

Hydrant Valve Rates & Charges Proposal

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Why we're here today

- Hydrant use background
- Review proposed adjustments
- Preview outreach plan
- Next steps

Hydrant valve background

- Most often used by contractors/builders when a short-term water supply is needed during construction
- Customer charges and rates include:
 - Hydrant valve install/removal fee
 - Daily hydrant valve use rate
 - Daily hydrant use rate
 - Water consumption charges

Recommendation drivers

- Charges and rates have not been recalibrated in several years
- Customers have voiced frustration with high daily charges when compared to other local utilities
- Staff committed to performing a thorough review to determine if adjustments were appropriate
- Lacking confirmed historical cost methodologies, staff developed cost calculations based on current data

Hydrant valve installation charges

Current

- \$60 per install
- \$60 per removal

Proposed

- \$280 install/removal fee
 - Combines charges into one single charge for simplicity for customers and staff

Daily hydrant & valve use rates

Current*

- **Daily hydrant valve use rate**
 - Current: \$23.75 per day
- **Daily hydrant use rate**
 - Current: \$23.75 per day
- **Water quantity rates**
 - Current: \$4.10/1,000 gallons
- Rates apply to District owned and customer owned devices

**Amounts based on rates effective
June 1, 2024*

Proposed

- **Combine hydrant valve and hydrant use rates into one rate**
 - Proposed: \$12.00 per day
- **Water quantity rates**
 - No change recommended
- Combines rates into one rate to simplify rates for customers and staff
- Recommend effective date of June 1, 2025

Customer Cost Comparison

- Average installation time: 31 Days
- Average water quantity: 38,000 gallons
- Current customer charges
 - Daily charges + water: \$1630
 - Install & Removal Fees: \$120
 - Total current charges: \$1,750
- Proposed customer charges
 - Daily charges + water: \$530
 - Install & Removal Fee: \$280
 - Total proposed charges: \$810

Outreach plan

✓ Mar. 17

- Preview rate recommendation and outreach

☐ Mar. 18 - 28

- Display ad in local publications
- Direct mail outreach to contractors/customers

☐ Apr. 7

- Rate hearing & public comment opportunity
- Resolution seeking adoption of rates
 - If approved, effective June 1, 2025

Proposed Motion

To approve the proposed public engagement plan and to set a public rate hearing on April 7, 2025 at 11:00am at the PUD Service Center