

Kachina Village Improvement District



928-525-1775

3150 Jadito Trail Flagstaff AZ 86005

www.kachinawater.com

The Coconino County Board of Supervisors, sitting as the Board of Directors for Kachina Village Improvement District (KVID), will hold a Regular Meeting on Tuesday June 19, 2018 at 6:00 pm in the County Administrative Center First Floor Meeting Room, 219 East Cherry, Flagstaff, Arizona, to hear any rate payer wishing to comment for or against the proposed fee increases for water and sewer rates.

Background:

- The Coconino County Board of Supervisors want to ensure a viable and healthy utility. They have given direction to analyze the utility both in terms of infrastructure investment and the financial resources needed to support the utility for years to come.
- The Board has established the KVID Citizen Rates and Governance Advisory Committee consisting of 14 members of the Kachina Village Community, to review the needs of the utility, the findings from the Master Plan process, and proposed changes to KVID's rates.
- KVID rates have remained unchanged for the past 12 years.

KVID Master Plans – Water and Wastewater

- The Master Planning process was completed by an independent consultant, Civiltec Engineering Inc., in conjunction with KVID staff in the first quarter of 2017. The Master Plan process included evaluation of the entire water and wastewater systems identifying aging infrastructure and necessary replacement/improvement for system over the next 20 years.
- Our aging infrastructure requires approximately \$2.5M in capital investment over the next 4 years to ensure the reliability of the utility. Over the long term (20 years) additional improvements totaling \$3M have been identified by the master planning process.

Rate Evaluation and Analysis

- KVID engaged with a professional consultant, Tom Bourassa (C.P.A.) to prepare a financial analysis of the utility and prepare a 10 year financial plan for the utility.
- Potential rate scenarios were brought to the KVID Citizen Rates and Governance Advisory Committee for evaluation.
- The final rate structure depicted below is a result of the recommendation from the Committee.
- A significant rate increase will be required in order to fund identified capital investments as well as supporting increased operational costs.
- The reverse of this page shows a summary of how the proposed increase will affect KVID rates.

Further Information

- For additional information, additional documents are available at www.kachinawater.com

Open House

- KVID will hold an Open House on Tuesday May 8, 2018 from 6:00 pm and 8:00 pm at the Highlands Fire Station located at the corner of Old Munds Highway and Mountaineer Road.
- KVID staff and consultants will be on hand to answer questions and provide information about your utility and the utility's rate analysis process.

Public Comment

- Comments can be submitted via email at kvidrates@coconino.az.gov
- Comments can be submitted via regular mail at:
Kachina Village Improvement District
Attention: District Manager
3150 Jadito Trail
Flagstaff, AZ 86005

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Kachina Village Improvement District - Revised User Fees					
Proposed Rate Changes - Water Rates					
	Current	July 1, 2018	July 1, 2019	July 1, 2020	
Monthly Fixed Charge	\$19.67	\$26.42	\$31.49	\$36.55	
Commodity Rates (price per 1,000 gallons)					
0 to 3,000 Gallons	\$1.560	\$2.095	\$2.497	\$2.898	
3,001 to 6,000 Gallons	\$2.680	\$3.600	\$4.290	\$4.979	
6,001 to 9,000 Gallons	\$4.680	\$6.286	\$7.491	\$8.695	
9,001 to 12,000 Gallons	\$7.480	\$10.047	\$11.972	\$13.898	
12,001 to 50,000 gallons	\$12.470	\$16.750	\$19.959	\$23.169	
Over 50,000 gallons	\$19.940	\$26.783	\$31.916	\$37.049	
Proposed Rate Changes - Wastewater Rates					
	Current	July 1, 2018	July 1, 2019	July 1, 2020	
Monthly Fixed Charge	\$25.91	\$29.01	\$31.43	\$33.66	
Commodity Rates (price per 1,000 gallons)					
0 to 3,000 gallons	\$3.340	\$3.739	\$4.039	\$4.339	
3,001 to 6,000 gallons	\$6.230	\$6.975	\$7.534	\$8.093	
Over 6,000 gallons	N/C	N/C	N/C	N/C	
Notes:					
(1) For multi-unit residential and RV park customers the Monthly Fixed Charge is multiplied by the number of units.					
(2) For RV parks the blocks are multiplied by the number of spaces (units).					
(3) Commercial customers will pay a multiple of these rates based on their Equivalent Meter Size (EMS).					

Estimated Impact on Customers		
At 2,800 gallons monthly		At 5,000 gallons monthly
\$60 per month	Current Rates	\$78 per month
\$72 per month	July 1st, 2018	\$94 per month
\$81 per month	July 1st, 2019	\$106 per month
\$91 per month	July 1st, 2020	\$118 per month