

**Table ES-1
Recommended Culinary and Secondary Rates**

	2022	2023	2024	2025	2026	2027
Monthly Water Service Base Rate						
1-inch and smaller Meters	\$80.02	\$94.95	\$99.70	\$103.69	\$106.80	\$110.00
1 ½-inch Meters	\$96.03	\$420.65	\$420.65	\$420.65	\$420.65	\$420.65
2-inch Meters	\$115.25	\$651.68	\$651.68	\$651.68	\$651.68	\$651.68
Secondary Only Accounts*	N/A	\$12.77	\$13.41	\$13.94	\$14.36	\$14.79
Rate Schedule A Volumetric Charges: Culinary use for users who also have access to secondary						
Tier 1	Included in Base Rate					
Tier 2	\$15.03	\$20.00	\$21.00	\$21.84	\$22.50	\$23.18
Rate Schedule B Volumetric Charges: Culinary use for users who do not have access to secondary						
Tier 1	Included in Base Rate					
Tier 2	\$15.03	\$7.11	\$7.47	\$7.77	\$8.00	\$8.24
Tier 3		\$10.05	\$10.55	\$10.97	\$11.30	\$11.64
Tier 4		\$20.00	\$21.00	\$21.84	\$22.50	\$23.18
Rate Schedule C Volumetric Charges: Secondary Use						
Tier 1	N/A	\$1.10	\$1.16	\$1.21	\$1.25	\$1.29
Tier 2		\$6.53	\$6.86	\$7.13	\$7.34	\$7.56
Tier 3		\$15.00	\$15.75	\$16.38	\$16.87	\$17.38

* This fee is for customers that do not receive culinary water service from NVSSD but do receive secondary service. For example, accounts who would pay this fee are those which have a private well for indoor use and no connection to the culinary system. Example accounts who would not pay this fee are: those with both a culinary and secondary connection; those associated with accounts that have culinary connections such as an common space irrigation meter within a development that has culinary service to its structures. Therefore, this fee will only apply to a very few accounts.

**Table ES-2
Recommended Culinary and Secondary Volumetric Use Tier Definitions**

MONTHLY VOLUMETRIC USE IN THOUSANDS OF GALLONS			
	1- inch	1 ½-inch	2-inch
<i>Rate Schedule A Volumetric Use: Culinary use for users who also have access to secondary</i>			
Tier 1	0 - 12	0 - 30	0 - 48
Tier 2	> 12	> 30	> 48
<i>Rate Schedule B Volumetric Use: Culinary use for users who do not have access to secondary</i>			
Tier 1	0 - 12	0 - 30	0 - 48
Tier 2	12 - 18	30 - 45	48 - 72
Tier 3	18 - 28	45 - 70	72 - 112
Tier 4	> 28	> 70	> 112
<i>Rate Schedule C Volumetric Use: Secondary Use*</i>			
Tier 1	0 - 4 for each IBU**		
Tier 2	4 - 8 for each IBU		
Tier 3	> 8 for each IBU		

* Secondary users are given IBUs based on water allocated to the property. An IBU is 0.07 acre-feet of allocation, which corresponds to 1,000 square feet of irrigable area. The following example illustrates how volumetric uses are adjusted based on IBUs.

IBU Example: A customer with 2 IBUs will receive 2x the water allocation per tier as follows:

- Tier 1 is 0 - 8,000 gal
- Tier 2 is 8,000 - 16,000 gal
- Tier 3 is > 16,000 gal

** IBU = Irrigation Billing Unit

EXECUTIVE SUMMARY

North Village Special Service District asked Bowen Collins & Associates to complete a rate study for their sewer utilities, which is documented in this report. The primary purpose of this study was to ensure NVSSD can manage the cost of its systems and keep user rates up to date, manageable, and equitable in the coming years.

The study considered a 10-year window of projected non-rate revenues and revenue requirements, which were based on historic budgets and projected growth within the District. The largest upcoming expense is a new sewer lift station (Coyote Lane Lift Station). Following this revenue requirement analysis, which is described further in this report, BC&A recommends NVSSD adopts the rates summarized in Table ES-1. These rates were adopted on January 10, 2023.

**Table ES-1
Calculated Sewer Rates**

Rate Component	2022	2023	2024	2025	2026	2027
Base Rate Per Month	\$43.40	\$51.21	\$52.75	\$54.33	\$55.96	\$57.64