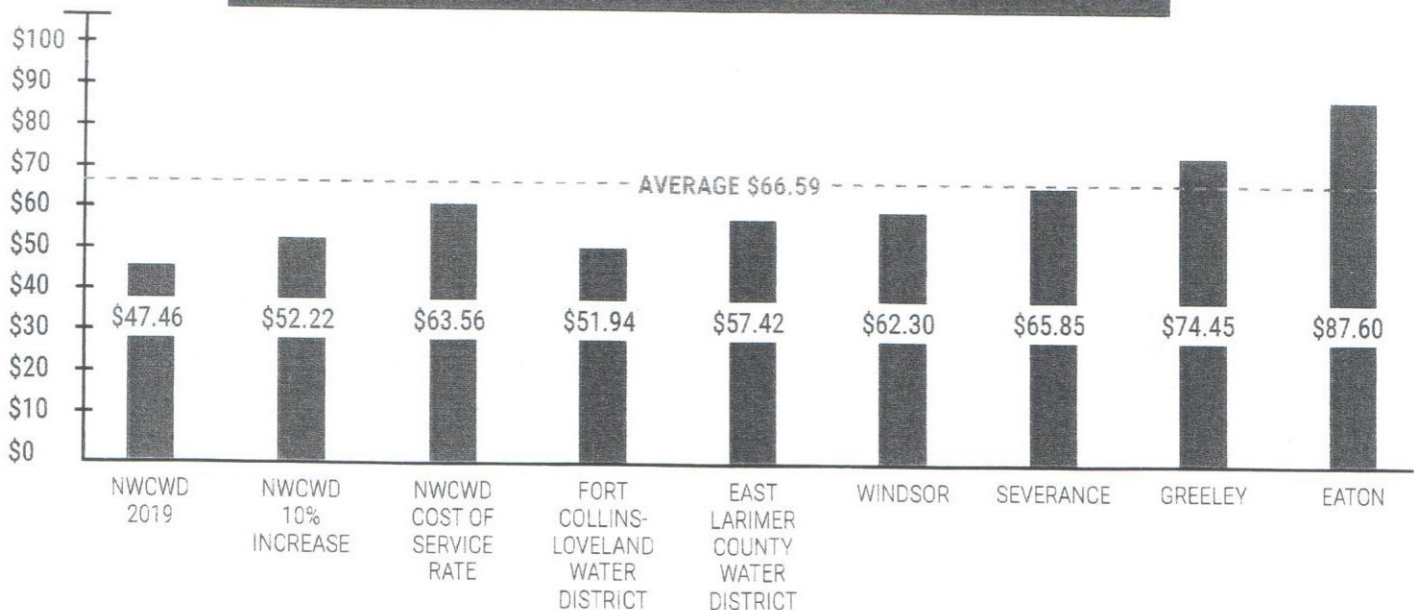
## WHY THE CHANGE?

NWCWD must invest \$46 million in major infrastructure improvements, water projects, and purchases to continue to provide water to current customers and prepare for the future. While we can defer some projects, we still have \$38 million of urgent needs to address in the next five years.

## WHAT WILL MY WATER BILL LOOK LIKE NEXT YEAR?

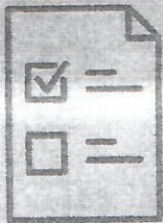
Instead of moving to the Cost of Service rate structure immediately, NWCWD will institute rate changes over the next few years. In 2020, NWCWD is considering a 10% rate increase for all customers (residential, commercial, and wholesale). Even with this increase, NWCWD rates will be lower than others in the region.

## AVERAGE MONTHLY WATER BILL COMPARISON FOR RESIDENTS



\* Average bill based on use of 14 Kgal per month

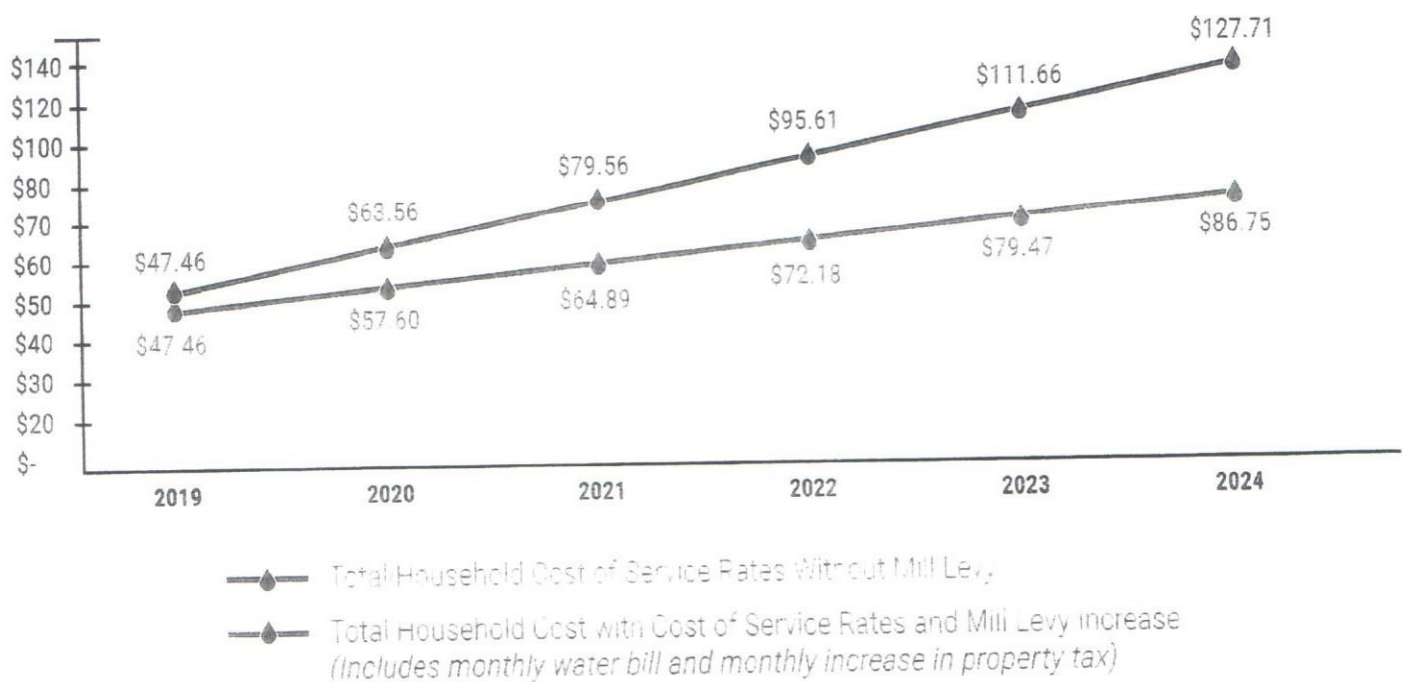




### WHAT ABOUT RATES AFTER 2020?

While rates for 2020 will be determined in the coming months, rate increases in 2021 and beyond will be impacted by the results of the November 2019 election. Voters will decide whether or not to approve a property tax increase of up to \$5 million, not to exceed 5 mills. The chart below shows the predicted average monthly cost to a household. The blue line shows predicted monthly bills and the changes needed to achieve Cost of Service rates. The green line shows predicted monthly costs to a household, including water bills and increased property taxes if residents vote yes for a mill levy.

### TOTAL AVERAGE MONTHLY WATER COSTS



The mill levy would apply to all property included within the NWCWD boundary, regardless of whether or not they are customers.

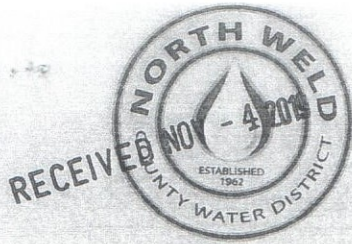


### GROWTH PAYS ITS OWN WAY

NWCWD increased development fees so that growth pays its fair share. New infrastructure will be primarily funded by these fees. However, maintenance and improvements to old infrastructure is still a critical need. Rate increases and revenue from the mill levy (if approved by voters) will fund these investments along with water purchases.







## NORTH WELD COUNTY WATER DISTRICT

32825 CR 39 • LUCERNE, CO 80646

P.O. BOX 56 • BUS: 970-356-3020 • FAX: 970-395-0997

[WWW.NWCWD.ORG](http://WWW.NWCWD.ORG) • EMAIL: [WATER@NWCWD.ORG](mailto:WATER@NWCWD.ORG)

### NOTICE

On Tuesday, November 12, 2019, the Board of Directors of North Weld County Water District will consider the water rates, fees and charges for the coming year. The Board Meeting will be held at 1:00 p.m. at the District office located at 32825 Weld County Road 39, Lucerne, CO 80646. The meeting is open to the public and you are welcome to attend and to be heard as part of the Board's deliberations on water rate and fee issues.

Statutory notice compliance was met on September 30, 2019.

---

North Weld County Water District (NWCWD) is changing the way rates are calculated. These changes provide the necessary revenue to pay for the increasing costs of infrastructure maintenance and water purchases. To ease the changes to customers, NWCWD will make the transition to the new rate calculation model over time.

#### **"Cost of Service" Model**

NWCWD conducted a thorough study to calculate the true cost of providing water services to residential, commercial, and wholesale customers. NWCWD will use this information to determine what portion of total costs each customer class will cover. This rate calculation method is a best practice and is the fairest way to set rates for all customers.

#### **2020 Rates to Be Determined at November 12 Board of Directors Meeting**

NWCWD is considering a 10% rate increase for all customers for 2020; this decision will be made at the next Board of Directors meeting on November 12. Rate increases in 2021 and beyond will be impacted by the results of the November 2019 election. Voters will decide whether or not to approve a property tax increase of up to \$5 million, not to exceed 5 mills. See the accompanying insert for details.

#### **November Election**

Election Day is November 5. If you have not already mailed in your ballot, you will have to drop it off at a 24-hour drop box location. For more details, visit the elections websites of:

Weld County, <https://www.weldgov.com/maps/votinglocations/> or

Larimer County, <https://www.larimer.org/clerk/elections/voting-locations#/map/ALL>