

## **Item 5 – Proposed Water Production Fee Rates for 2020**

### **Committee Members:**

Stephen Cast – Chair  
Pete Brien  
Jayson Barfknecht

The Budget/Financial Committee met on September 20, 2019 to consider water production fee rates for FY2020. After compiling a draft proposed budget, the committee makes the following recommendations for water production fees for FY2020.

District enabling legislation capped the initial water production fees at the following rates:

- Agricultural Use - \$0.25/acre foot
- Steam Electric Use - \$0.25/acre foot
- Municipal/RPWS/Industrial - \$0.0425/1000 gallons

Rates for all categories of water users reached the capped rate beginning the 2008 water production year. Once fee rates have reached the cap, our enabling act provides that fees may be increased at a cumulative rate not to exceed three percent for each year.

Twelve (12) years have passed since all categories reached the cap. This amounts to a 36% cumulative cap increase.

Maximum FY2020 fee (capped) rates are:

- a. Municipal/RPWS/Industrial - \$0.0578/1000 gallons
- b. Agricultural - \$0.34/acre foot
- c. Steam Electric - \$0.34/acre foot

### **Recommendations from the committee:**

1. Municipal/RPWS/Industrial proposed FY2020 rate - **\$0.05/1000 gallons**  
(Current Rate - \$0.04625/1000 gallons)
2. Agricultural proposed rate - **\$0.25/acre-foot**  
(Current Rate - \$0.1875/ac-ft)
3. Steam Electric proposed rate - **\$0.2941/acre-foot**  
(Current Rate - \$0.2941/ac-ft)
4. Transport Fees proposed rate - **\$0.17/1000 gallons maximum**  
(\$0.17/1000 gallons maximum)