Dear Town of Crawford Water and Sewer Customers,

This letter is to inform you of a substantial, recent increase in water and sewer rates that was approved by the Board of Trustees at the last Town Council meeting and Public Hearing (06/08/2022). The new water rates will become effective on July 1, 2022, with the August billing for July’s usage reflecting the change. The proposal for the increase was created by the Town’s Public Works Director, Bruce Bair, after weeks of research and consultation with the Town Clerk, Town Engineer and Town Council. While the Public Works Director and Crawford Town Council regret the hardship these new rates will cause, without these increases the Town’s water and wastewater systems would not have sufficient revenues to continue to operate and be maintained.

There are several reasons for the steep rate increases. The two main reasons are for the Town to continue to be able to provide water and wastewater services while also funding necessary infrastructure improvements. This rate increase, while anticipated after approval of this years’ budget, was greater than expected due to increasing costs for materials, equipment, energy and personnel. The water and wastewater systems are currently operating at a deficit, relying on reserves from the Town’s Capital Improvement Fund, which was created seven years ago to set aside money for critical infrastructure replacement such as the new water storage tank that the Town and its engineer are working on to begin construction next year.

Besides the need for revenue to keep up with expenses, a major factor for the new water rate structure is an attempt to create a balance between sustainability and equity. The Town of Crawford looked at water consumption during the winter months to try and provide customers with enough water for household needs. The average water usage per tap in the winter months is less than 4000 gallons per household, and it was decided that 6000 gallons per month would be an adequate amount of water for household use, with a little extra for outdoor use. The tiered rate structure for water use after 6000 gallons is designed to encourage water conservation during this continued drought as well as shifting some of the costs of the water system to those that use more water. The reality for the Town’s water system is that the Town’s water source, Wiley Springs, is flowing at diminished levels surpassing the lowest seen back in 2002. The Town cannot responsibly allow excessive water usage which can affect emergency water storage that is needed for fire protection and potential water outages from water main breaks.

Another reason for the large increase is that rate increases have not kept up with inflation. The last water and sewer rate increase was in 2018, before that 2012, prior to that 2007. If increases would have been done on an annual basis the recent rate increase might not seem so drastic. For example, water rates in 2007 were $17.40. The recent increase will now put residential water rates at $35.00, with $3.00 of this rate set aside for the Capital Improvement Fund. That equals a $1.17 per year increase for water, including a reserve fund that did not exist in 2007. The sewer fund has been similarly funded—in 2004, residential sewer rates were $18.60. With the new increase the rate will now be $38.00, which includes a $3.00 Capital Improvement Fee. That equals $1.07 per year increase, including a reserve fund that did not exist in 2004.

**Inactive water taps**, whether the taps have been installed or not, will no longer be given a “stand-by” or inactive water rate of $5.00 per month. These taps will be charged **the new base rate** whether in use or not, to help support the operation and maintenance of the water system. This change reflects current Town Code which

states that “water rental shall commence upon the installation of the user’s tap or the expiration of sixty (60) days from the date of issuance.”

The new water and sewer rates, which start on July 1, 2022, are as follows:

 **Water**

1. Residential. All municipal water furnished by the Town of Crawford for residential purposes within the Town of Crawford shall be metered and delivered at the following monthly minimum and excess rates and charges:
2. Minimum rate:

The first 6,000 gallons included within a base rate of $35.00 per month (A Capital Improvement Fee of $3.00 shall be included in this base rate for the purpose of creating a reserve to pay for large water infrastructure projects). Water use that exceeds 6,000 gallons shall be charged at the following, tiered rate structure:

6,001 to 10,000 gallons $1.00 per thousand gallons

10,001 to 15,000 gallons $1.50 per thousand gallons

15,001 to 20,000 gallons $2.00 per thousand gallons

20,001 to 25,000 gallons $3.50 per thousand gallons

25,001 to 30,000 gallons $5.00 per thousand gallons

30,001 to 50,000 gallons $7.50 per thousand gallons

50,001 to 75,000 gallons $10.00 per thousand gallons

75,001+ gallons $12.50 per thousand gallons

1. Rural (Residential and Commercial). All municipal water furnished by the Town of Crawford for rural, commercial and residential purposes outside of Crawford Town limits, shall be metered and delivered at the following monthly minimum and excess rates and charges:
2. Minimum rate: The first 5,000 gallons included within a base rate of $38.00 per month (A Capital Improvement Fee of $3.00 shall be included in this base rate for the purpose of creating a reserve to pay for large, water infrastructure projects). Water use that exceeds 5,000 gallons per month shall be charged at the following rates:

5,001 to 10,000 gallons $1.50 per thousand gallons

10,001 to 15,000 gallons $2.00 per thousand gallons

15,001 to 20,000 gallons $3.00 per thousand gallons

20,001 to 25,000 gallons $4.00 per thousand gallons

25,001 to 30,000 gallons $7.00 per thousand gallons

30,001 to 50,000 gallons $10.00 per thousand gallons

50,001+ gallons $15.00 per thousand gallons

C. Commercial. All Commercial water furnished by the Town of Crawford for commercial purposes within the Town of Crawford, shall be metered and delivered at the following monthly minimum and excess rate charges:

1. Minimum rate: The first 10,000 gallons included within a base rate of $38.00 per month (A Capital Improvement Fee of $3.00 shall be included within a base rate for the purpose of creating a reserve to pay for large, water infrastructure projects). Commercial water use after 10,000 gallons of usage shall be equal to residential rates.

**Sewer:**

The sewer rates for service on the Town of Crawford Municipal Sewer System shall be as follows:

Use of Property served Inside town Outside town

Single Family Dwelling, Mobile Homes, Trailers, Each Dwelling Unit $38.00 $47.00

Hotel and Motels- Manager Unit $38.00 $47.00

Hotel or Motel – Room No Cooking Facilities $6.00 $9.00

Hotel or Motel – Room with Cooking Facilities $8.00 $11.00

Bars and Restaurants $41.00 $50.00

Service Station $41.00 $50.00

Laundry Business Each Machine $3.00 $4.00

Car Wash $41.00 $50.00

Churches and Lodges $41.00 $50.00

Individual Business and Offices $41.00 $50.00

Schools $246.00

Business Operated In Residence or Resident Dwelling $41.00 $50.00

Crawford State Park $600.00

SECTION 2. A Capital Improvement Fee of $3.00 shall be included in this assessment for the purpose of creating a reserve to pay for large waste water projects and infrastructure replacement.

Water and Sewer Tap Fees:

**Water Taps:**

Section 1. Water Tap Fee. The water tap fee for residential, ¾ inch connections with the Municipal water system within the Town of Crawford shall be the cash amount of $5,000.00, not including costs for the installation of the tap. The fee for 1 inch and larger connections, as well as commercial water taps, shall be at the discretion of the Public Works Director.

Section 2. Water Tap Fee. There is currently a moratorium on water taps outside of the Town of Crawford.

**Sewer Taps:**

Section 1. Sewer Tap Fee. The sewer tap fee for residential connections with the municipal sanitary sewer system within the Town of Crawford shall be the cash amount of $5,000, not including costs of installation of the tap.

Section 2. Sewer Tap Fee. The sewer tap fee for connections with the municipal sanitary sewer system outside the Town of Crawford shall be the cash amount of $7,500, not including costs of installation of the tap.

**Water Dispenser:**

The Town is also raising the rate on the water dispenser, which in the next couple weeks will operate solely with prepaid cards that will limit usage, that can be purchased from the Town Clerk Monday – Thursday 8am – 4pm. The current rate for the water dispenser is $10.00 per thousand gallons. The new rate will be $15.00 per thousand gallons. In the event the Town’s water supply cannot support the dispenser, it will be shut off.

 Thank you for your understanding in helping sustain the Town’s Water and Wastewater System. If you have any questions or concerns please contact Crawford’s Public Works Director at (970) 921-4725 or e-mail: crawfordpublicworks@gmail.com

Sincerely,

Bruce Bair

Town of Crawford

Public Works Director