

Building  
momentum

# La Plata West Water Authority

still building...

**BARTLETT** & **WEST**

# Getting up to Speed

- Our Mission:
  - Secure funding for LPWWA to continue construction



# Getting up to Speed

- ❑ Completed construction on a \$5.7 million intake structure
- ❑ Beginning design on a \$5.0 million raw water project



# Getting up to Speed

## □ Our Vision:

- A safe and reliable water supply system for Rural La Plata County
- Water availability around the clock
- 5 to 10 gpm obtainable at the tap
- Typical pressures between 30 and 60 psi at each tap
- Meet and exceed water quality standards
  - Regulated by EPA, CDPHE, and USDA

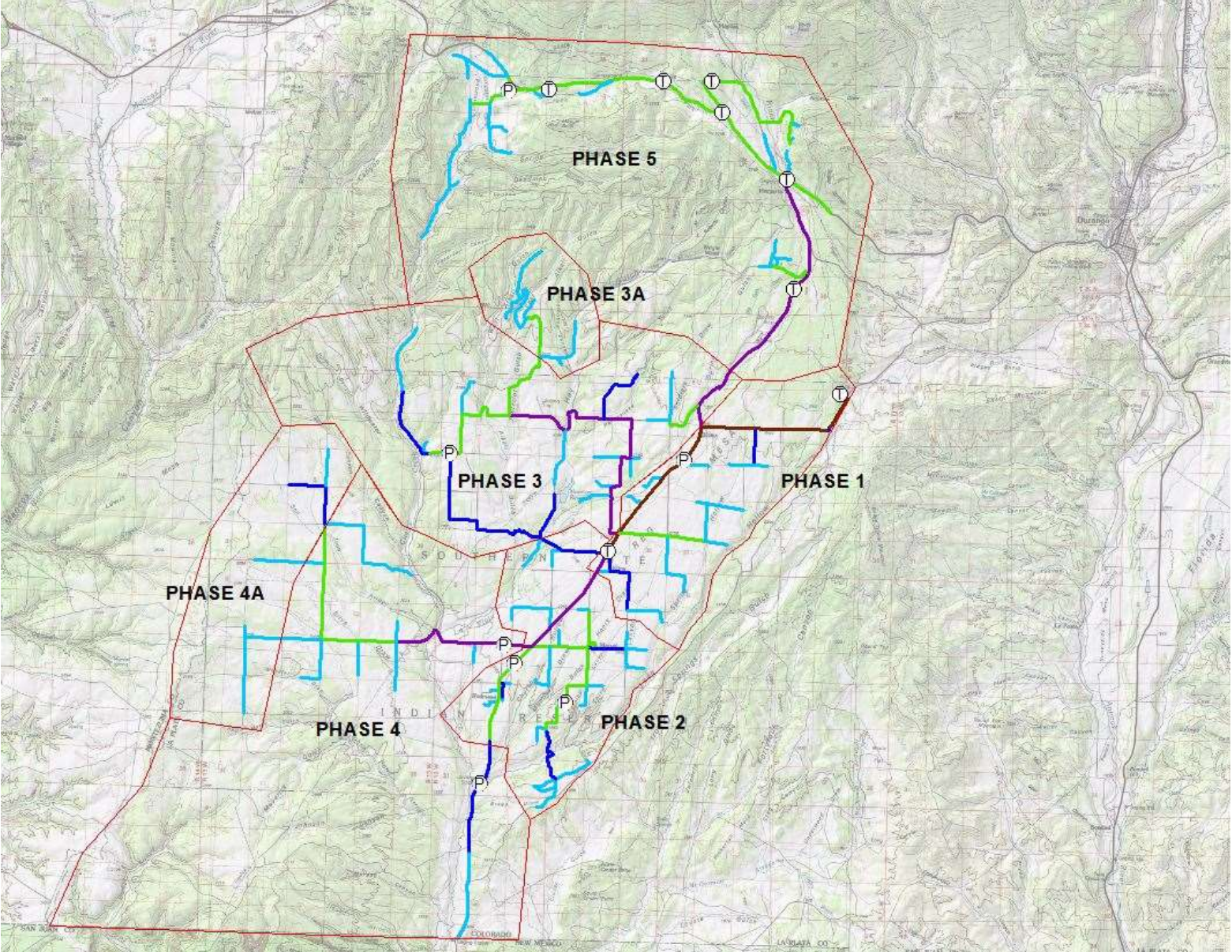
# Getting up to Speed

- ❑ Our Strategy:
  - ❑ Phase construction into practical sizes
  - ❑ Utilize potential partnerships to decrease initial infrastructure expenses
    - ❑ Southern Ute Tribe
    - ❑ Ute Mountain Ute Tribe
    - ❑ Lake Durango Water Authority
    - ❑ Other participating agencies, partners (BOR, CWCB, USDA-RD, Bikis)
  - ❑ Propose scenarios to generate affordable water rates

# Continued Progress

- ❑ Completed a Preliminary Engineering Report focusing on Phase 1
- ❑ Engaged in discussions specific to Phase 1 with USDA Rural Development
- ❑ Negotiating with LDWA to supply treated water to the Authority

# Construction Phases



# Financials

Phase	Existing Commitments	Target Commitments	Estimated Project Cost
1	120	169	\$3,840,675
2	150	201	\$3,835,800
3	180	239	\$6,742,820
4	85	94	\$4,550,830
Total	535	703	\$18,970,125



# Financial Impact on Customers

- ❑ \$90 to \$120 projected average monthly water bill with 5,000 gallons of water
- ❑ Water bill projections very sensitive on the number of taps in the system
- ❑ Encourage neighbors to get involved early, as this directly influences your water bill

# Example 1



190 TALIKHAN DR, UNIT D-1 • PAGORA SPRING CO. 81147  
970.306.0924 • BARTWEST.COM • 888.300.6464



## Rate Calculation Worksheet

Project Cost	\$ 3,856,000
Grant %	0%
Project Less Grant	\$ 3,856,000
Owner Contribution	\$ 2,002,000

Number of Customers	143
Tap Fee	\$14,000

Project Cost Financed	\$ 1,854,000
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Monthly Debt Service + Reserve	\$ 7,958
Monthly Cost of Water	\$ 4,290
Monthly Fixed Costs	\$ 5,000
Total Monthly Expenses	\$ 17,248

Monthly Minimum Fee	\$ 88.12
Water Sales Charge / 1000 gal	\$ 6.50

Monthly Revenue	\$ 17,248
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Monthly Water Bill	\$ 120.62
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# Example 2



190 TALISMAN DR, UNIT D-1 • PASCO SPRINGS CO. 81147  
970.306.0924 • BARTWEST.COM • 888.200.6464



## Rate Calculation Worksheet

Project Cost	\$ 3,870,000
Grant %	0%
Project Less Grant	\$ 3,870,000
Owner Contribution	\$ 1,875,000

Number of Customers	150
Tap Fee	\$12,500

Project Cost Financed	\$ 1,995,000
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Monthly Debt Service + Reserve	\$ 8,564
Monthly Cost of Water	\$ 4,500
Monthly Fixed Costs	\$ 5,000
Total Monthly Expenses	\$ 18,064

Monthly Minimum Fee	\$ 87.92
Water Sales Charge / 1000 gal	\$ 6.50

Monthly Revenue	\$ 18,064
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Monthly Water Bill	\$ 120.42
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# Example 3



190 TALISMAN DR, UNIT D-1 • PAGOOSA SPRING CO. 81147  
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## Rate Calculation Worksheet

Project Cost	\$ 3,896,000	Number of Customers	163
Grant %	0%	Tap Fee	\$10,000
Project Less Grant	\$ 3,896,000		
Owner Contribution	\$ 1,630,000		
Project Cost Financed	\$ 2,266,000		
Monthly Debt Service + Reserve	\$ 9,727	Monthly Minimum Fee	\$ 87.85
Monthly Cost of Water	\$ 4,890	Water Sales Charge / 1000 gal	\$ 6.50
Monthly Fixed Costs	\$ 5,000		
Total Monthly Expenses	\$ 19,617	Monthly Water Bill	\$ 120.35
Monthly Revenue	\$ 19,617		

# Financial Impact on Customers

- ❑ Specific tap fee not yet adopted by the Board
- ❑ 100% of tap fees are allocated towards construction costs
- ❑ Financials in PER assume a \$15,000 tap fee
- ❑ Briefly analyzed the tap fee's impact on water rates
  - ❑ Looked at fee's ranging from \$12k to \$20k

# Important Dates

Phase	Easement Collection	Tap Fee Collection
1	4 <sup>th</sup> Quarter – 2013	2 <sup>nd</sup> Quarter – 2014
2	4 <sup>th</sup> Quarter – 2014	2 <sup>nd</sup> Quarter – 2015
3	4 <sup>th</sup> Quarter – 2015	2 <sup>nd</sup> Quarter – 2016
4	4 <sup>th</sup> Quarter – 2016	2 <sup>nd</sup> Quarter – 2017

# Easements

- ❑ New waterlines to be constructed in private easement
- ❑ Advantages:
  - ❑ Decrease pipeline installation costs
    - ❑ Eliminates compaction requirements, etc.
  - ❑ Speed up construction process
    - ❑ Keeps majority of construction out of county jurisdiction
    - ❑ Eliminates need for traffic control, permitting, etc.
  - ❑ Protects water mains from infringement and possible damage

# Easements

- ❑ What does an easement prohibit me from doing?
  - ❑ Purpose is to protect integrity of water main
  - ❑ Buildings, trees, shrubs, etc. are not allowed on easement
  - ❑ If possible, existing trees and shrubs are by-passed during design



# Easements

- ❑ What happens to my yard, pasture or crops?
  - ❑ Trench excavating will occur during pipe installation
  - ❑ Trench will be dressed and seeded to attain the original state of the property
  - ❑ Fences taken down during construction are stretched and re-installed

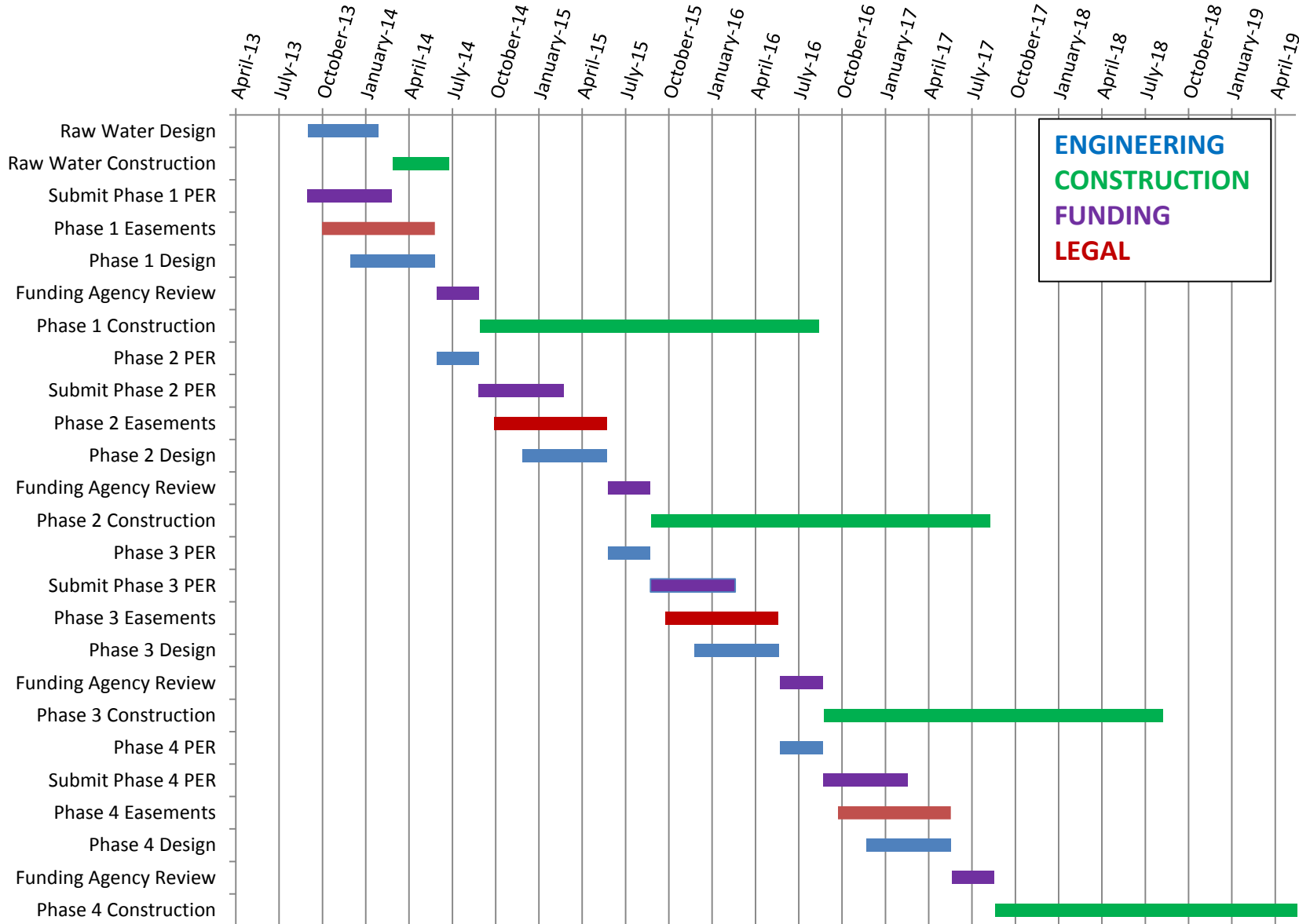
# Easements

- ❑ How wide an easement is needed?
  - ❑ Typically 30 feet in width, adjacent to road right-of-way or other exclusive easements
  - ❑ Most instances, pipeline is installed within 50 feet from the edge of the road right-of-way

# Easements

- ❑ Do I receive compensation for the easement?
  - ❑ Water utility easements are commonly donated by landowners
  - ❑ Water mains are an asset
  - ❑ Water system positively impacts property value, and is beneficial for the community

# Project Timeline



# Important Dates

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# What's next?

- Spread the word!
- Submit Phase 1 for USDA review
- Acquire easements from landowners
- Collect tap fees from interested landowners