

Water and Wastewater Rate Increase Proposed for 2020

City Council will decide as part of 2020 Budget

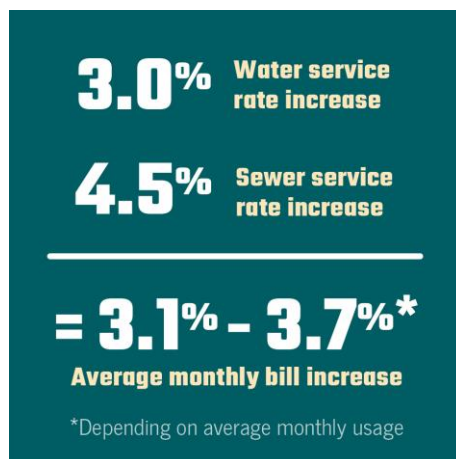
The City of Salida is considering a rate increase for water and sewer utilities beginning in early 2020, if approved as part of the 2020 Annual Budget. The proposed increase would provide the necessary revenue to pay for maintenance of existing infrastructure and preserve the City's high-quality service levels for current customers.

On Tuesday, November 19, the Mountain Mail newspaper incorrectly reported the proposed rate increase amounts; below is an overview of the City's recommended rate increase with corrected information.

How will my water bill change next year?

The proposed changes include a water service rate increase of 3% and a sewer service rate increase of 4.5%. These are two separate increases resulting in an overall average monthly bill increase between 3.1% and 3.7% for residential customers, depending on their average monthly usage. This means that residents could expect to see an increase between \$2.00 and \$3.50 on their monthly bill.

Similarly, commercial customers could expect a monthly bill increase between 3.6% and 3.8%, an increase of roughly \$2.00 to \$4.00 per month for smaller users, and up to \$60.00 per month for large consumers.



Average Residential Bill Breakdown			
Based on 20,000 gallons/mo. usage			
	Current Rate	Proposed Increase	% Increase
Sewer Service	\$18.96	\$0.57	3.0%
Sewer Usage	\$6.25	\$0.28	4.5%
Water Maintenance	\$6.28	\$0.19	3.0%
Water Service	\$18.11	\$0.81	4.5%
Water Usage	\$33.54	\$1.01	3.0%
TOTAL	\$83.14	\$2.86	3.4%

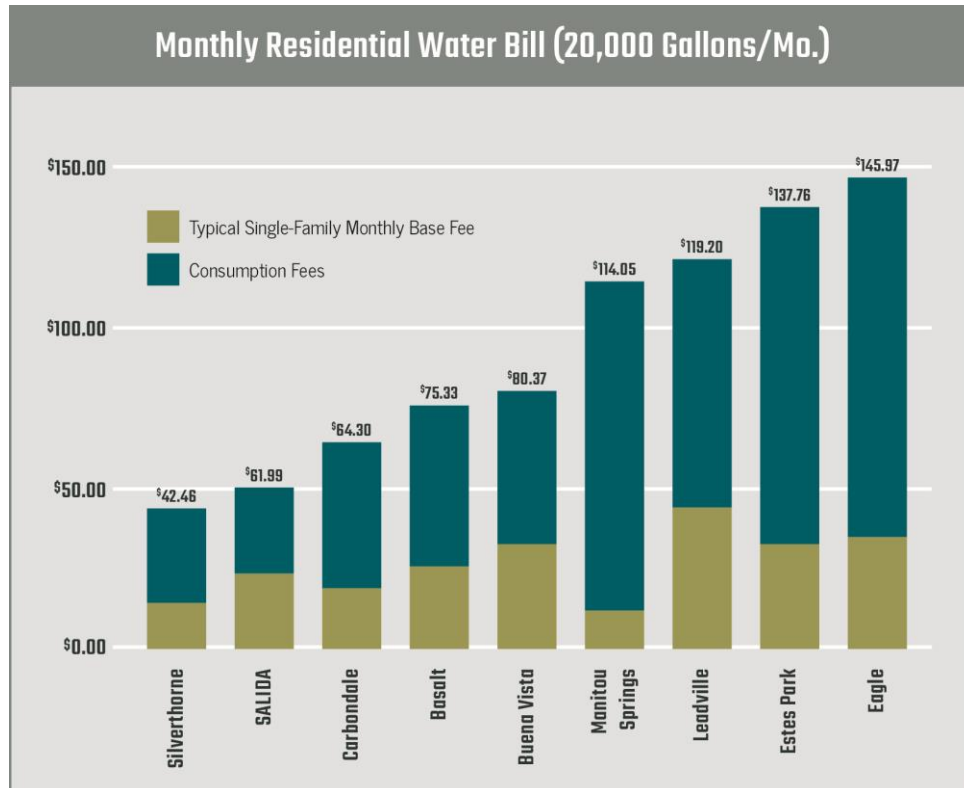
Why the proposed increase?

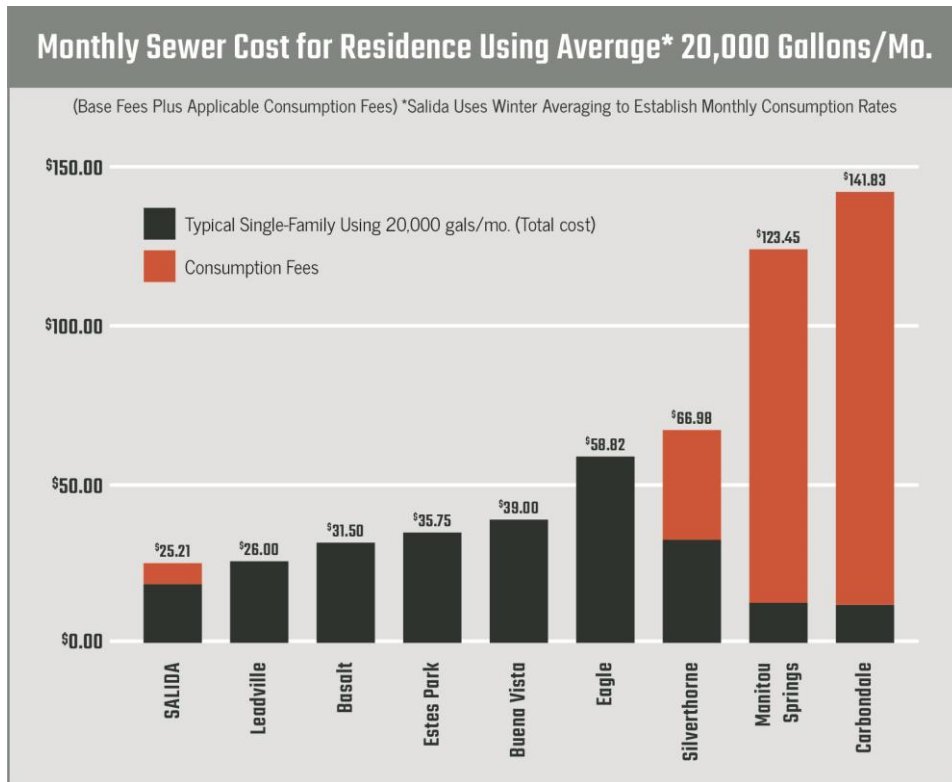
In 2015, the City completed a comprehensive Water and Wastewater Rate Study that included a ten-year financial plan with proposed revenue adjustments over the next five years. Since the study was completed, the City has not increased water or wastewater rates as recommended in the study and an incremental increase is necessary to maintain the system's infrastructure. Rates have not gone up in four years and this increase is lower than the recommended increase outlined in the 2015 study.

If rates do not increase, more severe or urgent rate increases may be needed in the future. To avoid an even larger funding gap, and to fund future infrastructure needs, a rate increase is necessary now.

How do Salida's water rates compare to other communities?

When compared to other Colorado communities of similar size, the City of Salida's water and wastewater rates are low. The base fee is the standard monthly service charge for water and the consumption fee is the actual consumer cost based on use.





We want your feedback

The City Council is still considering the rate increase and residents are invited to provide their input as part of the 2020 Annual Budget Public Hearing at the City Council meeting on Tuesday, December 3 at 6:00 p.m. at the Touber Building.