

The Fruitland Mutual Water Company Board of Directors has reviewed the current rate structure as compared to projected operational costs. Because of the rising costs of materials, utilities, and other general obligations of the company, an increase in rates is necessary. The table below shows the new rates and the adjusted infrastructure replacement charge. Also shown is an example of a typical two-month residential water bill. The first-tier commodity charge remains unchanged for the next three years. The new rates will take effect 90 days after this notice is sent out.

Base Rate Schedule:

<u>Meter size</u>	<u>Current Rate 2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
¾"	\$20.10	\$22.10	\$24.10	\$25.10
1"	\$23.61	\$25.96	\$28.31	\$29.48
1.5"	\$42.51	\$46.74	\$50.97	\$53.08
2"	\$60.64	\$66.67	\$72.71	\$75.72
3"	\$99.05	\$108.91	\$118.76	\$123.69
4"	\$154.39	\$169.75	\$185.11	\$192.80

Unit Charge: per unit over 1, per month in multi-unit structures

<u>Current Rate 2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$20.67	\$22.10	\$24.10	\$25.10

Infrastructure Replacement: \$8.00 per unit per month \$16.00 per unit for two months

Surcharge Rate: per square foot per month

<u>Current Rate 2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$.0075	\$.01	\$.01	\$.01

Commodity Charge: commodity charge is water metered over the 300 cubic feet per month that is included in the base rate. A unit of water is equal to 100 cubic feet or 748 gallons.

<u>Quantity</u>	<u>Current Rate 2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
301-1500	\$1.73	\$1.73	\$1.73	\$1.73
1501-3000	\$1.95	\$2.14	\$2.14	\$2.14
<3001	\$2.15	\$2.55	\$2.55	\$2.55

Example: average residential water bill for two months

<u>Current Rate 2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$64.97	\$68.92	\$70.87	\$71.97

Infrastructure Replacement Program

Just as many other water jurisdictions across the country are experiencing, our aging underground infrastructure needs replacement. We have over 21 miles of main line and 1,100 individual water services which need to be brought up to current standards. The estimated cost for performing this work ranges from \$500,000/mile to \$1,000,000/mile, depending on location

As these aging mains are replaced, we also add new hydrants to meet current spacing standards which will provide better fire protection within our service area. A primary driver for the increased costs is that ductile iron pipe used to replace aging mains, new hydrants and service materials have all increased by at least 30% over the last year.