

Purpose: Ensuring Sustainable and Quality Water Services:

The lifeline that ensures the smooth functioning of households, and public services for the Mesa Ridge Community is our water supply. Water is not just a commodity; it's an essential resource that impacts every aspect of our daily lives. To ensure that we continue to provide high-quality water services to all residents, it is crucial to understand the need for a structured rate system.

Maintaining and Upgrading Infrastructure

Mesa Ridge Water Company is responsible for maintaining a network of pipes, pumps, treatment facilities, and storage tanks. These components, while they are new, require regular maintenance to ensure they have a long service life. The cost of these activities is not insignificant. A structured rate system ensures that there is a steady and predictable stream of revenue to fund the necessary maintenance. Without it, the risk of system failures and service interruptions increases, potentially leading to more costly emergency repairs and inconveniences for our customers.

Ensuring Water Quality and Safety

Delivering clean and safe water is our top priority. Water quality standards are continually evolving, with stricter regulations being implemented to safeguard public health. To comply with these regulations, we must conduct ongoing testing and monitoring programs. These efforts come at a cost, but they are non-negotiable to ensure the health and safety of our community. A well-structured rate system allows us to meet these regulatory requirements consistently and efficiently.

Supporting Sustainable Water Management

Mesa Ridge is not immune to the impacts of drought and population growth, both of which place additional pressure on our water resources. Sustainable water management practices, such as the development of conservation programs, and the promotion of water-efficient technologies, are essential to ensure long-term water availability. Implementing these practices requires financial resources that can be reliably sourced through a fair and transparent rate structure.

Enhancing Customer Service and Responsiveness

Providing excellent customer service is a cornerstone of our mission. From timely responses to service requests to clear and accurate billing, we strive to meet and exceed customer expectations. A structured rate system supports the staffing and training needed to maintain a high level of service. It also enables us to invest in technology and systems that enhance customer interactions, such as online account management and automated outage notifications.

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Equitable Distribution of Costs

A fair rate structure ensures that the costs of providing water services are distributed equitably among all users. By analyzing usage patterns and setting rates that reflect the true cost of service, we can ensure that everyone pays their fair share. This approach helps prevent undue financial burdens on any single group of customers and promotes fairness across the board.

Encouraging Conservation and Efficient Use

A well-designed rate structure can also incentivize water conservation and the efficient use of water resources. By implementing tiered rates that increase with higher usage, customers are encouraged to use water more wisely. This not only helps to preserve our precious water resources but also reduces the overall demand on our system, leading to lower long-term costs for everyone.

The implementation of a structured rate system is not just about covering costs; it is about securing the future of the Mesa Ridge community's water supply. By ensuring the financial stability of the water company, we can continue to provide high-quality, reliable, and safe water services for generations to come. We appreciate your understanding and support as we work together to maintain and improve this vital resource.

Process:

To create our rate structure we completed a meticulous and thorough analysis of our operational, electrical, testing, permitting, administrative costs and need for capital reserves. Each step was taken with the goal of ensuring a fair, transparent, and sustainable approach to funding our essential water services.

Operational Costs

Our operational costs encompass everything from routine maintenance and emergency repairs to the daily management of our water infrastructure. By closely examining industry trend data and utilizing future projections, we identified the resources necessary to keep our system running smoothly and efficiently. This analysis allowed us to estimate the true cost of maintaining our infrastructure and providing reliable service to our community.

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Electrical Costs

Water treatment and distribution are energy-intensive processes. The cost of electricity is a significant component of our overall expenses. We reviewed our past energy consumption, evaluated current rates, and considered future trends to accurately project our electrical costs. This comprehensive assessment ensures that our rate structure adequately covers these essential expenses while exploring opportunities for energy efficiency improvements.

Testing and Permitting Costs

Ensuring water quality and regulatory compliance is non-negotiable. The costs associated with regular water testing, monitoring, and obtaining necessary permits are substantial. We analyzed these costs to ensure that our rates reflect the investments required to meet stringent water quality standards and regulatory requirements.

Administrative Costs

Efficient administration is the backbone of our operations. Our administrative costs are crucial to providing seamless and responsive services. We conducted a detailed review of these costs to ensure that they are included in our rate structure, supporting, technology upgrades, and improved customer interactions.

Arriving at our proposed rates was a rigorous and thoughtful process, grounded in detailed analysis and a commitment to sustainability. By accounting for operational, electrical, testing, permitting, administrative costs, and capital reserves we have crafted a rate structure that ensures the continued delivery of high-quality water services. We believe this approach not only meets our current needs but also positions us to address future challenges and opportunities effectively.

We appreciate your support and understanding as we implement this rate structure, ensuring a reliable and sustainable water future for the Mesa Ridge Community.

The following rate structure ensures a clear and structured pricing model for the Mesa Ridge Water Company, providing transparency and predictability to customers.

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Mesa Ridge Water Company Rate Structure

Tap Maintenance Fee (Paid Monthly After Tap Purchase Prior to Connection to System)

Monthly Tap Maintenance Fee: \$20

- This fee applies after the purchase of the tap and will be charged monthly until the home is connected to the water system.

Connected Home Water Rates

Once a home is connected to the water system, the following rates will apply:

Base Rate: \$40 per month

Water Usage Rates:

- **0 - 5,000 gallons:** \$0.008 per gallon
- **5,001 - 10,000 gallons:** \$0.010 per gallon

Example Calculation

Scenario 1: Usage of 4,000 gallons in a month

- **Base Rate:** \$40
- **Water Charge:** 4,000 gallons * \$0.008 = \$32
- **Total Monthly Cost:** \$40 (Base Rate) + \$32 (Water Charge) = \$72

Scenario 2: Usage of 8,000 gallons in a month

- **Base Rate:** \$40
- **Water Charge for 0 - 5,000 gallons:** 5,000 gallons * \$0.008 = \$40
- **Water Charge for 5,001 - 8,000 gallons:** 3,000 gallons * \$0.010 = \$30
- **Total Water Charge:** \$40 + \$30 = \$70
- **Total Monthly Cost:** \$40 (Base Rate) + \$70 (Water Charge) = \$110

Summary

- **Tap Maintenance Fee:** \$20 per month (until connected)
- **Base Rate** (after connection): \$40 per month
- **Water Usage Rates:**
 - 0 - 5,000 gallons: \$0.008 per gallon
 - 5,001 - 10,000 gallons: \$0.010 per gallon