



## **NOTICE OF PROPOSED WATER AND SEWER RATE INCREASE**

EFFECTIVE FOR UTILITY BILLING BEGINNING JANUARY 2020

Dear Town of Collbran Water and Sewer Customer,

This letter is to inform you of proposed new rates for water and sewer services effective for the December 2020 - January 2021 billing cycle. At the January 5, 2021 Collbran Town Board meeting, the Board will consider an increase to water and sewer rates. The proposal is to increase water rates by 5% and sewer rates by 10%. The new rates are expected to increase the monthly utility bill for a customer using 4,000 gallons per month by about \$4.50 a month (excluding outdoor watering). For a household using 10,000 gallons per month, bills will increase by about \$6.50 per month. Bulk water rates will increase by 10% to \$16.71 per thousand gallons.

Since Town sales and property taxes do not fund water and sewer services, those costs must be recovered through water and sewer monthly fees. The 2021 rate adjustments are based on an independent cost of service analysis to ensure that each utility customer pays their proportionate share of the costs to provide services.

As utility costs throughout the industry continue to rise, the Collbran Town Board and staff are committed to managing those costs and staying efficient while upholding the Town's commitment to a sustainable future. These rate adjustments will help ensure the reliability and affordability of basic water and sewer services throughout the Town of Collbran. They will also support the Board's commitment to the replacement of aging infrastructure. To have the resources to adequately support infrastructure needs and maintain the water and sewer systems, these increases are necessary.

If you have questions about the rate changes, please contact:

- • Town Hall at 970-487-3751

Monday through Friday, 9 a.m. to 5 p.m.

- Or you may visit [www.townofcollbran.colorado.gov](http://www.townofcollbran.colorado.gov), where you can view a detailed overview of the new rate structures.

Thank you for your continued understanding and support,

Town of Collbran Board of Trustees

Computation of rates and charges (effective with January 15, 2021 bill).

All classes of water users located within the corporate Town limits shall pay the following standard monthly water service fees:

|                               |                 |  |
|-------------------------------|-----------------|--|
| In-Town Base Customer Charge: | Prior - \$10.61 | Proposed - \$11.14/unit.   |
| Tier 1 Water Rate:            | Prior - \$5.84  | Proposed - \$6.13/1,000 gallons or part thereof, of water use/month from 0 to 6,000 gallons per unit.      |
| Tier 2 Water Rate:            | Prior - \$6.62  | Proposed - \$6.95/1,000 gallons or part thereof, of water use/month from 6,001 to 12,000 gallons per unit. |
| Tier 3 Water Rate:            | Prior - \$7.58  | Proposed - \$7.96/1,000 gallons or part thereof, of water use/month from 12,001 or more gallons per unit.  |

Variable rates/other fees:

Outside Corporate Limits: 150% applicable in-Town water rates (Base Customer Charge and Tier Water Rates)

Bulk water sales: Prior - \$15.91 Proposed - \$16.71/1,000 gallons

All classes of sewer users located within the corporate Town limits shall pay the following standard monthly sewer service fees:

|                               |                 |   |
|-------------------------------|-----------------|---|
| In-Town Base Customer Charge: | Prior - \$10.00 | Proposed - \$11.00/unit.  |
| Tier 1 Sewer Rate:            | Prior - \$18.39 | Proposed - \$20.23/unit, up to 10,000 gallons of monthly water use per unit.                        |
| Tier 2 Sewer Rate:            | Prior - \$5.41  | Proposed - \$5.95/1,000 gallons, or part thereof, for water use/month over 10,000 gallons per unit. |

For purposes of calculating additional sewer fees for use more than 10,000 gallons per unit, the monthly charge shall be based upon the monthly average of water use as established by averaging the customer's actual water use for the preceding Mid-October through Mid-April. If the customer did not receive water during the preceding Mid-October through Mid-April, then the Town Manager or his designee shall estimate the number of gallons used, based upon similar uses, and base the sewer service charge upon this estimate.