

**Option #1 - Base Rate tied to Fixed & Variable Costs**

Based on 2022 Data

						Water Rate Income Goal: 3 year Ave Expenses \$464,235.21							
		407 Accounts			Per	2022 - # of	Average			Monthly Average			
		Total	Base Rate	Water Use	Thousand	Cust	Usage for			Current	New		
							tier	2022 Average					
* Base rate covers fixed costs and water use rates cover variable costs * Base rate increase from \$40 to \$56.74 * Tiers increase 33%	Residential	347	\$19,688.78	Base Rate	\$56.74								
				\$47.21	0 - 2000	\$10.64	0-500	17	261	75.22% used 3000 or less (down from 87%)	48.69% used 2000 or less (down from 70%)	\$42.09	\$47.78
				\$306.11			501-1000	35	822			\$46.58	\$53.75
				\$722.72			1001-1500	55	1235			\$49.88	\$58.14
				\$1,116.56			1501-2000	60	1749	\$53.99	\$63.61		
				\$2,329.61	2001 - 6000	\$47.88	2001-3000	91	2531	\$131.12	\$166.18		
				\$3,593.79			3001-4000	52	3437	\$163.73	\$209.56		
				\$2,917.53			4001-5000	25	4424	\$199.26	\$256.82		
				\$1,043.03			5001-6000	6	5575	\$240.70	\$311.93		
				\$0.00	6001 +	\$62.56	6001-7000			\$40.00	\$45.00		
		\$496.95			7001-8000	1	7386	\$379.76	\$507.07				
		\$571.83			8001-9000	1	8583	\$434.82	\$581.95				
Commercial	5 Institutional 11 Businesses	16	\$907.84	Base Rate	\$56.74								
				\$5.15	0 - 2000	\$10.64	0-500	3	161.34			\$41.29	\$101.72
				\$22.48			501-1000	3	704.21			\$45.63	\$107.49
				\$23.14			1001-1500	2	1087.45			\$48.70	\$111.57
				\$32.31		\$47.88	2001-3000	3	2113.52			\$116.09	\$201.20
				\$75.32			3001-4000	1	3239			\$156.60	\$255.08
				\$557.07		\$62.56	6000 - 9000	1	8347.03			\$423.96	\$622.19
				\$1,296.22			9001-10000	2	11081.03			\$549.73	\$793.23
		\$1,160.14			above 10000	1	17986.83			\$867.39	\$1,225.26		
Summer	13	\$368.81	Base Rate	\$56.74					6 month usage Oct	May -			
			\$6.22	\$10.64	0-500	7	83.51	\$40.67			\$45.89		
Standby	32	\$1,815.68	Base Rate	\$56.74					1 waived - IHCC			\$40.00	\$40.00
Water Key	1	\$56.74	Base Rate	\$56.74								\$40.00	\$40.00
Monthly Total		\$22,837.85	\$16,323.38	\$39,161.23									
Annual		\$274,054.20	\$195,880.54	\$469,934.74	Deficit:		-\$5,699.53						
Expenses		Fixed	Variable										

This rate calculation is suggested by the water industry. Tying Base Rate to Fixed costs and Water Usage rates to Variable costs. While this structure income will cover Operations expenses, the affordability for all usage levels is affected. Mild Cost Burden leaning toward high (Water Affordability Assessment Tool based on average water bill and Colo Minimum Wage - Low/Mild/High)