

FALL 2020

Gardnerville Water Company

Newsletter

Best Water! Best Service!

Gardnerville
WATER
COMPANY

YOUR WATER COMPANY

Office Hours

Monday-Friday, 8am-5pm

Contact Us

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Ken Deering, Vice Chairman

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Jon Summers, Operator III

Eamon Webb, Operator Trainee

Proposed Rate Increase Meeting

November 10, 2020

Voice your questions or concerns by emailing GWC
water@gardnervillewater.org
All emails will be addressed at the Board Meeting.

Proposed Rate Increase

Dear GWC Customer:

GWC is committed to providing every customer with the best level of service at the lowest rates possible. Because of increases in operating costs including: electrical power to pump water, repair costs, and ongoing maintenance of our facilities and infrastructure, rate increases are needed periodically.

GWC is proposing a 3.5% rate increases for 2021 and 2022. The last increase occurred in 2018.

The new water rates ensure that GWC can provide continuous clean and safe water, today and into the future. Water underpins the health and economy of our community. Investing in water services is an investment in our own well-being and prosperity. Putting money aside to pay for the upkeep of our water systems means fewer service disruptions and fewer unexpected expenses in the future. We need to pay our portion of the services that support our community and avoid passing on financial burdens to future generations.

Rates are impacted by planned and ongoing rehabilitation projects to ensure that our system is maintained in excellent working order, meeting the Company's high standards of operation. GWC has an asset management plan that keeps staff aware of maintenance and replacement needs and anticipated costs. GWC utilizes Waterworth, a tool that puts us in total control of our water system's financial management. The program allows us to see how changes to fees will impact revenue, demand, customer bills, and equity for water users. It enables us to optimize rates and plan for financing of infrastructure upgrades so that we can achieve a financially sustainable water system.

Average residential customers will see a \$1 increase in their water bill. GWC's water rates remain among the lowest in the area, as illustrated by the chart on the back of this newsletter.

The Board of Directors will act on the rate increase November 10th. If you would like to voice your questions or concerns, please email GWC at water@gardnervillewater.org. All emails will be addressed at the Board Meeting.

We appreciate your understanding of the need for these proposed increases.

Sincerely,
Mark Lovelady, Manager

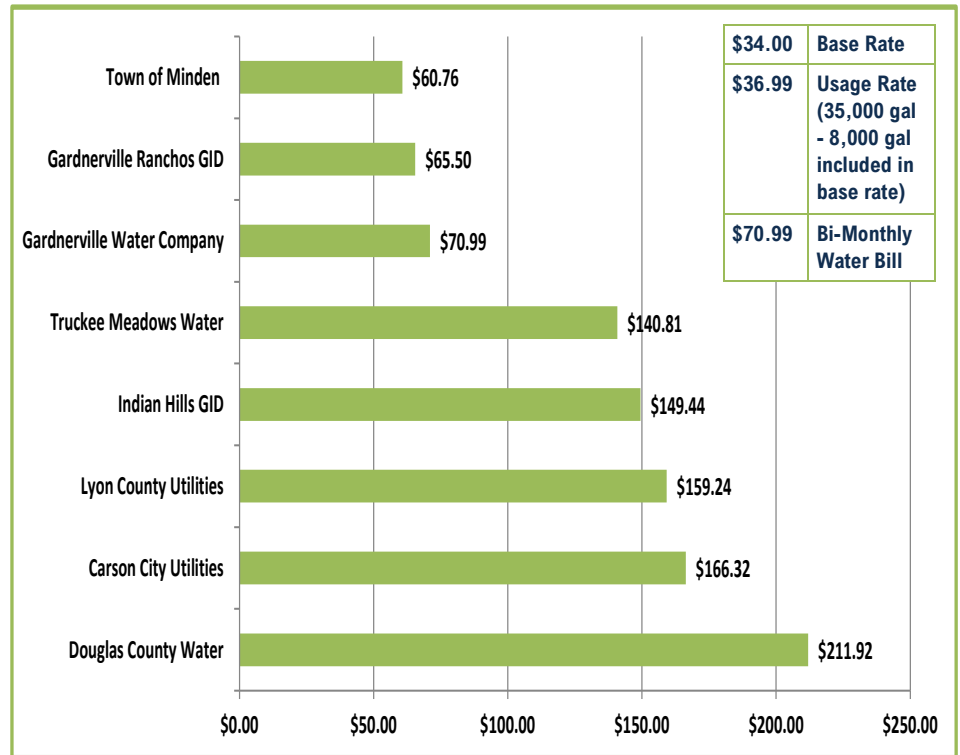
What has GWC done to control costs?

Quite a lot, actually...

- 100% of GWC's service territory is metered. This provides automatic, accurate readings without the inconvenience of meter readers visiting properties
- A user classification program provides accountability and fairness for all ratepayers
- Continue seeking several bids for water infrastructure projects to obtain the best price possible
- Utilizing technology to allow 24/7 monitoring of all 7 well sites, two storage tanks and 2 booster pump stations
- Annual financial audits by a local CPA, to examine and ensure GWC's financial system
- No debt to repay! GWC pays for everything with established reserves

**Proposed rates would take effect
January 2021 and January 2022**

Bill Comparison – Single Family Residential Bi-Monthly Bill Based ¾" Meter and 35,000 Gallons



Why are Rate Increases Necessary?

The Proposed water rate increases are driven by:

- Water Infrastructure Projects.** Renovations and replacements are needed to ensure that GWC's aging water infrastructure system remains in the best possible condition. GWC prides its self in preventative maintenance instead of emergency repairs or replacement.
- No Debt!** GWC pays for everything with established reserves. We annually review our Asset Management Plan to ensure reserves are in-place to pay for future infrastructure maintenance projects.
- Inflationary costs.** Rates must pay for an increasing amount of water production costs including: fuel, power, storage, salaries, insurance and maintenance costs.

The average Residential home will see an increase of \$1.00 in their water bill.

The average Commercial building will see an increase of \$10 in their water bill.

Meter Size	2018	2021	2022
	Existing	Proposed	Proposed
3/4"	\$33	\$34	\$35
1"	\$46	\$56	\$60
1 1/2"	\$93	\$114	\$117
2"	\$116	\$148	\$188
3"	\$355	\$376	\$387
4"	\$448	\$569	\$586
6"	\$498	\$649	\$740
8"	\$548	\$717	\$810

COMMODITY RATE			
Residential Usage Rate			
- 0 to 8k gallons	Included	Included	Included
- above 8k gallons (per 1k)	\$1.37	\$1.37	\$1.37
Commercial Usage Rate			
- 0 to 20k gallons (per 1k)	\$1.37	\$1.37	\$1.37
- above 20k gallons (per 1k)	\$1.96	\$1.96	\$1.96
Irrigation Usage Rate			
- 0 to 200k gallons (per 1k)	\$1.47	\$1.47	\$1.47
- above 200k gallons (per 1k)	\$1.96	\$1.96	\$1.96