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QUAIL VALLEY WATER DISTRICT NEWS

BOARD OF DIRECTORS

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December 1, 2023

Water Service Rate Increase

The Board of Directors of Quail Valley Water District adopted Resolution 06-2023 at the regular meeting of the Board on November 24th, 2023 adopting increased water service rates. This rate increase is the first increase since December of 2019 and while it represents a significant increase, it still represents far less revenue than what is actually needed to operate your water system, perform timely maintenance, repair and maintenance of facilities and provide for an emergency reserve fund to pay for unforeseen costs.

Since December of 2019, costs have risen dramatically and with no increases in water rates, the District has been operating at an ever increasing deficit which cannot be sustained. As I am sure everyone is painfully aware, during this same period, inflation has been a serious issue and the District has not been immune from the effects of this inflation. In fact, inflation has probably hit the District's budget harder than what the average consumer has experienced as supply chain issues have had a large affect on prices for materials not used by the average consumer such as pipes, valves and fittings, some of which have tripled in cost in 4 years. The District is also seeing large increases for Worker's Compensation Insurance as well as increases in electricity which is required to pump water. In short, everything has gone up and a rate increase is unavoidable if we want to continue having water.

The newly adopted rates also include a tiered consumption rate schedule so that large water users will contribute a proportionally larger share to help fund additional water sources and increased infrastructure to provide the necessary resources to supply increasing demand. These tiered rates were designed with the base tier (Tier 1) being adequate to meet the current demand of about 85% of our customers and Tier 2 meeting the demands of another 10% of customers leaving only about 5% of customers reaching Tier 3 and 4 usage levels.

To help our customers prepare for the increase in rates, this water bill has been prepared using the new rates which have then been discounted to reflect the correct amount on your bill. This will allow you to see the effect of the new rate based on your actual usage. The new rate will actually be effective with the following billing period and the bills prepared in January will reflect the new charges.

Mr. Smeed Passes

It is with great sadness that we inform you of the passing of Mr. J.R. Smeed. As most residents are aware, Mr. Smeed, in addition to being one of the most influential land developers here in the valley, was also instrumental in the operation of the District until his retirement in 2014 and along with his wife Claire, was responsible for the District receiving a grant for nearly 6 million dollars for water system improvements in 2014.

NEXT BOARD MEETING

The next meeting of the Board of Directors of Quail Valley Water District will be held on Saturday, January 27, 2024 at 8:30 AM at the District Office, 24750 Sand Canyon Road.