

NORTH SERVICE AREA (NSA) RATE INCREASE SUMMARY

Why are rates increasing?

Because we need a new water treatment plant. Here are the key concerns to the existing plant:

2024 Quarterly Water Rates

Facility Fee: \$298.66

Usage Fee: \$12.47 per 1,000 gallons



OPERATOR SAFETY

Outdated equipment, materials, and procedures create a high risk environment for staff. Many of the risk causes have been mitigated with improved technology and safety precautions that are not compatible with the current setup.



EFFICIENCY & RELIABILITY

This plant once produced 1,000,000 gallons of water per day. Today, it can only treat 300,000 gallons of water per day. At this low of a proficiency rate, a water shortage would be expected in the event of a contamination event along the Fraser River (ex. runoff from a wildfire).



REPAIRABILITY

Corrosion is a constant battle. Repairs are made when possible, but many are inaccessible. Parts are worn and, due to being outdated, are difficult to replace.

CONSIDER THIS:

A water treatment plant is like a washing machine. We know a 40 year old machine is not as efficient as a newer model. It's probably less effective, too. If it breaks, can you find the parts and skilled labor to fix it?

These are the some of the same challenges our current plant faces. Like an older machine, the plant has reached the end of its useful life and we need to take steps now in order to continue to provide safe drinking water for the future.

WHY ANOTHER INCREASE?

The short answer is there is a lack of funds to build a new facility. There has been little funding stored away in savings for this plant over the years and this means the Town will have to borrow money to pay for a new plant. Funding will need to come from the State or USDA and both programs require a certain level of revenue to show the ability to make payments on a loan. These programs face higher interest rates due to the national rates being higher. We will continue to look for funding opportunities, but the rate increase was necessary to help close the gap for loan repayment.

COMMONLY ASKED QUESTIONS



There is development happening all over Granby, why can't the development fees help pay for this?

Fees for new water taps did increase for 2024. However, the NSA is largely built out. Edgewater has second phase remaining, and there are a number of vacant lots near Highway 34, but those are limited and the timeline for construction is unknown. Development in Grand Elk, Granby Ranch, and Smith Creek/River Run are not part of the NSA. Their water use and money are independent from the NSA.



Why can't we use money from the South or West Service Areas to help pay for a new NSA treatment plant?

Each service area's money is set up through enterprise fund accounts. Legally, the account cannot receive money from another service area or government department. It must generate its own funds to cover its own costs.



Can it wait? Do we have to build now?

In 2017 the South Service treatment was constructed for \$7 million. Now, a new build is upwards of 3-4 times that amount. If we continue to wait, the cost is only going to go up and, in the meantime, we risk the chance of new regulations or a wildfire event that would make producing enough daily water a near impossible task.



Are rates going to continue to increase every year?

It depends on how much outside funds and grants we're able to get, interest rates, etc. We will apply for grants to bring in outside funds to ease the impact on consumers. Please understand that not regularly increasing rates, even at small increments, is what led to a lack of funds in our current situation. We want to avoid repeating this in the future.



I can't afford this, what can I do?

The Town is happy to work with you to set up a monthly payment plan if that helps you budget. Contact Cindy at cseader@townofgranby.com to enroll.

The Mountain Family Center also offers financial assistance. Contact them to see if you qualify at 970-557-3186.

