

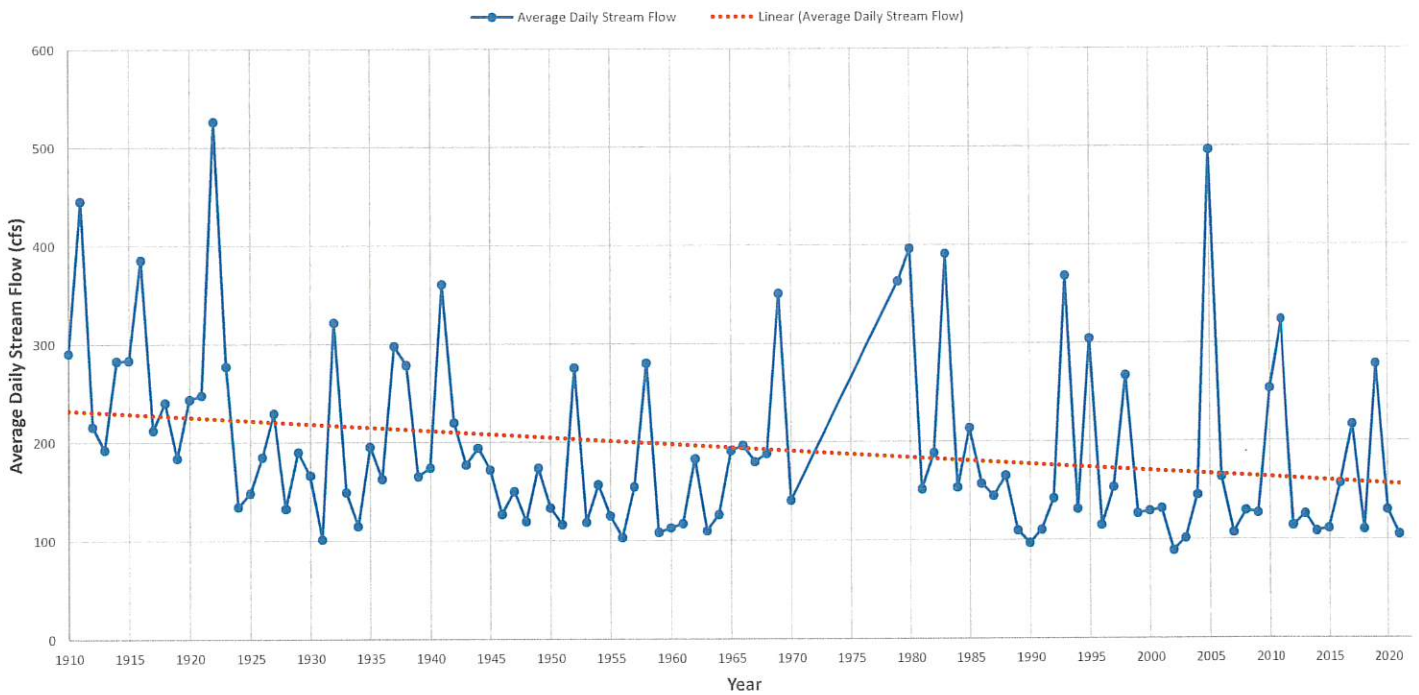
#7 attachment



Excess Water Use Surcharge

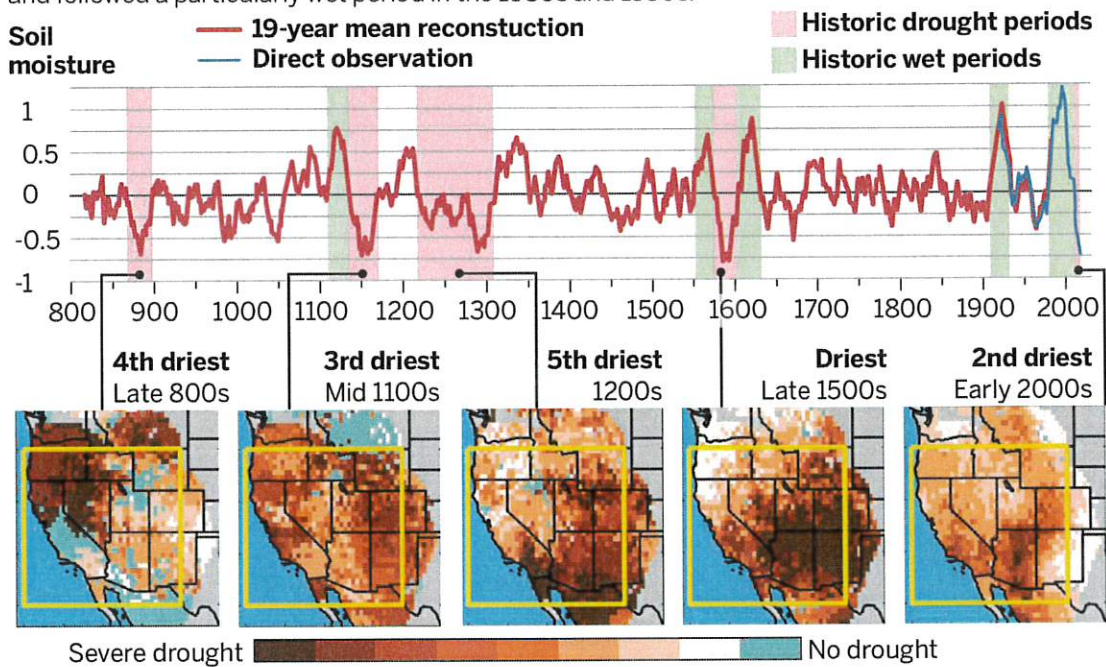
Hurricane City | January 19, 2023

Virgin River Average Daily Stream Flow



IS CALIFORNIA IN A HISTORIC MEGADROUGHT?

The years 2000-2018 were the second-driest 19-year period over the past 1,200 years and followed a particularly wet period in the 1980s and 1990s.

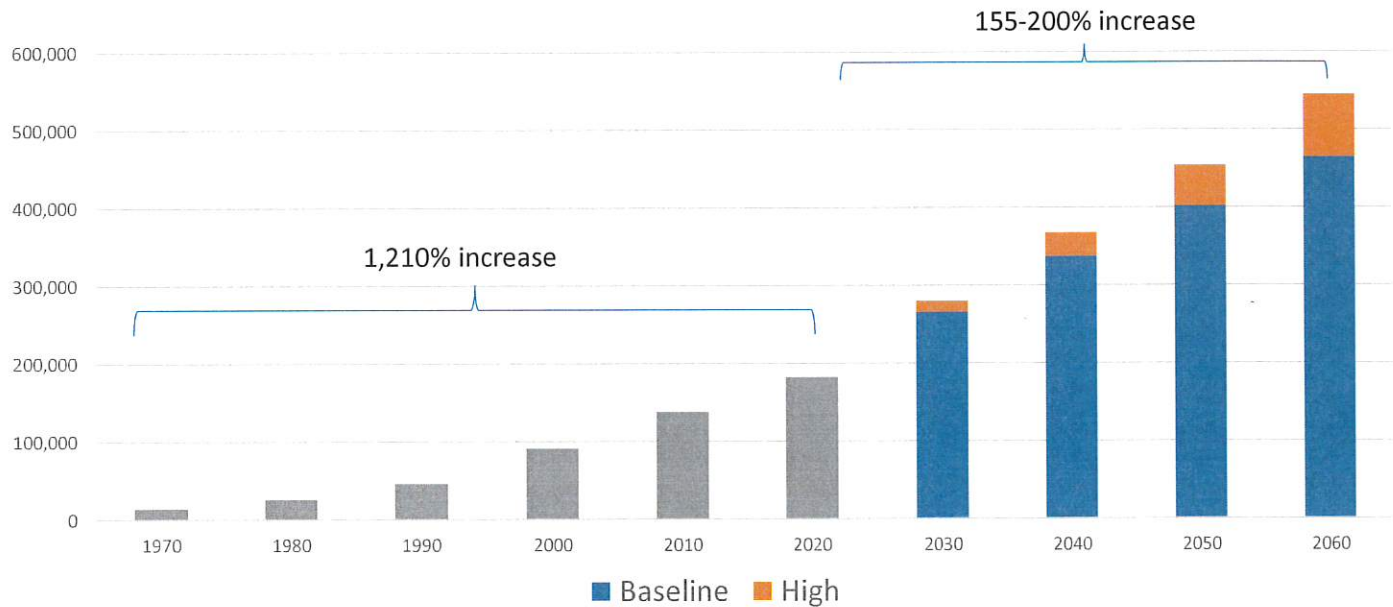


Source: Lamont-Doherty Earth Observatory of Columbia University

BAY AREA NEWS GROUP



Washington County Population Growth



Level of Service

Established in 2017

0.89

acre-feet per year per Equivalent
residential connection

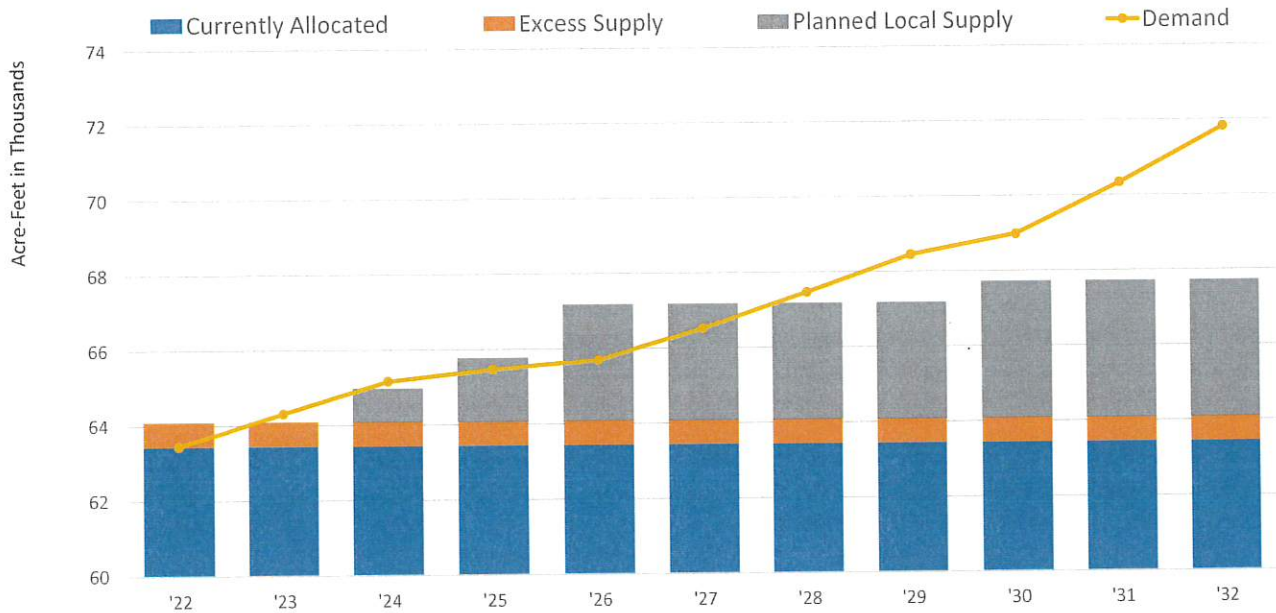
Effective 2023

0.59

acre-feet per year per Equivalent
residential connection

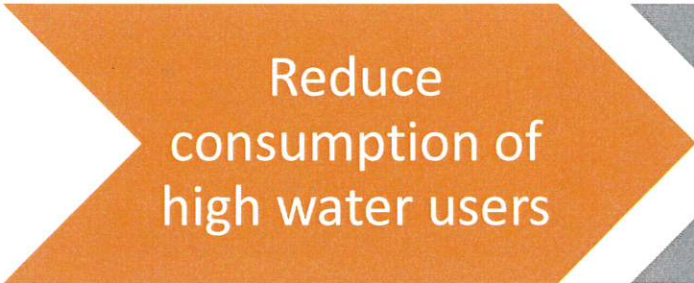


Existing Water Supply vs Demand

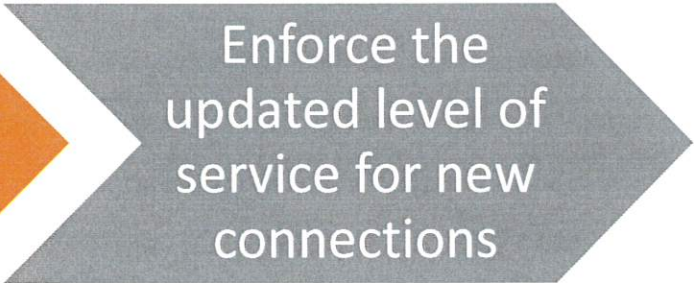




Purpose of the Excess Water Use Surcharge



Reduce
consumption of
high water users

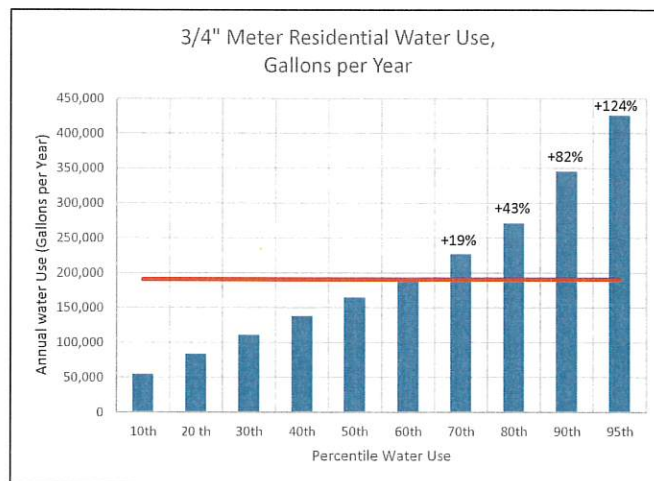


Enforce the
updated level of
service for new
connections

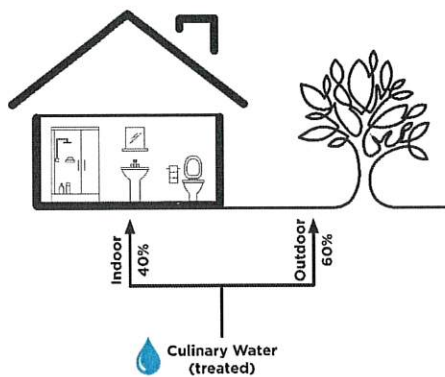


Excess Water Use Surcharge Analysis

Percentile	Annual Use (gal/yr)	Total Use in Percentile Range (gal/yr)	% of Total Use
95 th	426,064	547,086,368	15.4%
90 th	345,642	902,434,886	25.4%
80 th	271,245	1,470,924,553	41.4%
70 th	226,947	1,933,943,456	54.4%
60 th	193,045	2,325,830,251	65.4%
50 th	164,821	2,659,762,119	74.8%
40 th	137,974	2,942,767,271	82.8%
30 th	111,315	3,176,680,091	89.3%
20 th	83,794	3,359,476,061	94.5%
10 th	54,904	3,489,882,792	98.1%



Level of Service

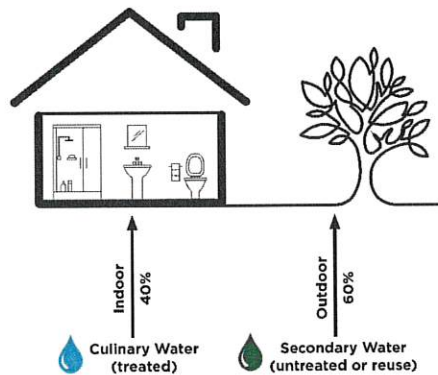


Customers with Potable Only

0.25 AF/year indoor from potable

0.34 AF/year outdoor from potable

Total: 0.59 AF/year



Customers with Potable/Secondary Connection

0.25 AF/year indoor from potable

0.34 AF/year outdoor from secondary

Total: 0.59 AF/year



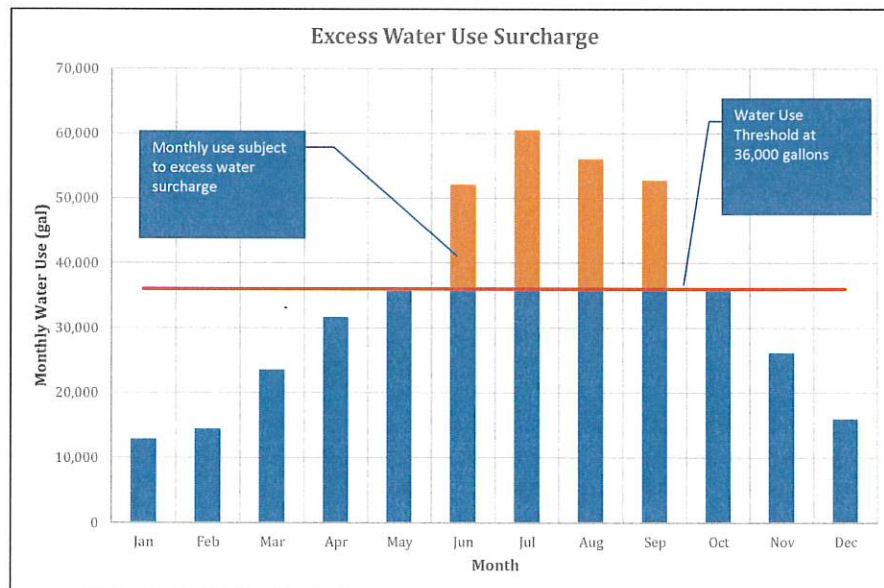


Existing Customers

Structures connected to the water
system before December 31, 2022

Existing Residential Customer $\frac{3}{4}$ " Meter

- Monthly water use held constant each month
- Up to 36,000 gallons
- Based on 0.89 AFY level of service



Existing Customer Meter Thresholds

Meter Size	Monthly Demand Threshold (gal)
3/4-inch	36,000
1-inch	80,000
1.5-inch	260,000
2-inch	420,000
3-inch	850,000
4-inch	1,400,000
6-inch	2,600,000
8-inch	4,200,000





New Customers

Structures connected to the water
system after January 1, 2023

New Customer Commercial Meter Thresholds

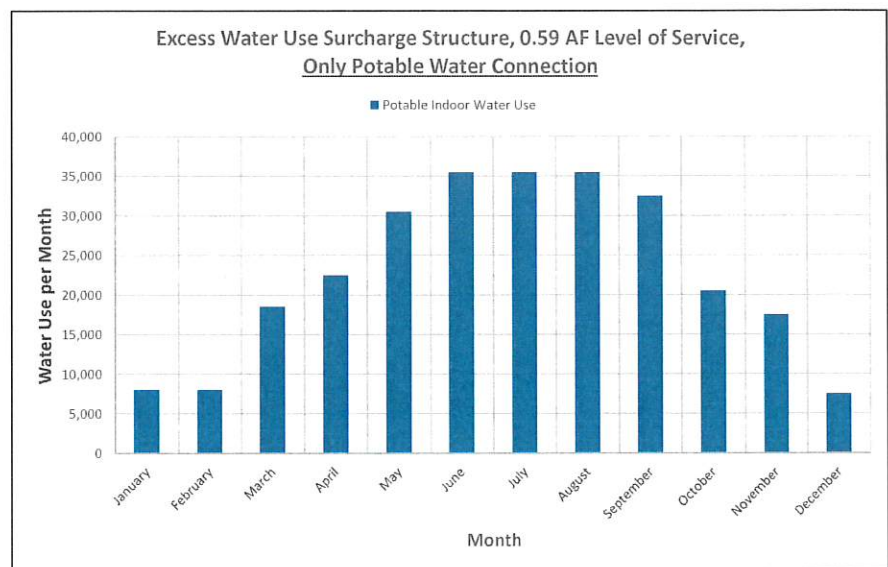
Same tiers as the existing customer thresholds, but charged with a higher rate

Meter Size	Monthly Demand Threshold (gal)
3/4-inch	36,000
1-inch	80,000
1.5-inch	260,000
2-inch	420,000
3-inch	850,000
4-inch	1,400,000
6-inch	2,600,000
8-inch	4,200,000



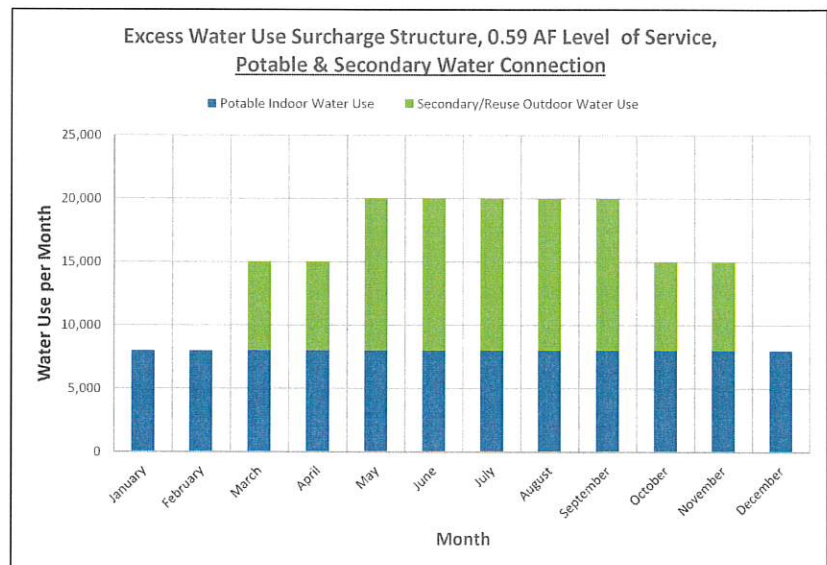
New Residential ¾" Meter with Only a Potable Water Connection

- Monthly potable water use threshold varies by season
- Up to 8,000 gallons per month in winter
- Up to 15,000 gallons per month in spring and fall
- Up to 20,000 gallons per month in summer
- Based on 0.59 AFY level of service



New Residential $\frac{3}{4}$ " Meter with a Potable and Secondary Water Connection

- Monthly potable water use held constant each month
- Based on 0.59 AFY level of service
- Helps prevent use of potable water for irrigation when a secondary connection is available



Average Historical Water Use and New Customer Tier Structure

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Average Monthly Water Use (from Historical Data)	5,874	6,437	10,204	13,867	17,374	22,538	23,038	22,712	19,927	12,669	9,413	6,011
Monthly Water Use Thresholds for New Connections	8,000	8,000	15,000	15,000	20,000	20,000	20,000	20,000	20,000	15,000	15,000	8,000





Pricing

- Customers connected before December 31, 2022
 - \$1.00/1,000 gallons
 - Customers connected after January 1, 2023
 - \$10/1,000 gallons
-

Q&A



wcwcd.org



info@wcwcd.org



Angie Tripp

From: Dayton Hall
Sent: Wednesday, February 1, 2023 5:53 PM
To: Council
Cc: Stephen Nelson; Ken Richins; Angie Tripp
Subject: Water Board Recommendation on Old Business #4: Adoption of Conservancy District Excess Water Use Surcharges

Mayor and City Council:

The Water Board met last night and has made a recommendation on Old Business #4 on this week's Council agenda, which is the possible adoption of excess water use surcharges proposed by the WCWCD. The recommendation is to adopt in part and to reject in part.

1. Regarding the surcharge on pre-2023 connections of \$1 per thousand gallons over 36,000 gallons per month, the Water Board recommended approval on the condition that the City first obtain clarification on how those surcharge funds will be used to benefit Hurricane City.
2. Regarding the surcharge on post-1/1/23 connections of \$10 per thousand gallons over the seasonal thresholds set by the District, the Water Board recommended denial for two reasons: (1) the monthly threshold amounts proposed by the District target average water users instead of bad actors and (2) \$10 per thousand gallons is an excessive charge.

One member abstained from voting, but all other Board Members voted in favor of the above recommendations. During the discussion, the Water Board Members made the following comments and suggestions that may be informative for the Council:

1. Perhaps the surcharge charged by the City should stay in the City and be used by the City for conservation, instead of relaying the funds to the District for the district to use the funds for conservation.
2. For new users, a charge of \$5 instead of \$10 might be more appropriate.
3. For new users, perhaps the bell curve threshold of the monthly allowable water should be increased so that average water users will not be penalized.
4. The Board was generally concerned about the City ceding control to the District of setting surcharge and rate terms.

Dayton Hall



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UTAH

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Hurricane City
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