

2020 Rate Setting Public Informational Meeting



**North Weld County Water District
Public Meeting
October 7 – 21 - 28, 2019**

32-1-1001(2a), C.R.S (HB13-1186)

NWCWD 2020 Rate Setting Informational Public Meeting

North Weld County Water District (NWCWD)

- District Overview
- Water Demand and Treatment Projections
- Projects Required to Meet Demand and Replace Aging Infrastructure
- Rate Projections
- NWCWD and Municipal Rate Comparison



**Established in
1962 Under CRS
Title 32**

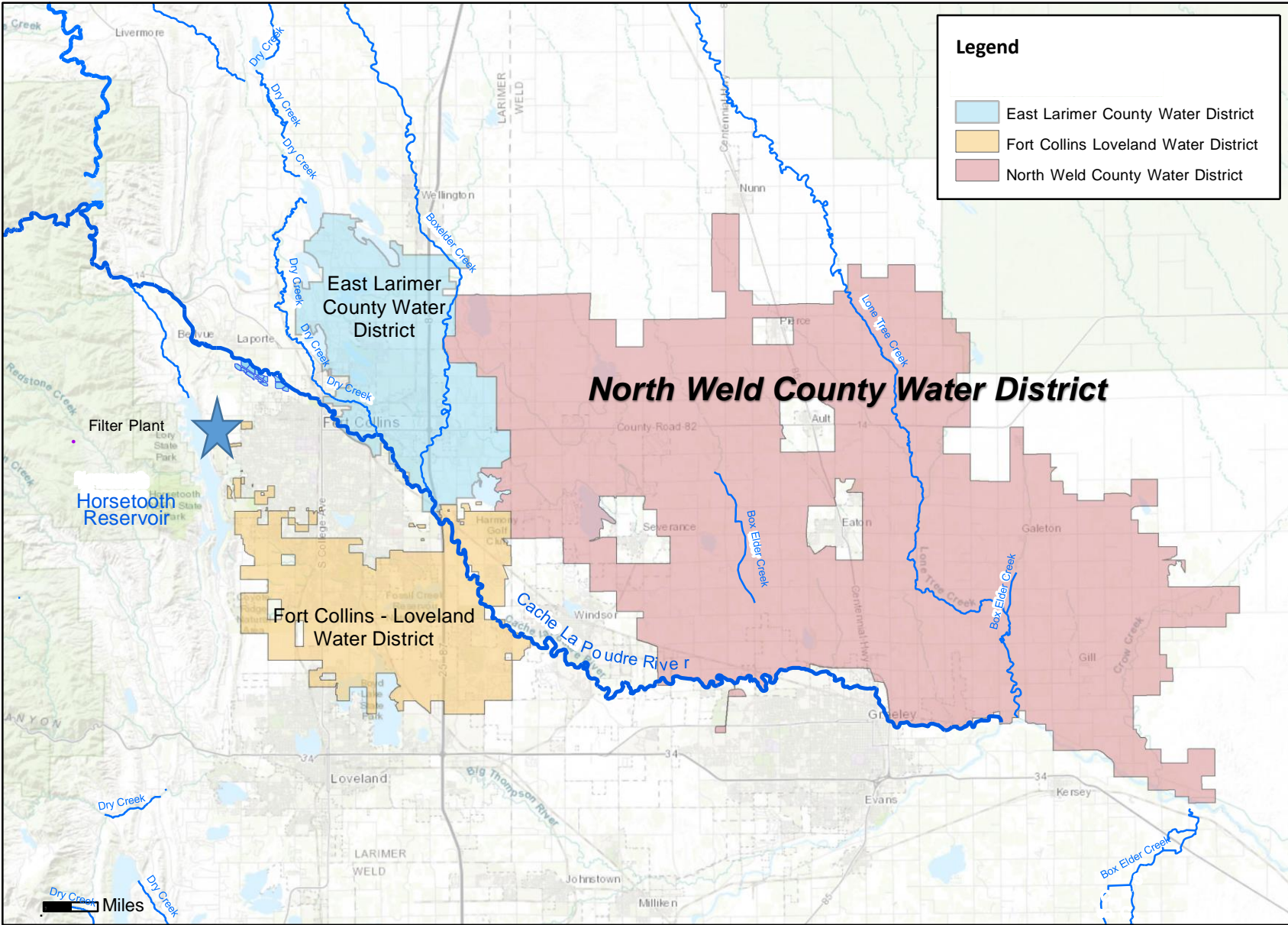
**District Service
Area of 325 SQ
Miles**

**Currently Services
Over 5,100 Meters
and Taps
(Customers)**

**30% Increase from
2012**

**Demand
Projection 2019
8,900 AF Treated
at SCFP**

**10% Increase from
2018**



North Weld County Water District (NWCWD)

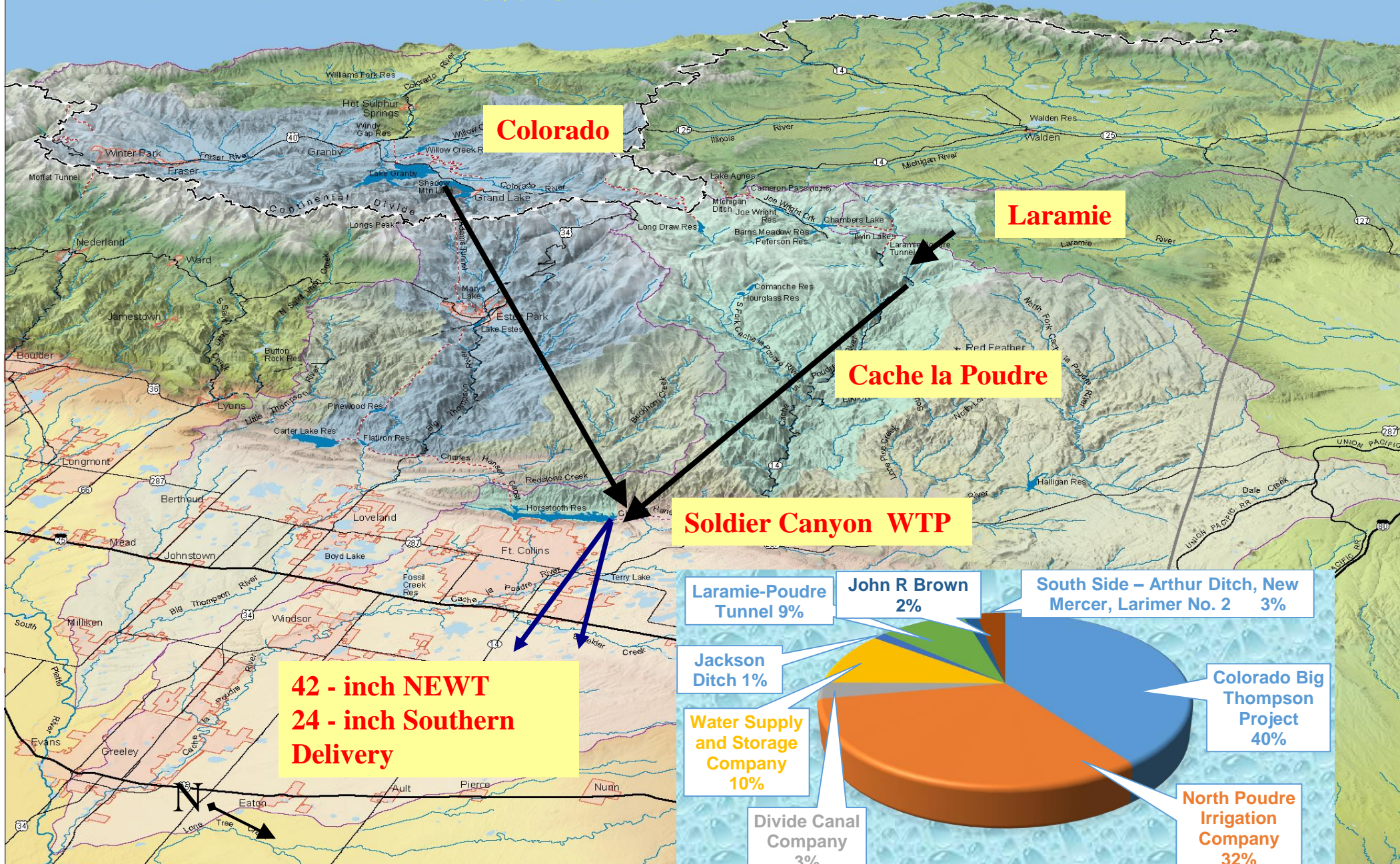
**Weld County
Population
Expected to
Double by 2060**

**Weld County
Population
Growing at over 2
% Annually –
Fourth Highest
Growth Rate in the
Nation**

**NWCWD Needs to
Implement
Projects Now in
Order to Meet
Future Treatment,
Distribution and
Water Demand**

**Replace and
Maintain Existing
Infrastructure**

Three River Basins – 40% Owner Filter Plant – Two Transmission Mains



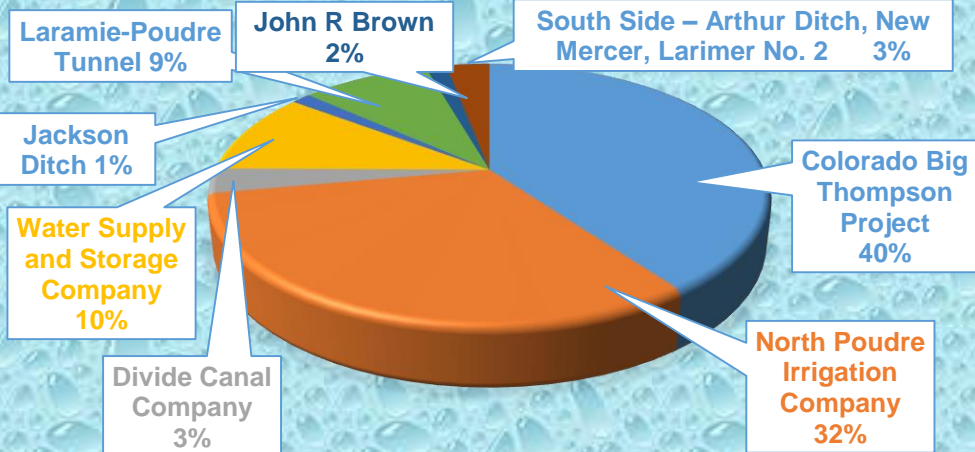
Colorado

Laramie

Cache la Poudre

Soldier Canyon WTP

**42 - inch NEWT
24 - inch Southern
Delivery**



NWCWD Treatment and Transmission

Existing Potable Water Transmission System -16 MGD

SCFP Rated to 45 MGD Total— Expanding to 65 MGD or from 16 to 23 MGD for NWCWD

4 MGD ELCO Demand at Shields St

4 MGD ELCO Demand at SVPS

ELCO 24" NOT included in analysis

SVPS

Proposed Tank 1C

ELCO Vault

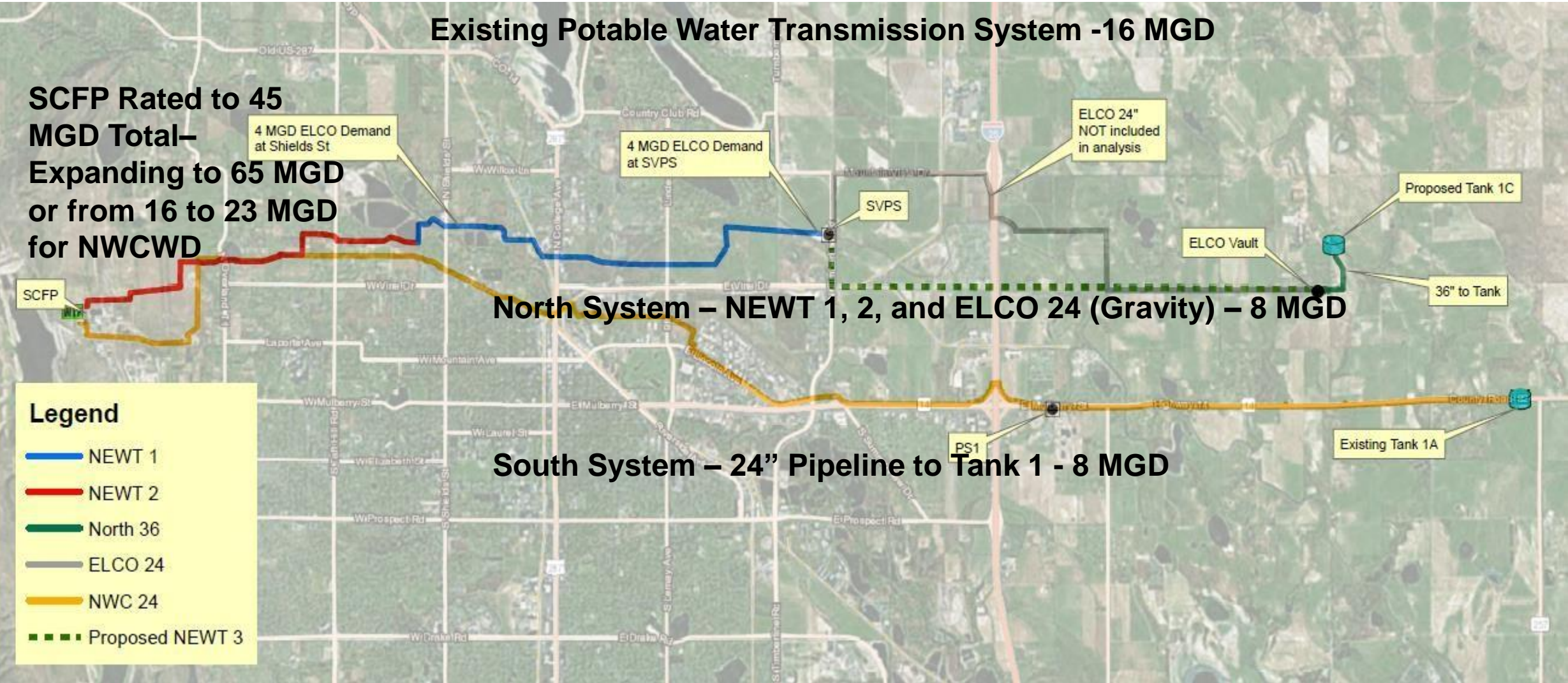
36" to Tank

North System – NEWT 1, 2, and ELCO 24 (Gravity) – 8 MGD

South System – 24" Pipeline to Tank 1 - 8 MGD

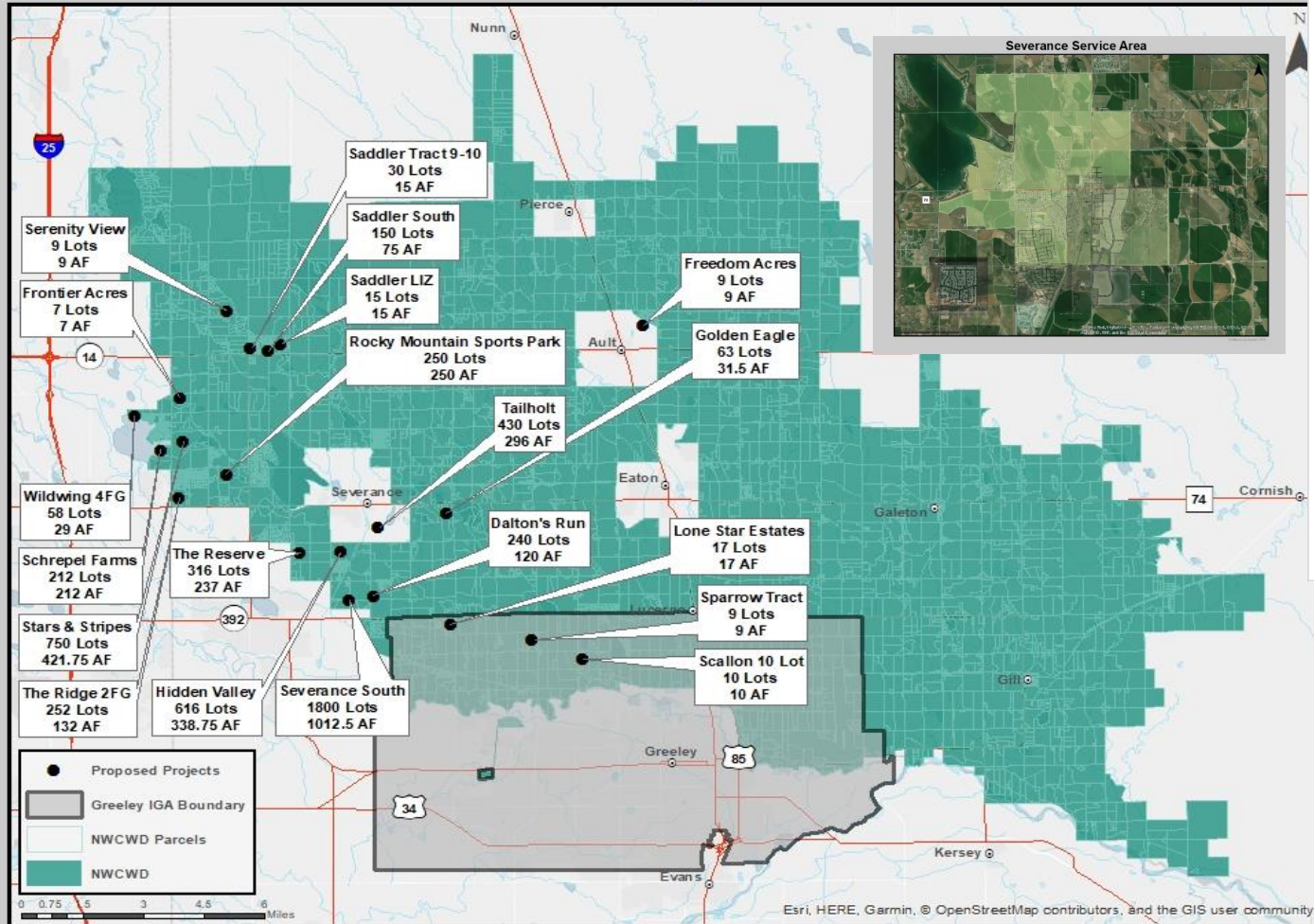
Legend

- NEWT 1
- NEWT 2
- North 36
- ELCO 24
- NWC 24
- - - Proposed NEWT 3

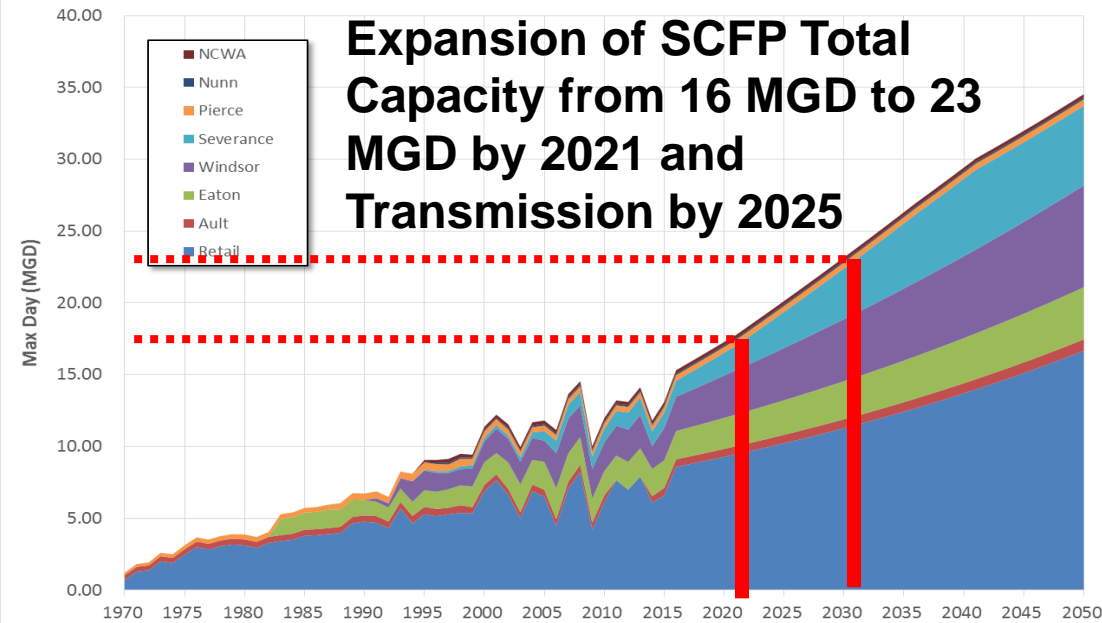


Demand Review

North Weld County Water District



NWCWD Max Day Demand



Expansion of SCFP Total Capacity from 16 MGD to 23 MGD by 2021 and Transmission by 2025

20 Proposed Developments 2-3 Years

- 2,750 new taps
- Water Usage Increasing 10% Annually

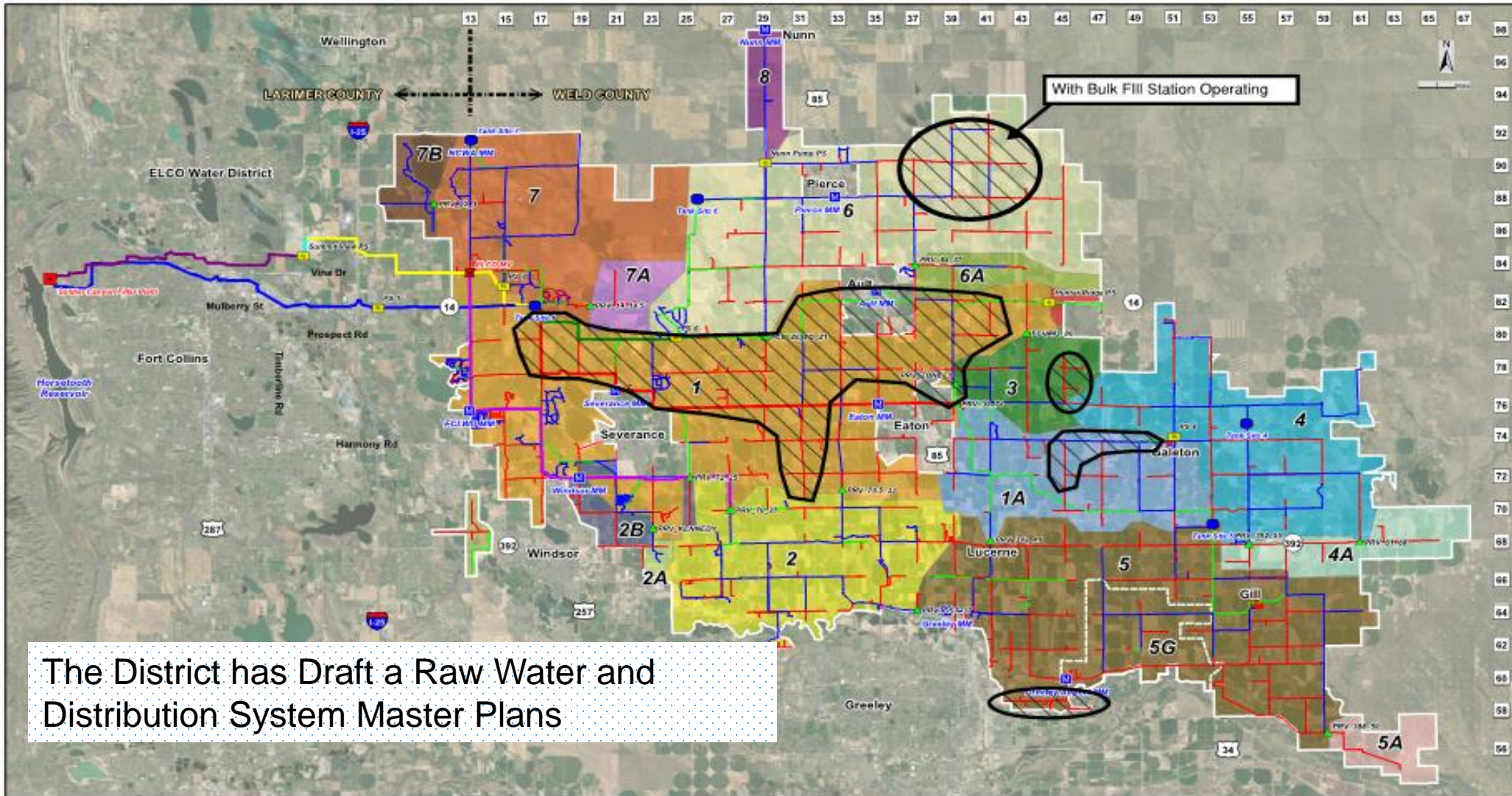
Infrastructure Needs to be Upgraded to Manage Demand

Replacement of Aging Infrastructure

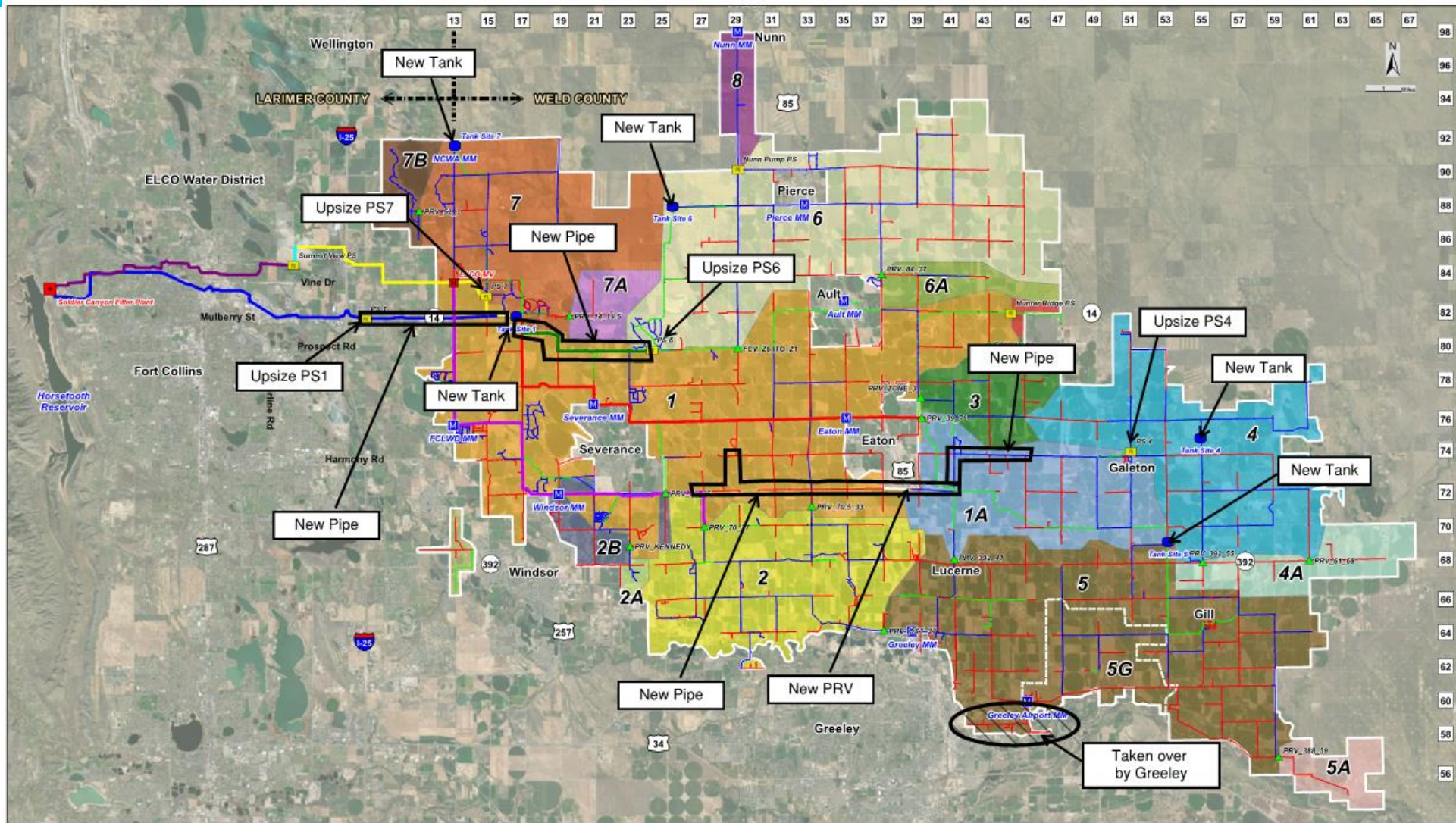
Rate Increase Alternatives for 2020

- The District has Draft a Raw Water and Distribution System Master Plans
- The District has completed Draft Cost of Service Study
 - Method of rate setting that is equitable to all customers
 - Those with higher peaking characteristics pay higher rates
- Rate Analysis Increase Alternatives for 2020
 - Cost of Service
 - % Across the Board Increase

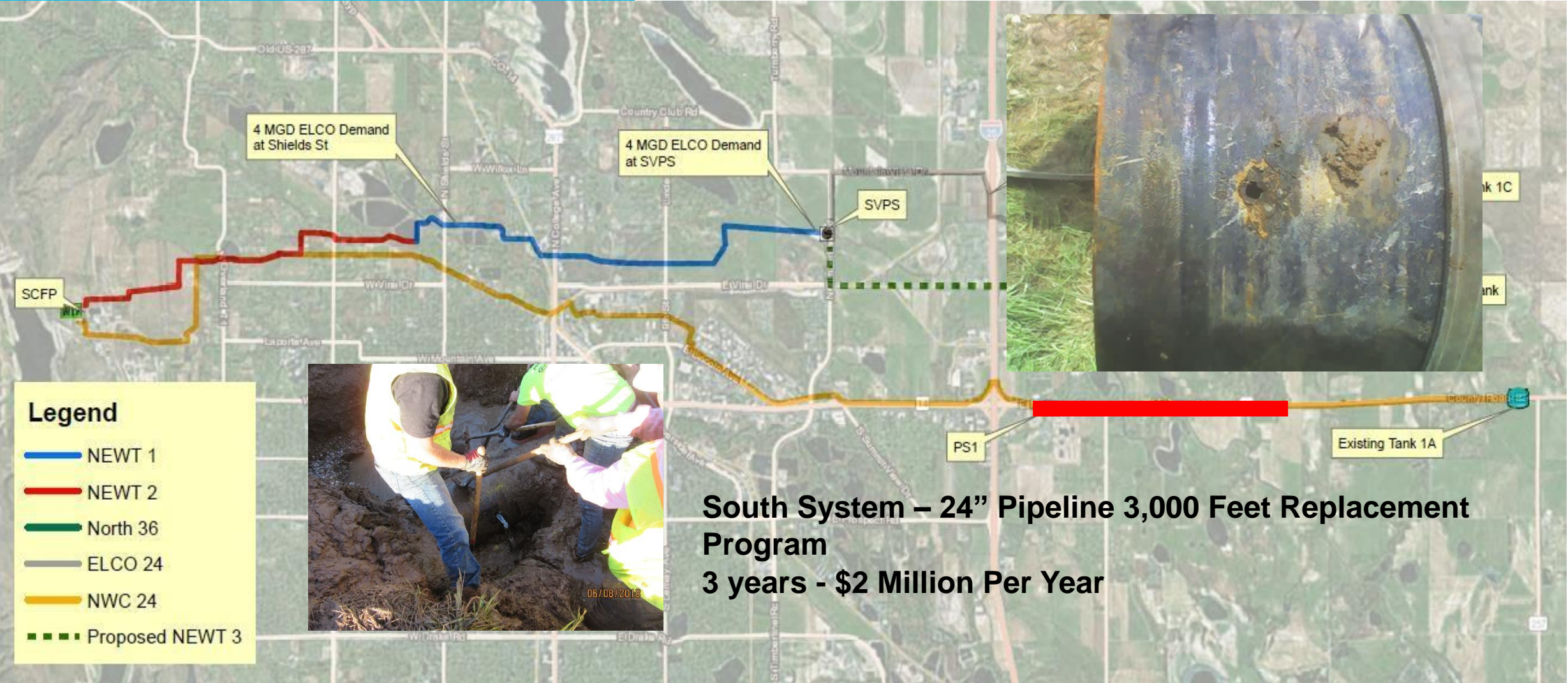
2025 System Low Pressure Areas



5 Year Project List – Required CIP To Remove Low Pressure Areas



NWCWD Transmission Aging Infrastructure



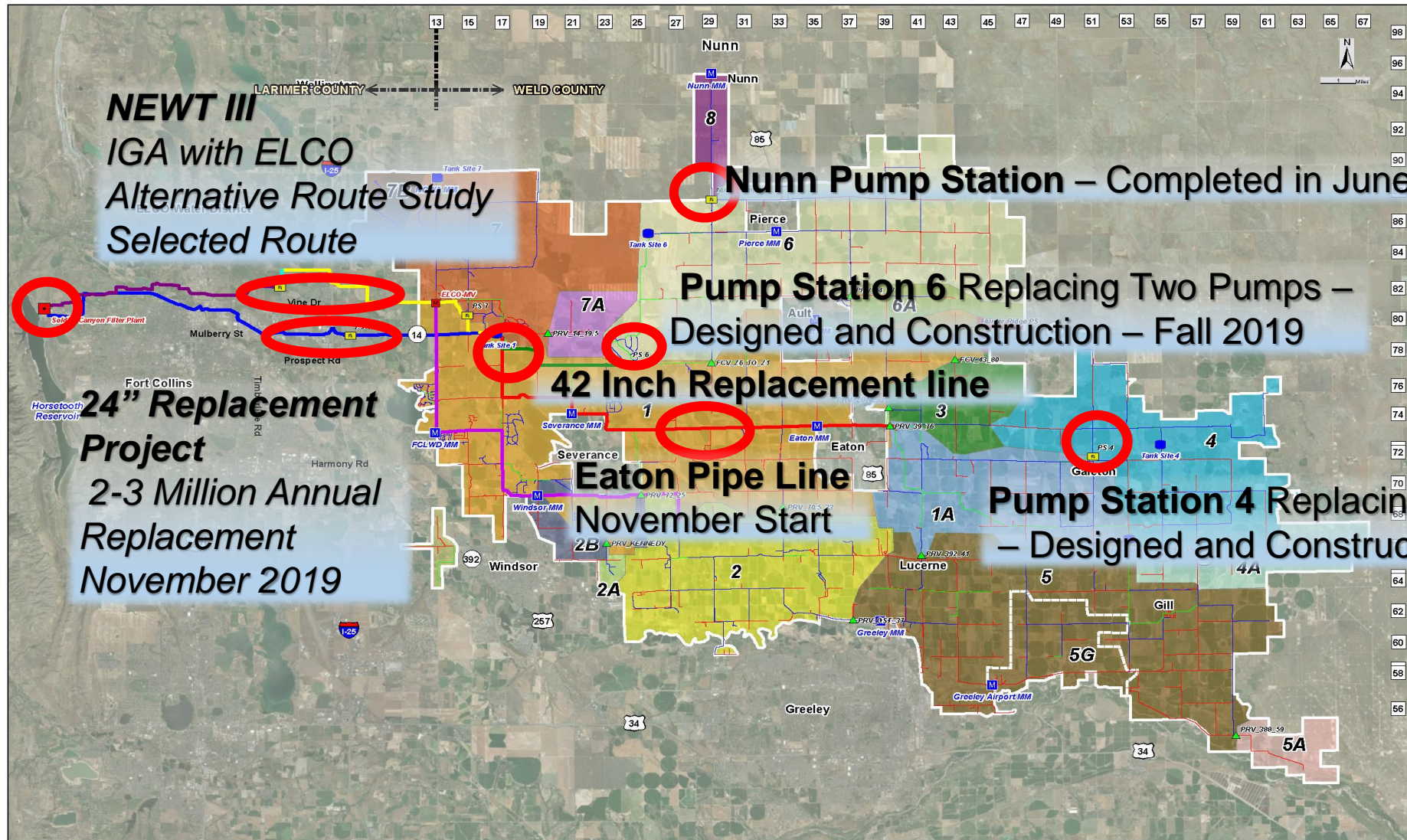
5 Year Capital Spending Projection

	Project Name	Total Cost \$M	Replacement \$M	Growth \$M	Notes
1.	Pipes & Valves	\$39.1	\$15.9	\$23.2	
2.	Pump Stations	\$2.0	\$0.4	\$1.6	Pump Station 1
3.	Tanks	\$8.8	\$2.8	\$6.0	
4.	Misc.	\$5.5	\$1.6	\$3.9	Engr, Legal & Misc
	Subtotal CIP Project Cost	\$55.4	\$20.8	\$34.6	\$11M/Yr
5.	Soldier Canyon WTP (Maint + Bond)	\$5.8	\$3.2	\$2.6	Required
6.	Existing Bonds	\$9.2	\$9.2	-	Required
7.	Water Purchases	\$35.0	\$12.5	\$22.5	Required
	Total	\$105.4	\$45.7	\$59.7	\$21.1M/Yr
	Breakdown	100%	43%	57%	

Capital Improvement Update October 2019

SCWTP Expansion

- 45 to 60 MGD
- Started June MGD
- \$1.3 Million Annual O&M 10-year CIP



24" Replacement Project
2-3 Million Annual Replacement
November 2019

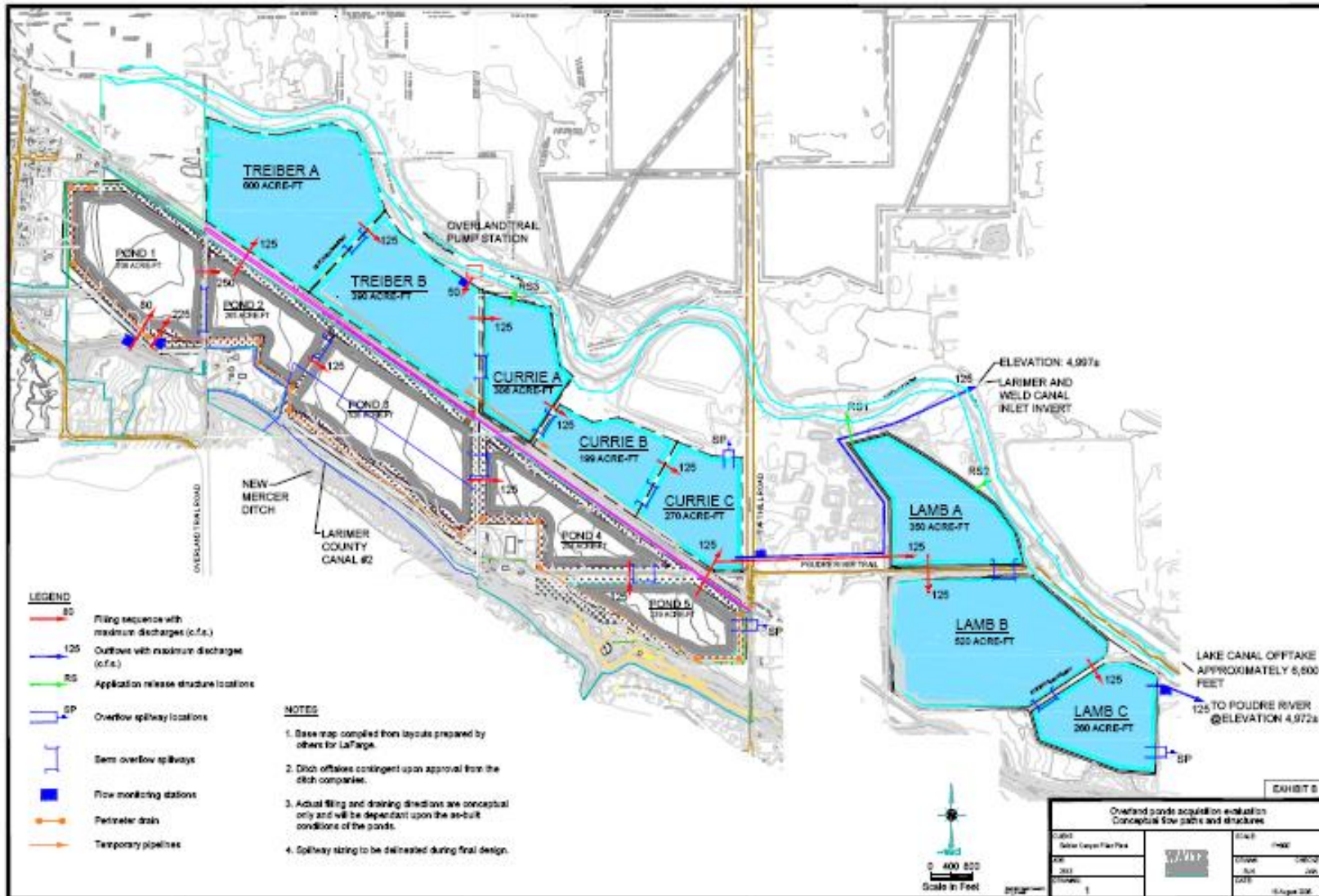
42 Inch Replacement line
Eaton Pipe Line
November Start

Nunn Pump Station – Completed in June

Pump Station 6 Replacing Two Pumps –
Designed and Construction – Fall 2019

Pump Station 4 Replacing Two Pumps
– Designed and Construction Fall 2019

Raw Water - Capital Improvement Update October 2019



Additional Storage Required to Manage

1. Overland Ponds
2. River Bluffs
3. Others

Acquisition of Additional Water Rights

1. Additional Supplies Dry Year and Safety Factor

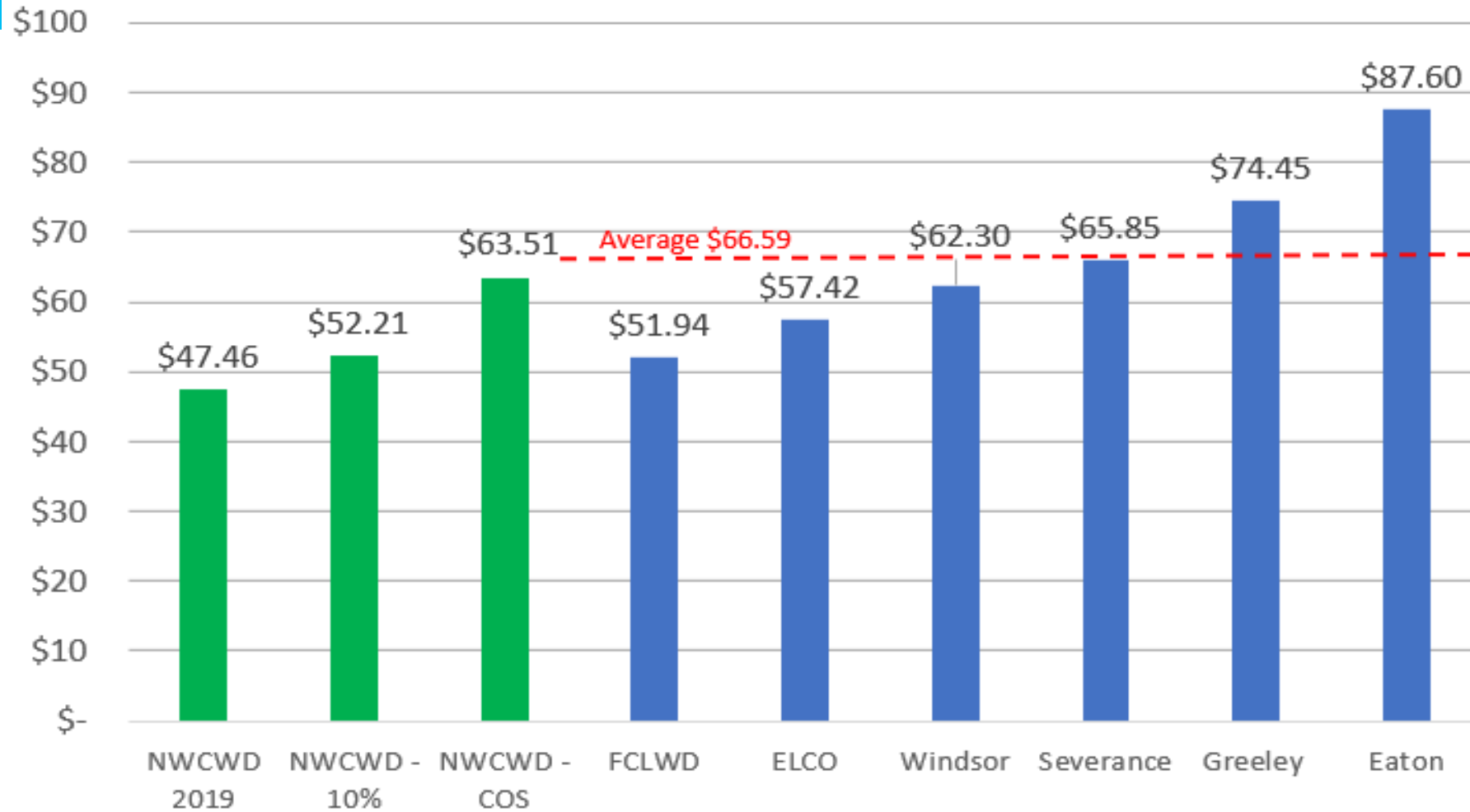
Rate Alternatives

Comparison of Volume Charges \$/Kgal

		2019	2020	2020
		Existing Rates	Cost of Service Rates	10% Increase of Existing Rates Drought Water & CIP Delay
1.	Total Tap Fees	\$57,500	\$59,400	\$59,400
2.	Commercial	\$3.39	\$3.74	\$3.73
3.	Towns	\$2.54	\$3.41	\$2.80
4.	Residential	\$3.39	\$4.54	\$3.73

2020 Cost Comparison to Other Water Systems

Average Residential Monthly Bill



Other City and District Rates Escalated 3% from Current Rates

2020 Proposed Rate Increase of 10%

Average Residential Monthly Bill

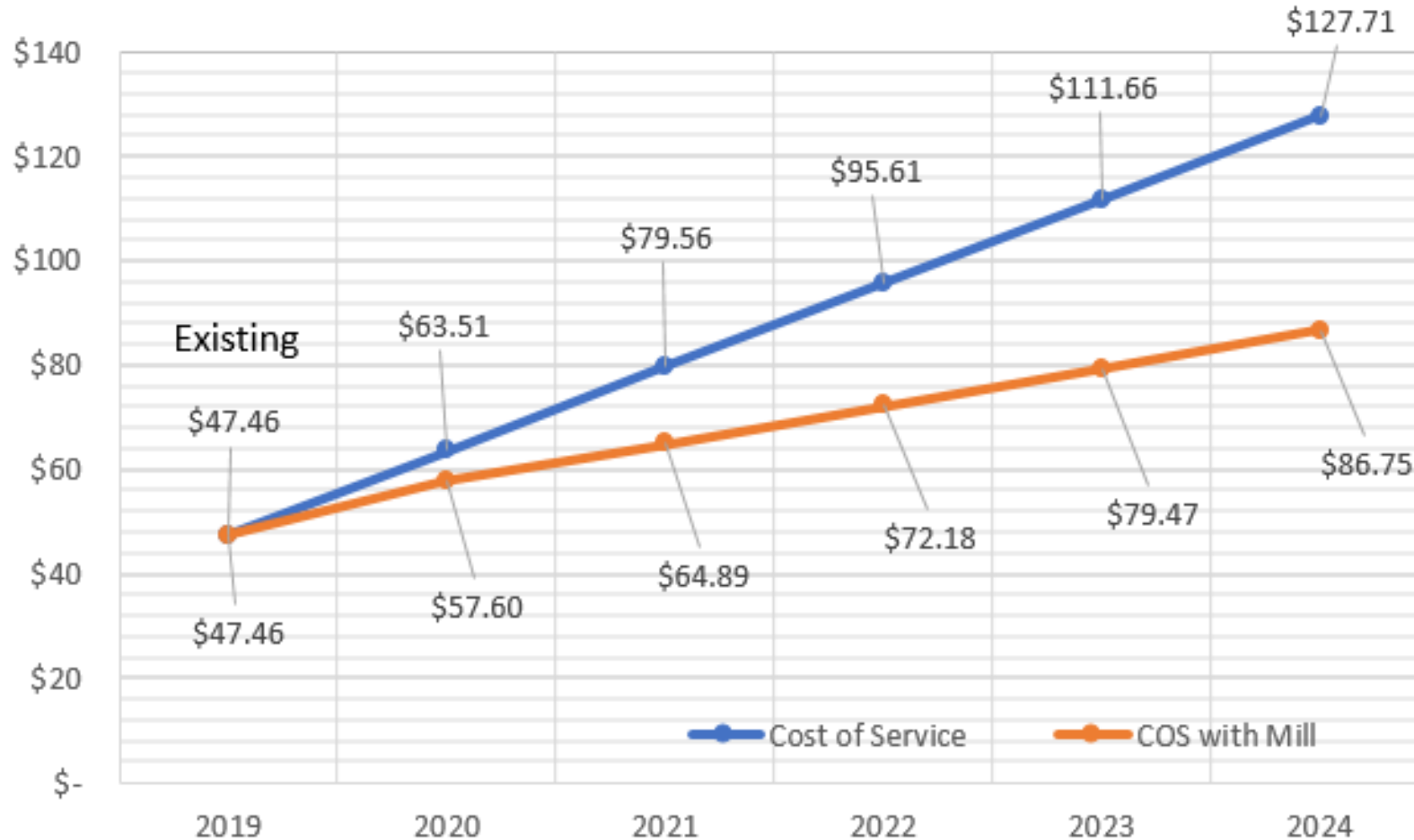
	2019 Existing Rates	10% Increase of Existing Rates <small>Some Drought Water & CIP Delayed</small>	Cost of Service Rates	FCLWD	ELCO	Windsor	Severance	Greeley	Eaton
Residential Average Bill (14,000 gal/mo)	\$47.46	\$52.22	\$63.56	\$51.94	\$57.42	\$62.30	\$65.85	\$74.45	\$87.60

Considerations

- Less than Cost of Service for 2020
- Ease the Burden of Increase
- Some Capital and Water Purchases Delayed
- Keep on the path to get to Cost of Service by 2024
- Below the Average of Other Local Systems

MILL Levy Impacts

Rate Increase Comparison 2019-2014



5 Mill Levy would be an average monthly tax of \$5.39 for Residential Customers

Rate Analysis

Questions?