

Frequently Asked Questions

Question: Why is the city increasing water, sewer and stormwater rates for 2022?

Answer: The city's utility services are critical to maintaining public health and safety and a high quality of life in Greeley. The cost to provide stormwater, wastewater and water services are increasing as a result of increased costs to the city and the undertaking of critical projects that create value for Greeley citizens.

- The rates and fees are developed each year based upon the cost of providing services.
- The cost of service includes operations costs such as treatment chemicals, electricity, and infrastructure maintenance, and the cost of replacing and expanding facilities that are needed to meet the community's needs in the provision of safe and reliable service.
- The city is undertaking many important projects that will add surface water storage, non-potable irrigation water capacity, improved water treatment technology to improve summer water quality, and a major upgrade to the wastewater treatment systems that are required to meet state and federal regulatory mandates.

Question: Are these increases because of the city's acquisition of Terry Ranch?

Answer: No. The rate increases are a result of a combination of water, wastewater, and stormwater projects that need to be funded to provide Greeley citizens and surrounding communities with safe, reliable, affordable service. Rate increases break down as follows:

No. The rate increases are a result of a combination of water, wastewater, and stormwater projects that need to be funded to provide Greeley citizens and surrounding communities with safe, reliable, affordable service. Rate increases break down as follows:

- Water – 6% increase or \$4.16 per month on average
 - The main driver of this increase is the Windy Gap Firming Project – a project to build the new Chimney Hollow Reservoir west of Carter Lake. This project will allow the city to store water it has owned since the 1960s and will provide the city over 9,000 acre feet of water storage (an acre foot is approximately the amount of water that covers a football field 1 ft. deep in water). That cost is over \$60 million.
- Wastewater – 18% increase or \$4.22 per month on average
 - The main driver in wastewater is an environmental mandate by the state and federal government to reduce the amounts of algae-forming elements in the city's wastewater. Algae growth contributes to "dead zones" downstream in the Poudre River, reducing water quality for downstream users.
- Stormwater – 18% increase or \$1.54 per month on average
 - Greeley's stormwater drainage downtown is woefully inadequate, and needs to be right-sized to prevent massive flooding that comes with major rain events.

Question: What if I cannot afford to pay the rate increases?

Answer: The City of Greeley has recently partnered with the Colorado Department of Human Services' Low- Income Energy Assistance Program, which has been expanded to include utilities. This program,

called the Low Income Household Water Assistance Program (LIHWAP), is available to current LEAP recipients.

To qualify for this assistance, the household must meet these criteria:

- Be approved for LEAP during November 1, 2021 - April 30, 2022
- Complete the [addendum](#) within the LEAP application and submit a copy of your water bill.
- Must pay drinking water services and/or waste/sewer services directly to a water vendor.
- Services must be in disconnected, facing disconnection, or have a past due amount on the bill.

Go to <https://cdhs.colorado.gov/leap> to learn more.

In addition, the city has a variety of water management and conservation tools designed to guide more efficient use of water and thereby manage bills to meet any budget. If you're having difficulty paying your bill, call (970) 350-9811 ex. 2.

Question: What do the water rate increases pay for?

Answer:

- Stormwater – 18% increase or \$1.54 per month on average
 - Many of Greeley's aging stormwater drainage systems across the city are outdated and underperforming, and ill equipped to handle significant rainfall or snowmelt. The community experiences flooding risks nearly every summer. We need to update and improve the system to prevent flooding – which threatens public health, safety and property. The city's Public Works Department has a multi-year plan to construct improvements that help ensure a strong and effective wastewater system
 - support a safe, healthy and vibrant community.
- Water – 6% increase or \$4.16 per month on average
 - The city's municipal water system is extensive, and while well planned it requires ongoing investments to replace aging infrastructure, upgrade outdated technology, purchase water resources, and add water storage for times of drought.
 - In 2022, the main driver of the water rate adjustment is the city's participation in a new regional water storage reservoir known as the Windy Gap Firming Project. This project will construct the new Chimney Hollow Reservoir west of Carter Lake, which Greeley will use to store water supplies for times of drought.
 - Greeley is enhancing customer service and customer control over water with the WaterSmart application available to all customers, increased utility billing resources and the installation of new meters that can help customers catch and stop water leaks.
 - The city will make investments in the Boyd Lake Water Treatment facility to improve the taste of its treated water when algae influences the water supply each summer.
 - We will continue to invest in non-potable irrigation water systems that ensure Greeley will have ample and affordable irrigation water for maintaining the look and character of our great community.
- Wastewater – 18% increase or \$4.22 per month on average

- The main driver in wastewater is an unfunded environmental regulatory mandate by the state and federal government to reduce the amounts of algae-forming nutrients released in wastewater. Greeley and all other municipalities across Colorado are obligated to comply with these more strict regulations. These wastewater facility improvements may not improve the customers' user experience, but they translate into environmental health that is mandated by law and beneficially impacts all Greeley citizens.

Question: How does the city determine its water rates?

Answer: The city performs a cost of service analysis annually that determines the utility rates needed to manage its water, sewer, and stormwater systems. The analysis considers all operating costs, such as chemicals, electricity, and salaries, and the capital investments needed to rehabilitate and expand its utility systems. Additionally, the cost of service analysis determines the rates the city charges to individual customer types based on the impact they have on the system. In other words, customers who create greater impacts to the water, sewer, or stormwater systems pay higher rates, and vice versa.

Question: How much of the rate increase pays for Terry Ranch?

Answer: Roughly 80% of the funding for the first phase of construction comes through the Terry Ranch Master Agreement; the city will pay 20% of construction costs. Within the city's 6% percent water increase, a small amount (not even 1%) is for building the first phase of a pipeline and related infrastructure for the Terry Ranch Project. Terry Ranch Project costs in the city budget replace the costs that were previously budgeted for the expansion of the Milton Seaman Reservoir, which was a much more expensive water project and one that was unlikely to receive the federal authorization.

- The Terry Ranch Project can be developed over time, in phases, to meet the city's water supply needs. The ability to phase construction provides the city and its citizens with maximum control over the pace of project development and its impact upon water rates.
 - Systemic drought in the Colorado River, wildfire in our watersheds, increasing challenges with algae in our water systems, and increased competition for limited water resources in Northern Colorado all create the need for a more diverse water supply and storage portfolio that includes groundwater supply and storage. The Terry Ranch Project ensures the city will have ample safe, reliable and affordable water for its current and future citizens. For more information on the Terry Ranch Project, please visit greeleygov.com/terryranch
-