



RATE CHANGE EFFECTIVE JULY 1, 2021

On June 21, 2021, after two public hearings, the MVD Board of Commissioners approved of a 22% increase in the Schedule of Rates. The increase affects meter, usage, hydrant, and fire sprinkler charges only. All other charges will remain unchanged. The 22% was recommended by Underwood Engineers (link below) following their in-depth Rate Study. The increase is required for cost increases, capital projects, and the 2019 \$14.5M *Petitioned Warrant Articles calling for PFAS Treatment, Operations & Maintenance for Wells 2, 3, 7, & 8.

As part of the rate change, the water consumption charge has been updated to a tiered rate based on usage as defined below. Tiered rates are intended to promote conservation by providing the opportunity for reduced bill cost.

Usage (cubic feet):	Cost:
Tier 1: 0-3,000 cu. ft.	\$2.83 per 100 cu. ft.
Tier 2: Over 3,000 cu. ft.	\$3.11 per 100 cu. ft.

Below are examples of the quarterly usage cost calculations:

2,500 cu. ft.

2,500 @ \$2.83/100 cu. ft. = **\$70.75**

5,000 cu. ft.

3,000 @ \$2.83/100 cu. ft. = \$84.90

2,000 @ \$3.11/100 cu. ft. = + \$62.22

Total: \$147.12

MVD will be performing meter readings on 06/30/2021 to capture usage prior to the rate increase. In order to end the old rate and begin the new rate, **ALL customers will be receiving a bill in July 2021**. Normally bills are sent quarterly in three cycles. The location of the service determines the billing cycle and which month bills are sent. The following reflects the regular billing cycles, what the July bill will include as well as when to expect the next bill.

REGULAR BILLING CYCLE:	JULY 2021 BILL (END OF OLD RATE):	NEXT BILL DATE:
Route 1 – February, May, August, and November	2 months	08/10/21
Route 2 – March, June, September, and December	1 month	09/10/21
Route 3 – January, April, July and October	3 months	10/10/21

2021 Rate Study: <http://www.mvdwater.org/wp-content/uploads/2021/06/MVD-Rate-Study-5-27-2021.pdf>

*Increase is significantly less than anticipated as part of the rate study the articles were based on.

SUMMARY:

- **22% Rate Increase Effective 07/01/2021**
 - Increase affects meter, usage, hydrant, and fire sprinkler charges only. All other charges will remain unchanged.
 - Water usage charges have changed to a Tiered Rate based on amount of usage per quarter.
 - **ALL customers will be billed July 2021 to end the old rate.**
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