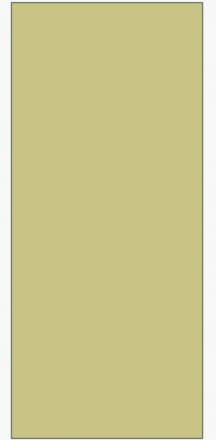


NEW SVMWC FEE STRUCTURE



SVMWC WEBSITE HAS CHANGED = SQUAWVALLEYMUTUALWATER.COM

The screenshot shows the homepage of the Squaw Valley Mutual Water Company website. At the top is a dark navigation bar with a home icon and links for 'WATER SYSTEM IMPROVEMENTS', 'ABOUT', 'CONTACT', 'THE BOARD', 'NEWSLETTER', 'DOCUMENTS', and 'PAST MEETING MINUTES'. Below the navigation is a large banner image of a snow-capped mountain range. A black text box on the left of the banner reads 'SQUAW VALLEY MUTUAL WATER COMPANY' and 'Welcome to the Squaw Valley Mutual Water Company website. In this website you will find information about our service area... (Read more)'. Below the banner, the main content area is divided into three columns. The left column features an orange 'Sign up for e-mail notification' form with fields for 'Your first name' and 'E-mail address', a 'SUBMIT' button, and a link to 'Read our privacy policy.'. The middle column has the heading 'SQUAW VALLEY MUTUAL WATER COMPANY' and a welcome message. A blue starburst graphic with the text 'Water Usage thru April 2016 Download now' is positioned to the right of the welcome message. The right column contains two blue boxes: 'Billing Questions?' with contact information for Daniel Collin, and 'Service Questions?' with contact information for Maintenance & Operations. At the bottom, there is a 'Send us your comments' form and a link to 'Get the latest information on water system improvements'.

TAB for
water
use



WATER USE IS PUBLISHED EVERY MONTH

Seq #	Aug '15	Sept '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	Total
10	0	0	0	0	0	0	0	0	0	0
20	44785	48894	2780	3469	4668	5092	4268	4369	3902	122227
22		13059	11197	7022	7133	7949	7047	7380	8350	69137
25		12411	2708	3282	5655	4653	3381	4760	3430	40280
30	7227	19736	10833	13362	4608	6758	7273	6594	4607	80998
35	1196	0	118	572	827	644	499	879	812	5547
40	2520	2080	1347	2168	3271	2252	2676	1499	236	18049
45	6217	7087	3189	758	1881	2072	1975	722	352	24253
50	11219	6162	3245	1346	996	2672	3210	1022	832	30704
55	9369	9174	4383	5262	6737	15842	15134	7207	4115	77223
60	12135	6929	4168	1729	6529	786	961	2406	265	35908
65	1443	2472	53	1165	1666	3339	2795	2134	1088	16155
75	5098	7597	2144	2217	2421	2583	4027	7350	4474	37911
76	6984	6150	5167	5661	5253	6990	6112	6469	5388	54174
80	895	1322	276	249	763	2049	1338	721	70	7683
85	19758	33817	36455	53724	12365	1500	2097	1481	1544	162741
90	13170	14096	4679	905	1231	6316	3523	4969	1662	50551
95	10395	8605	952	1107	4514	5741	3029	5835	1707	41885
100	6876	8153	5230	5454	7844	5720	4885	4544	918	49624
105	2380	3015	1624	2191	2352	2747	2098	4520	2274	23201
110	18420	23072	1189	534	3939	3494	4096	3661	2859	61264
115	19455	23874	18198	9220	8557	8810	7620	7757	4303	107794
125	2092	5311	5851	2683	3412	2907	3051	2994	2106	30407
130	539	577	853	0	4136	2366	579	898	985	10933
133	3651	3907	1681	3029	5339	4369	3378	2683	1861	29898
135	1480	1184	940	1070	694	930	962	768	986	9014

Indexed by sequence number

FEE STRUCTURE WILL BE BROKEN OUT INTO FOUR CATEGORIES

1. Capital Improvement Reserve –
Resources to repair/replace long term capital assets, (eg pumps, pipes, electronics), and pay for long term improvements (eg. PSD intertie)
2. USDA Loan payment
USDA loan to install new district water mains & meters
Repay over 40 years
3. USDA Loan Reserve –
Requirement to create a 1 year reserve over 1st 10 years; \$\$ reverts to district at the end of loan period

EXCEPT for those that paid loan (#2.) amount up front, everyone pays an equal amount towards these items

FEE STRUCTURE WILL BE BROKEN OUT INTO FOUR CATEGORIES

4. Operating Costs – day to day costs

costs to pump, purify, and deliver the water and run SVMWC; some of these costs are fixed, and some are variable

Before meters, water delivery fees were based on number of living units and bathrooms – no connection to water usage

Meters provide knowledge of actual water use (and helps identify system and home leaks)

BOARD EVALUATED HOW TO ALLOCATE OPERATING COSTS

Two extremes exist –

- with a flat rate for everyone, the infrequent visitors subsidize the use of water by permanent residents (VERY large ratio from small to large users).
- Pure payment per gallon places the burden the other way and is not fair since some of the cost is usage independent

=> Board decided on hybrid scheme – a flat rate for everyone that includes a water allocation and a “per gallon” fee for usage beyond the allocation

BOARD EVALUATED HOW TO ALLOCATE OPERATING COSTS

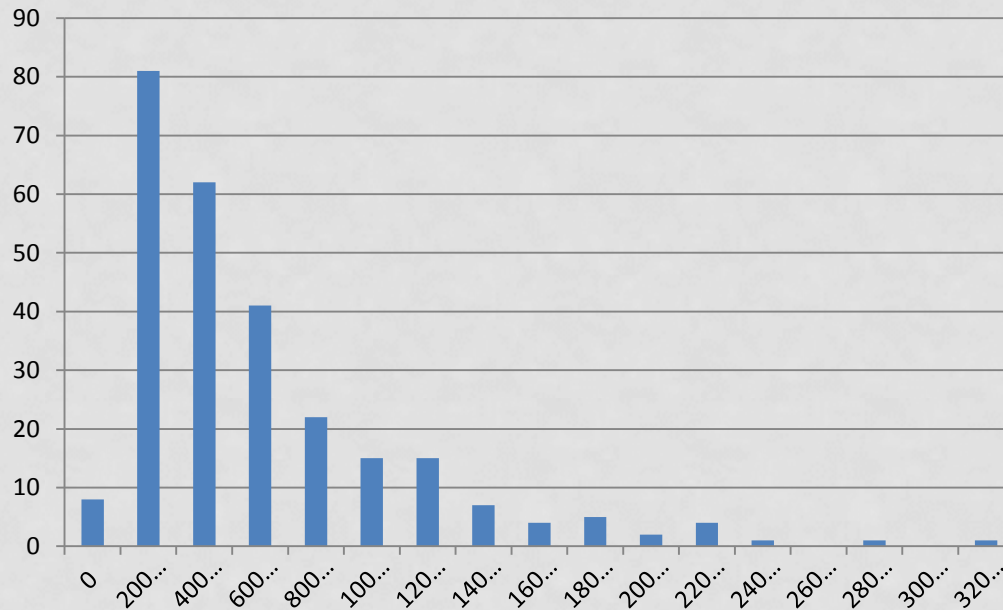
- All customers will pay the flat rate (4a; flat rate)
 - Flat rate water allocation will equal the MEDIAN water use of customer base (50% point; not counting empty lots or customers with zero or very low usage)
 - Flat rate will cover $\frac{1}{2}$ of the operating costs
- 50% of customers will pay more (4b: usage charge)
 - A per gallon charge on usage above flat rate water allocation will cover the other $\frac{1}{2}$ of operating

Fees will be based on water use from Jan 2016 thru Dec 2016

IS THIS FAIR?

- Based on Aug 2015 to May 2016 data (first 5 months will NOT count), distribution is this (changes very little month to month)

Water Usage



Median = 34,116

Max = 309,489

Fees will be based on water use from Jan 2016 thru Dec 2016

CONCLUSION

- 80% of the **TOTAL** invoiced amounts (cats 1- 4a) will be the same for every customer, and 20% will not be (4b: function of water usage)
- While some customers will see a flat rate decrease in operating cost allocation, others may see a VERY LARGE increase; We do not want huge surprises come Jan 2017.
- PLEASE monitor your water usage and decide on how much you want to spend on irrigation or ornamental outdoor decoration
- The Squaw Valley aquifer is a finite resource and we should all do our part to protect and preserve it
- We welcome all comments and discussion