



Open House

Wednesday, November 28, 2018, 5:00 to 7:00 p.m.



Mt Crested Butte Water & Sanitation District
Main Office @ 100 Gothic Road

Come visit our open house to learn about our new water conservation measures and the 2019 tiered rates for water usage. Information on our future capital plans will also be available.

Over the last two years, MCBWSD has engaged expert consultants for three significant studies:

- ◆ A comprehensive study by Raftelis Financial Consultants that included a capital financial plan, cost of service study, rate design and tap fee review.
At the direction of the board of directors, the rate study evaluated the current rates and usage tiers and proposed new tiers to encourage water use conservation.
- ◆ A comprehensive performance evaluation of the water treatment plant and facilities was conducted by HDR Engineering to identify deficiencies and plan for future capital projects.
- ◆ A comprehensive performance evaluation of the wastewater treatment plant and facilities was conducted by FEI Engineers to identify deficiencies and plan for future capital projects.

The proposed rate increases for 2019 take into account a new rate structure that encourages conservation as well as the significant capital investments needed on the system's physical plant.



Physical Plant Capital Investments

Due to factors including aging infrastructure, capacity and additional regulations at the state and federal level, \$24.1 million of capital improvements have been identified to be completed in the next five (5) years. Some of the water and wastewater systems physical plants are more than 40 years old and have come to the end of their useful life.

Water - \$19.4 million

Waste Water - \$4.7 million

Visit our website; www.mcbwsd.com for further information



2019 Proposed Water and Wastewater Rate Increase

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Water - \$19.4 million

- Water Treatment Plant Optimization and Expansion \$13.1 million
 - The Mt. CB plant is over 30 years old and will need additional capacity in the near future.
- East River Pump Station \$4.5 Million
 - The pump station is over 40 years old and will need additional capacity to supply the water treatment plant expansion.
- East River Raw Water Line \$1.5 million
 - The existing water line will not be large enough to supply the treatment plant expansion and does not have redundancy in case of failure.
- East River Water Diversion \$0.3 million
 - The diversion pond will need to be modified and rehabilitated to support the treatment plant optimization and expansion.

Wastewater - \$4.7 million

- Wastewater Treatment Plant Optimization and Expansion \$3.1 million
 - A new clarifier and building are needed for future infrastructure redundancy and future growth.
- Collections System Rehabilitation \$1.6 million
 - Some sections of the collection system are original from when the District was founded over 55 years ago.

MCBWSD will fund these projects through a combination of cash on hand and a low interest loan through the state revolving fund. The low interest loan requires a specific annual debt service coverage that needs to be collected through an increase in monthly service charges.

**2019 RATES & FEES PUBLIC HEARING DECEMBER 11, 2018 @ 5:00 PM, 100 GOTHIC ROAD,
MAIN OFFICE OF MT CRESTED BUTTE WATER & SANITATION DISTRICT**

The District proposed a rate alternative and increase for 2019 based on conservation measures and multiple capital projects in progress.

Monthly User Rates

| | 2018 | | 2019 | Increase Amount |
|----------------------------|-----------------|--|-----------------|-----------------|
| WATER-Per 4,000 gallons | 40.54 | | 44.30 | 3.76 |
| SEWER | 43.52 | | 45.26 | 1.74 |
| TOTAL BASE RATE | 84.06 | | 89.56 | 5.50 |
| MLP CAPITAL SURCHARGE | 36.27 | | 36.27 | |
| TOTAL MLP BASE RATE | \$120.33 | | \$125.83 | |

Over Minimum New Tier Rates for Water usage per 1,000 gallons

| | 2018 Water Tiers | 2018 Rate | | 2019 Water Tiers | 2019 Rate |
|--------|--------------------|-----------|--|--------------------|-----------|
| Tier 1 | 0,000 – 11,000 | Basic | | 0,000 – 4,000 | Basic |
| Tier 2 | 11,001 – 20,000 | 2.97 | | 4,001 - 11,000 | 4.04 |
| Tier 3 | 20,001 – 30,000 | 3.27 | | 11,001 – 20,000 | 5.05 |
| Tier 4 | 30,001 – 40,000 | 3.57 | | 20,001 – unlimited | 7.07 |
| Tier 5 | 40,001 - unlimited | 3.85 | | | |

Quarterly Availability Rates (Availability rates did not increase)

| Per Single Family Equivalent | 2018 | | 2019 | Increase Amount |
|------------------------------|-----------------|--|-----------------|-----------------|
| WATER | 50.09 | | 50.09 | 0 |
| SEWER | 56.55 | | 56.55 | 0 |
| TOTAL BASE RATE | 106.64 | | 106.64 | |
| MLP CAPITAL SURCHARGE | 108.81 | | 108.81 | |
| TOTAL MLP BASE RATE | \$215.45 | | \$215.45 | |

Tap Fees (2% increase)

| Up to 999 square feet | 2018 | | 2019 | Increase Amount |
|----------------------------|-----------------|--|-----------------|-----------------|
| WATER | 4,923 | | 5,021 | 98.00 |
| SEWER | 9,080 | | 9,262 | 182.00 |
| TOTAL BASE RATE | 14,003 | | 14,283 | 280.00 |
| 999 to 1,999 per sq ft | \$ 4.46 | | 4.55 | 0.17 |
| For 2,000 square feet | 2018 | | 2019 | |
| WATER | 6,566 | | 6,697 | 131.00 |
| SEWER | 12,106 | | 12,348 | 242.00 |
| TOTAL BASE RATE | \$18,672 | | \$19,045 | 373.00 |
| Over 2,000 per Square Foot | 8.75 | | 8.95 | 0.20 |