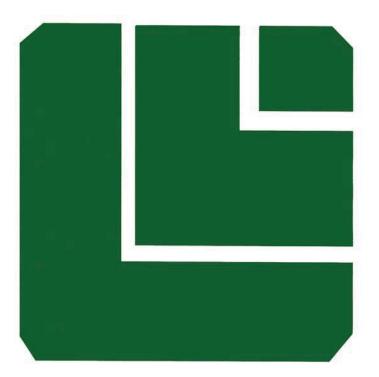
CITY OF LOUISVILLE, COLORADO DROUGHT MANAGEMENT PLAN



PREPARED BY:
CITY OF LOUISVILLE
PUBLIC WORKS DEPARTMENT

ADOPTED MARCH 2004

DROUGHT WATER RATE SURCHARGE PLAN

The approach reflected in this Drought Management Plan is the cost of water should be established during the various drought events to generate reductions in water usage necessary to balance supply and demand. In other words, the City's water saving plans are rate based and are not dependent on an extensive list of do's and don'ts associated with water usage. Realistically, in more sever drought events it is likely citywide restrictions prohibiting wasteful water use practices (such as day time watering) will be implemented. The amount of water allocated per single-family equivalent tap is based on historical usage less the water savings needed to maintain adequate reserves. For example, in the case of a single-family residential account, average usage is approximately 5,600 gallons per month during the October through March time period. During the summer typical single-family usage averages approximately 13,000 gallons per month, with a peak average of 18,500 gallons in July. This plan is also based on the premise that more water can be saved during the summer months than the winter months given the winter months reflect a non-irrigation usage necessary for public health and safety. Historic consumption information is contained in the appendix. This information was used in identifying the rate surcharge needed in order to induce water conservation.

STAGE 1 – MODERATE

Rate Surcharge - None

STAGE 2 – SERIOUS

<u>Rate Surcharge</u> – Each single-family account will be allocated 5,000 gallons per month usage at the base rate (currently at \$1.70 per thousand gallons). Water consumed beyond the 5,000 gallons will be billed per Table 2 – Surcharge Rates.

STAGE 3 – SEVERE

<u>Rate Surcharge</u> – Each single-family account will be allocated 5,000 gallons per month indoor usage at the base rate (currently at \$1.70 per thousand gallons). Water consumed beyond the 5,000 gallons per month will be billed per Table 2 – Surcharge Rates.

STAGE 4 – EXTREME

<u>Rate Surcharge</u> – Each single-family account will be allocated 5,000 gallons per month usage at base rate (currently at \$1.70 per thousand gallons). Water consumed beyond 5,000 gallons per month will be billed per Table 2 – Surcharge Rates.

NON RESIDENTIAL ACCOUNTS

Multifamily, commercial, and industrial accounts will be allocated water based on their tap size. In Louisville tap size is proportional to tap fee, which means the larger the tap the more one pays for water resources. For example, a 2-inch water tap has approximately seven times the capacity of a standard ³/₄ inch single-family tap. The 2-inch tap account would be allocated seven times the amount of water resources for a given drought stage as a single-family account.

As an example a 1 ½-inch non-residential tap (4 SFE's) would be charged as follows:

STAGE I – MODERATE

Rate Surcharge - None

STAGE II – SERIOUS

Each 1½ -inch account will be allocated 20,000 gallons per month usage at base rate (currently at \$2.50 per thousand gallons). Water consumed beyond 20,000 gallons per month will be billed as follows:

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20,001 – 40,000 at 2 times the base rate

40,001 – 60,000 at 4 times the base rate

60,001 - 80,000 at 6 times the base rate

80,001 – 100,000 at 8 times the base rate

100,001 – 200,000 at 10 times the base rate

200,001 and over at 20 times the base rate
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STAGE III – SEVERE

Each 1½ -inch account will be allocated 20,000 gallons per month usage at base rate (currently at \$2.50per thousand gallons). Water consumed beyond 20,000 gallons per month will be billed as follows:

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20,001 – 40,000 at 3 times the base rate

40,001 – 60,000 at 6 times the base rate

60,001 - 80,000 at 9 times the base rate

80,001 – 100,000 at 12 times the base rate

100,001 – 200,000 at 15 times the base rate

200,001 and over at 20 times the base rate
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STAGE IV – EXTREME

Water consumed beyond 20,000 gallons per month will be billed as follows:

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20,001 – 40,000 at 5 times the base rate

40,001 – 60,000 at 10 times the base rate

60,001 - 80,000 at 15 times the base rate

80,001 – 100,000 at 20 times the base rate

100,001 and over at 25 times the base rate
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TABLE 2 – RESIDENTIAL SURCHARGE RATES

STAGE 4 - EXTREME	Surcharge*	5	10	20	N/A	N/A
	Consumption	5,001-15,000	15,001-20,000	20,001 & over	Y/N	N/A
SEVERE	Surcharge*	2 1/2	9	12	18	N/A
STAGE 3 - SEVERE	Consumption	5,001-10,000	10,001-20,000	20,001-30,000	30,001 & over	N/A
SERIOUS	Surcharge*	2	5	9	8	N/A
STAGE 2 - SERIOUS	Consumption	5,001-12,000	12,001-20,000	20,001-30,000	30,001 & over	N/A
DERATE	Surcharge	None	None	None	None	None
STAGE 1 - MODERAT	Consumption	5,001-20,000	20,001-30,000 \$6.00 (20,001-30,000)	30,001-40,000 (\$6.50 (30,001-40,000)	40,001-50,000	50,001 & over
ATES	Rate*	\$2.50	86.00	\$6.50	\$7.00	\$7.50
EXISTING RATES	Consumption	5,001-20,000	20,001-30,000	30,001-40,000	40,001-50,000	50,001 & over

*Surcharge is a multiple of the base rate, currently \$1.70 per 1000 gallons of water used.