

**CITY OF LOUISVILLE, COLORADO**  
**DROUGHT MANAGEMENT PLAN**



PREPARED BY:  
CITY OF LOUISVILLE  
PUBLIC WORKS DEPARTMENT

ADOPTED MARCH 2004

## **DROUGHT WATER RATE SURCHARGE PLAN**

The approach reflected in this Drought Management Plan is the cost of water should be established during the various drought events to generate reductions in water usage necessary to balance supply and demand. In other words, the City's water saving plans are rate based and are not dependent on an extensive list of do's and don'ts associated with water usage. Realistically, in more severe drought events it is likely citywide restrictions prohibiting wasteful water use practices (such as day time watering) will be implemented. The amount of water allocated per single-family equivalent tap is based on historical usage less the water savings needed to maintain adequate reserves. For example, in the case of a single-family residential account, average usage is approximately 5,600 gallons per month during the October through March time period. During the summer typical single-family usage averages approximately 13,000 gallons per month, with a peak average of 18,500 gallons in July. This plan is also based on the premise that more water can be saved during the summer months than the winter months given the winter months reflect a non-irrigation usage necessary for public health and safety. Historic consumption information is contained in the appendix. This information was used in identifying the rate surcharge needed in order to induce water conservation.

### **STAGE 1 – MODERATE**

*Rate Surcharge* - None

### **STAGE 2 – SERIOUS**

*Rate Surcharge* – Each single-family account will be allocated 5,000 gallons per month usage at the base rate (currently at \$1.70 per thousand gallons). Water consumed beyond the 5,000 gallons will be billed per Table 2 – Surcharge Rates.

### **STAGE 3 – SEVERE**

*Rate Surcharge* – Each single-family account will be allocated 5,000 gallons per month indoor usage at the base rate (currently at \$1.70 per thousand gallons). Water consumed beyond the 5,000 gallons per month will be billed per Table 2 – Surcharge Rates.

### **STAGE 4 – EXTREME**

*Rate Surcharge* – Each single-family account will be allocated 5,000 gallons per month usage at base rate (currently at \$1.70 per thousand gallons). Water consumed beyond 5,000 gallons per month will be billed per Table 2 – Surcharge Rates.

## **NON RESIDENTIAL ACCOUNTS**

Multifamily, commercial, and industrial accounts will be allocated water based on their tap size. In Louisville tap size is proportional to tap fee, which means the larger the tap the more one pays for water resources. For example, a 2-inch water tap has approximately seven times the capacity of a standard  $\frac{3}{4}$  inch single-family tap. The 2-inch tap account would be allocated seven times the amount of water resources for a given drought stage as a single-family account.

As an example a 1 ½-inch non-residential tap (4 SFE's) would be charged as follows:

**STAGE I – MODERATE**

*Rate Surcharge* - None

**STAGE II – SERIOUS**

Each 1 ½ -inch account will be allocated 20,000 gallons per month usage at base rate (currently at \$2.50 per thousand gallons). Water consumed beyond 20,000 gallons per month will be billed as follows:

- 20,001 – 40,000 at 2 times the base rate
- 40,001 – 60,000 at 4 times the base rate
- 60,001 - 80,000 at 6 times the base rate
- 80,001 – 100,000 at 8 times the base rate
- 100,001 – 200,000 at 10 times the base rate
- 200,001 and over at 20 times the base rate

**STAGE III – SEVERE**

Each 1 ½ -inch account will be allocated 20,000 gallons per month usage at base rate (currently at \$2.50 per thousand gallons). Water consumed beyond 20,000 gallons per month will be billed as follows:

- 20,001 – 40,000 at 3 times the base rate
- 40,001 – 60,000 at 6 times the base rate
- 60,001 - 80,000 at 9 times the base rate
- 80,001 – 100,000 at 12 times the base rate
- 100,001 – 200,000 at 15 times the base rate
- 200,001 and over at 20 times the base rate

**STAGE IV – EXTREME**

Water consumed beyond 20,000 gallons per month will be billed as follows:

- 20,001 – 40,000 at 5 times the base rate
- 40,001 – 60,000 at 10 times the base rate
- 60,001 - 80,000 at 15 times the base rate
- 80,001 – 100,000 at 20 times the base rate
- 100,001 and over at 25 times the base rate

TABLE 2 – RESIDENTIAL SURCHARGE RATES

EXISTING RATES		STAGE 1 - MODERATE		STAGE 2 - SERIOUS		STAGE 3 - SEVERE		STAGE 4 - EXTREME	
Consumption	Rate*	Consumption	Surcharge	Consumption	Surcharge*	Consumption	Surcharge*	Consumption	Surcharge*
5,001-20,000	\$2.50	5,001-20,000	None	5,001-12,000	2	5,001-10,000	2 ½	5,001-15,000	5
20,001-30,000	\$6.00	20,001-30,000	None	12,001-20,000	5	10,001-20,000	6	15,001-20,000	10
30,001-40,000	\$6.50	30,001-40,000	None	20,001-30,000	6	20,001-30,000	12	20,001 & over	20
40,001-50,000	\$7.00	40,001-50,000	None	30,001 & over	8	30,001 & over	18	N/A	N/A
50,001 & over	\$7.50	50,001 & over	None	N/A	N/A	N/A	N/A	N/A	N/A

\*Surcharge is a multiple of the base rate, currently \$1.70 per 1000 gallons of water used.