

City of Nampa - Water System Improvements

Irrigation Water Rate Increases

Questions and Answers – March 2016

— Frequently Asked Questions —

Why is my irrigation assessment increasing?

The City of Nampa, like most communities around the country, has an aging water system. Our water system has worked silently for years without significant or systematic pipe replacement. It is time to reinvest in the system. Without systematic replacement more emergency breaks will occur. Emergency breaks can be 15 times more costly than planned replacement because they frequently require overtime staff hours, can result in property damage, and can occur under newly paved roadways.

There are 430 miles of irrigation mainline pipes in Nampa. Previous funding levels were expected to not even cover operations and maintenance costs in 2016 and certainly did not cover pipe replacement. In order to fund needed pipe, wells, pumps and valve replacements an additional \$27.8 million is needed over the next 10 years for our irrigation system. This investment will, over time, improve filtration and will increase storage capacity. As storage improvements are made we will over time ensure reliable irrigation service from mid-April through mid-October, even if the irrigation districts cut off water early.

How much will irrigation assessment increase?

Approved Irrigation assessments include a base fee of \$14.84, underlying district fees, and a rate applied to each customer's lot size. Commercial customers will have the rate applied only to their lot surface area which is pervious (irrigable or landscaped). Residential irrigation customer with a medium sized lot (7,900 square feet) were paying an annual assessment of \$60.19, with the increase the same customer will now pay \$97.58.

Approved Irrigation Rates

	City of Nampa Rates		Irrigation District Rates (FY 2015)		
	Full Benefit	No Benefit	Nampa	Pioneer	Boise Kuna
Base Fee (a)	\$ 14.84	\$ 14.84			
Area Fee – Residential (b)					
Lot Size: Tier 1	\$ 0.010473	\$ 0.002618	\$ 0.002140	\$ 0.002800	\$ 0.001250
Lot Size: Tier 2	\$ 0.000769	\$ 0.000192	\$ 0.001150	\$ 0.001540	\$ 0.000775
Area Fee – Non Residential (b)					
Pervious Area: Tier 1	\$ 0.016724	\$ 0.004181			
Pervious Area: Tier 2	\$ 0.001227	\$ 0.000307			

(a) Fee per parcel

(b) Fee per square foot: Tier 1 up to 21,780 sq. ft. Tier 2 is 21,781 sq. ft. and greater.

Will the City raise irrigation rates again?

City Council decided to approve the irrigation rate increase in one year rather than in smaller increments over several years. They arrived at that decision by comparing Nampa's rates to neighboring cities, and found our rates were much lower and are still competitive with neighboring cities with the increase.

In future years additional rate increases would be driven by inflation. The proposed rate increase will allow the city to replace every irrigation pipe approximately every 384 years. Today’s water pipes are expected to have an average life of 75-100 years and a 100 year replacement cycle is ideal to avoid emergency repairs.

Did the public have an opportunity to provide comments about the rate increase?

Yes, there were several opportunities to provide comment. All comments were compiled and submitted to Nampa City Council on January 4, 2016 during the water rate increase public hearing.

- Community open houses were held on November 17 and December 15, at the Nampa Civic Center.
- Customers were encouraged to provide comments via email or phone.
- City staff met with the Snake River Building Contractors Board on November 5 to discuss hookup fee increases and offered to meet with the general membership.
- Public hearing on January 4, 2016, at Nampa City Hall.

Notification:

- A short message about the proposed rate increases along with an invitation to community open houses was included in all City of Nampa utility bills from mid-October through December, 2015.
- A letter describing the rate increase and a frequently asked question sheet was sent to commercial customers with consumption over 35,000 cubic feet on December 7, 2015.
- A webpage describing the rate increase has been active since mid- October.
- Press releases were issued on November 10 and December 10, 2015 that resulted in articles in the Idaho Press Tribune.
- Facebook postings were made in advance of each open house.

When were rate increases approved?

Nampa City Council approved domestic and irrigation rate increases for 2016 on January 4, 2016.

When did the City last raise rates?

The Nampa Waterworks Division has not requested a significant rate increase in the past 6 years. Instead, the Division has worked to minimize operations costs and utilize reserve funds.

Irrigation Water Rate Changes										
Consumption	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Fixed Charge	0.0%	4.0%	4.8%	3.12%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0 – 21,780 sq. ft.	0.0%	4.0%	4.8%	3.17%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
> 21,780 sq. ft.	0.0%	4.1%	4.7%	2.14%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Assessable Acreage	0.0%	4.0%	4.8%	2.93%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
No Benefit Fixed Charge	0.0%	4.0%	4.8%	3.12%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0 - 21,780 sq. ft.	0.0%	4.0%	4.8%	3.24%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
> 21,780 sq. ft.	0.0%	4.1%	5.0%	3.64%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%