

Ashley Valley Water and Sewer
Improvement District

Why bother changing rates?

The easy answer is because costs continue to rise.
You though, deserve to hear the more complicated answer.



AVWSID has over 51 MILLION dollars worth of assets in the water and sewer systems!

District owns, operates and maintains:

- Over 161 miles of water line.
- Over 92 miles of sewer line.
- Equipment which includes everything from hand tools to large equipment. Including dump truck, sewer truck, vac-truck, backhoes, mini-excavators, and more.
- 738 Hydrants and 1213 water valves. These are regularly tested, inspected and exercised.
- Five sewer lift stations with associated pumps, generators, and SCADA equipment.

AVWSID has over 51 MILLION dollars worth of assets in the water and sewer systems!

- Office facility, and field shop and yard with associated storage facilities.
- 12 remote SCADA sites, with additional SCADA controlling the, remote facilities, the office, and the entire treatment operation. This monitors and controls over 6800 individual points.
- Water treatment facility capable of treating up to 8 millions gallons a day. We treated and delivered over 1.2 billion gallons of water in 2018.

It goes beyond Maintenance & Operations

- As the district is in the business of public health, there are hundreds, if not thousands of rules, regulations, reports, testing, and training with which we are obligated to comply. Many of these change on a regular basis, and new laws are always being passed that affect the District and other public entities.
- Construction costs continue to rise, and drastically outpaces the normal cost of living or inflation rates.
- 15 years ago the district could, and did, install sewer line at approx. \$25-\$50 a lineal foot, and those costs are now anywhere between \$150-\$175 a lineal foot.

It goes beyond Maintenance & Operations

- Lead free federal laws force the transition to more expensive brass or stainless steel parts.
- Constant cyber attacks require additional security experts and services not needed just five years ago.
- Expectations of an online presence and ability to pay bills require expenses not needed until recently.
- Expanded water use reporting laws has required the district to spend thousands in upgraded meters with live trending abilities.
- Declining CIB monies cause the district to receive more interest bearing loans. It was not uncommon for the district to receive large amounts of grant money and no interest loans. Those days are become more and more rare.

Plan for the Future

- The district has a well documented history of preparing for the future. This rate increase continues that pattern and is a small step in ensuring continued excellent service.
- Recently the district began a water master plan study, and have plans to review the impact fee study, and firm up its water rights.
- Some long term goals include a sewer master plan update, expansion of treatment facility, Ashley Springs monitoring and SCADA improvements, upgraded sewer equipment, and aging infrastructure replacement. In addition, the Steinaker Dam repair payment will be one added expense.

Proposed Rate Increase

- A customer that has both a water and sewer connection would see a \$1.00 per month increase. That's \$12 a year, and less than the following:



Proposed Rate Increase

- This is in no way meant to ignore the impact this has on our customers. We understand that each rate increase hurts, therefore we strive to manage the district in a fiscally responsible way.
- The downturn of the economy affected everyone, and the District is the same. We have made many efforts to reduce expenses, while still trying to improve our infrastructure and maintain service levels.

What about Taxes?

But wait, I pay taxes, why do I have to pay rates too?

- With all the tax discussion in the news recently, it has rapidly become a contentious topic. The district does indeed collect taxes for its O&M budget.
- Several years ago the board of trustees decided to limit the amount of taxes collected, and not only decided to not charge the authorized limit, but to reduce it to its lowest level in many years. The collected amount rate has remained unchanged for years.

What about Taxes?

- The district operates on what is called an “Enterprise Fund.” In short, this means that the majority of its funding is required to come via service fees, and not taxes. This is very different from a County, City, town, or municipal accounting fund.
- 98% of the District’s budget comes from service rates and fees. That means only 2% come from taxes.
- Why not do away with them? Well taxes are still important because the district was formed to provide service within a boundary. The water and sewer lines that potentially provide service for future connections still need to be maintained, even if someone hasn’t connected yet. The service is available for anytime in the future.

Where do we end?

- So what does this mean for my rates? Where do they end up?

2020 Proposed Rates

Water Service	Monthly Price	Sewer Service	Monthly Price
Single Dwelling	\$25.50	Single Dwelling	\$27.50
Duplex, 4-plex, apartment	\$25.50 * number of units	Duplex, 4-plex, apartment	\$27.50 * number of units
Motels, Hotels, Trailer prk	\$12.00 * number of units	Motels, Hotels, Trailer prk	\$26.50 * number of units
Commercial	\$23.50	Commercial	\$33.50
All services	8,000 gallons included, and overage at \$1.95 per 1,000 to 30,000, then \$2.25 per thousand.	Commercial services	Overage above calculated minimum is charged at \$3.00 per thousand.