



## NOTICE OF WATER RATE INCREASE

### NOTICE OF INCREASE FOR WATER RATES AND CHARGES EFFECTIVE FOR WATER BILLED BEGINNING APRIL 2020

PLEASE NOTE, THIS LETTER SERVES AS A 30-DAY NOTICE OF RATE INCREASES.

Dear Town of Severance Resident,

This letter is to inform you of the new rate for water services that will go into effect for the April 2020 billing cycle. The rates are expected to increase the monthly utility bill for the average single-family home by about \$3.50 a month (excluding outdoor watering) in the April 2020 billing.

As utility costs throughout the industry continue to rise and North Weld County Water District raises treatment costs, the Town Board is 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 services throughout the Town of Severance. These changes also support the Town Board's commitment to water conservation established in the Town's adopted 2017 Municipal Water Efficiency Plan. To help promote conservation efforts, the Town of Severance will be continuing the water volume tier structure for customers that will incentivize those who choose to reduce their water consumption.

Since Town sales and property taxes do not fund water services, those costs must be recovered through residents' monthly fees. The 2020 rate adjustments are based on a cost of service analysis to ensure that each utility customer pays their proportionate share of the costs to provide services.

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

- Town Board of Trustees  
<https://townofseverance.org/government/people/mayor-town-board/>
- Town Hall at 970-686-1218  
Monday through Friday, 8 a.m. to 5 p.m.
- Or you may visit <https://townofseverance.org/utilities/>, where you can view a detailed overview of the new rate structures.

Thank you,

Town Board of Trustees

**2020 Water Rates  
Monthly and Annually based on Usage Classification of Meter**

Base Monthly Water Fees: Base water fee is \$17.00 and then \$3.96 per 1,000 Gal (Kgal) used

**A surcharge will be assessed when an account's year-to-date usage exceeds the Water Allotment. See Rates Below.**

Usage Classification	Residential Monthly Rate		Annual Rate Structure per Kgal			
	Base	Per Kgal	61,500 (30%)	68,333 (33%)	205,000 (100%)	Exceeds Allotment
3/4" Tap (100%)	\$17.00	\$3.96 per Kgal	\$3.96			\$11.88 (\$3.96 + \$3.96 + \$3.96)
3/4" Tap w/Dual System (33%)	\$17.00	\$3.96 per Kgal	\$3.96		\$11.88 (\$3.96 + \$3.96 + \$3.96)	
3/4" Tap w/Dual System (30%)	\$17.00	\$3.96 per Kgal	\$3.96	\$11.88 (\$3.96 + \$3.96 + \$3.96)		

Usage Classification	Commercial Monthly Rate		Annual Rate Structure per Kgal	
	Base	Per Kgal	Allotment	Exceeds Allotment
3/4" Tap	\$17.00	\$3.96 per Kgal	205,000 gallons per year	\$11.88 (\$3.96 + \$3.96 + \$3.96)
1" Tap	\$42.49	\$3.96 per Kgal	515,500 gallons per year	\$11.88 (\$3.96 + \$3.96 + \$3.96)
1 1/2" Tap	\$84.98	\$3.96 per Kgal	1,025,000 gallons per year	\$11.88 (\$3.96 + \$3.96 + \$3.96)
2" Tap	\$135.96	\$3.96 per Kgal	1,640,000 gallons per year	\$11.88 (\$3.96 + \$3.96 + \$3.96)
3" Tap	\$271.92	\$3.96 per Kgal	3,280,000 gallons per year	\$11.88 (\$3.96 + \$3.96 + \$3.96)
4" Tap	\$508.75	\$3.96 per Kgal	6,150,000 gallons per year	\$11.88 (\$3.96 + \$3.96 + \$3.96)

Water Service Year: The water service year is from November 1st to October 31st of the next year

Allotment: The water allotment for a standard tap is 205,000 gallons per. The allotment on your account may vary due to the usage classification of your property. Please contact Town Hall to discuss your individual account.

Water Surcharge: A water surcharge will be assessed when an account's year-to-date usage exceeds the annual water allotment. Currently, the surcharge is \$3.96 per Kgal in addition to the standard monthly usage fee. This fee is to recover the Town's cost to obtain additional water rights.

Plant Investment Surcharge: A plant investment surcharge will be assessed when an account's year-to-date usage exceeds the plant investment allotment. Currently, the surcharge is \$3.96 per Kgal in addition to the standard monthly usage fee. This fee is to recover the Town's cost to treat and service the additional water.