

Parkville announces water-rate increase

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Parkville water rates will increase by about 10 percent starting Jan. 1, 2012.

Parkville board members and management unanimously agreed to the rate increase at the Dec. 8 board meeting.

The largest single reason for the increase is to help finance the construction of a new well, pump and pipeline to bring water from the Canterbury Tunnel into the Parkville system, said Greg Teter, general manager. Estimated cost of this project is more than \$2.5 million dollars. Although several significant grants were secured for the project, the bulk of the money will be in the form of a low-interest loan, Teter said.

During 2011, Parkville also had several other equipment failures that required capital spending. The pump station at the Elkhorn shaft had to be completely rebuilt this past summer after 60 years of service, at a cost of more than \$50,000.

One of the main pumps at the Arkansas Wells also failed and had to be replaced.

All of these projects will help reduce the number of frozen water lines in the winter by providing additional groundwater that is much warmer than the surface water in Evans Creek.

"Also Parkville will not be facing the annual water shortages in late winter that we have had to deal with every winter since the Canterbury Tunnel caved in," Teter explained.

The monthly minimum charge, which is the charge for the first 3,000 gallons, will go from \$27 to \$30, an increase of \$3 per month for most of the customers in the district for most of the year. The cost per 1,000 gallons over the minimum will go from \$3.30/1,000 gallons to \$3.60/1,000 gallons.

Even with the increase, Parkville's average monthly charge will be about \$10 below the average monthly charge for water in the state of Colorado. The Parkville management believes that smaller, more-regular rate hikes, are preferable to large increases.

As the Parkville system ages, maintenance costs will increase. Although much of the Parkville system has been replaced or upgraded, some important components of the Parkville system are still more than 100 years old.

"The average customer may not consider how many different steps are involved in delivering water from the creek to the customer, all of which need to be maintained and operated," Teter said.