

2021 Water and Sewer Rates Changes

Funding critical infrastructure investment, maintenance, and meeting more stringent regulatory requirements



Lockwood Water and Sewer District will host a public hearing on **Wednesday, July 14, 2021 at 7 p.m.** to consider adoption of new rates and fees for water and sewer services.

Factors Increasing our Costs to Serve You



More than \$27 million in critical planned system maintenance and investment over the next decade



Anticipated 4-8% increases in pass-through costs from City of Billings



Anticipated 3% annual inflation



More stringent and expensive state regulatory requirements for sewage treatment being undertaken by the City of Billings

Responsibly Planning for Continued Reliable, Resilient Service

THE RATES UNDER CONSIDERATION WILL →

- Be fair and equitable based on costs to serve our customers
- Fund critical maintenance and investment in our aging infrastructure to ensure it continues operating reliably and resiliently
- Help us maintain our general financial health to:
 - » Issue bonds to minimize water rate increases
 - » Ensure we're ready to respond in emergencies
- Ensure that existing customers will not be asked to subsidize costs of bringing on new customers
- Help us better protect the environment we all love and ensure compliance with more stringent state wastewater treatment regulations



Estimated Monthly Bill Impacts

If proposed rate changes are adopted, the typical customer's combined water and sewer bill will*:



RESIDENTIAL

- ↑ Increase by approximately \$2.66/mo. starting in August 2021
- ↑ Increase by approximately \$2.66/mo. each year through 2025



COMMERCIAL

- ↑ Increase by approximately \$9.56/mo. starting in August 2021
- ↑ Increase by approximately \$9.56/mo. each year through 2025

Summary of Key Changes

A summary of proposed changes are shown in the tables below. See the District website for details on less common customer configurations such as larger meter sizes, surcharges for higher strength sewer service, etc.

Monthly Base Rates - Current and Proposed						
Meter Size	Water			Sewer		
	Current	Proposed through 2025		Current	Proposed through 2025	
3/4"	\$15.82	\$15.82		\$46.30	\$46.30	
1"	28.32	28.32		82.88	82.88	
1 1/2"	63.27	63.27		185.20	185.20	

Water - Monthly Volumetric Rates - Per 1,000 Gallons						
	Current	Aug 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
Residential/ Commercial/ Trailer	\$4.67	\$4.94	\$5.21	\$5.48	\$5.75	\$6.02
Bulk Water	6.00	6.25	6.50	6.75	7.00	7.25

Sewer - Monthly Volumetric Rates - Per 1,000 Gallons						
Class	Current Usage Rate	Aug 1, 2021 Usage Rate	July 1, 2022 Usage Rate	July 1, 2023 Usage Rate	July 1, 2024 Usage Rate	July 1, 2025 Usage Rate
All Customers (1)	\$1.96	\$2.17	\$2.38	\$2.58	\$2.79	\$3.00

(1) Customers with higher strength sewer discharge characteristics may be assessed a surcharge.

Monthly Fire Line Rates - Current and Proposed						
	Current	Aug 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
3"	\$16.92	\$17.60	\$18.27	\$18.95	\$19.62	\$20.30
4"	30.00	30.77	31.53	32.30	33.06	33.83
6"	64.83	65.40	65.96	66.53	67.09	67.66
8"	98.17	100.19	102.20	104.22	106.24	108.26

System Development Fees - Customers Moving from Septic to LWSD Phase 2 Sewer						
	Current	Aug 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
3/4"	\$435	\$610	\$667	\$775	\$785	\$822
1"	608	689	754	819	887	929

More Detailed Information

Visit www.lockwoodwater.com for more detailed information about proposed changes to District rates and fees, along with details of the public hearing.