

2020 Surcharge Study

In 2019, the Southeastern Colorado Water District and Jacobs Engineering conducted a Financial Strategy and Sustainability Study (Finance Study) which included a financial plan, revenue requirement analysis, cost of service analysis, and rate design.

All members of the Board recognized that the District needs additional revenue to meet the requirements identified in the cost of service analysis which was a part of the study. The Southeastern Colorado Water Activity Enterprise (Enterprise) Board voted at its November 21, 2019 meeting to implement a portion of rate recommended in the Finance Study. The 2020 rate and surcharges are listed in the table below.

Board Approved Rates – FY 2020 (adopted November 21, 2019)

Description	2020 Rates and Surcharges (\$/ac-ft)					
	Proposed Water Rate (\$)	Safety of Dams (\$)	Water Activity (\$)	Environmental Stewardship (\$)	Augmentation (\$)	Proposed Total Charge (\$)
Project Water Sales						
Irrigation	13.14	0.50	0.75	0.75	--	15.14
Municipal	13.14	0.50	1.50	0.75	--	15.89
Project Water Sales used for Well Augmentation						
Irrigation used for Well Augmentation	13.14	0.50	0.75	0.75	2.60	17.74
Municipal used for Well Augmentation	13.14	0.50	1.50	0.75	2.60	18.49
Storage Charges						
Winter Water Storage*	2.80	0.25	--	0.75	--	3.80
Carry-Over Project Water	--	1.00	1.25	0.75	--	3.00
If-and-When Storage						
In District	--	0.50	0.50	0.75	--	1.75
Out of District	--	2.00	4.00	0.75	--	6.75
Aurora	--	--	10.00	--	--	10.00
Project Water Return Flows						
Irrigation	12.00	0.50	--	0.75	--	13.25
Municipal	12.00	0.50	--	0.75	--	13.25

* \$2.80 transferred to Reclamation

The only elements that were not studied in the Finance Study were the surcharges assessed on water and storage sales. The Board voted to amend and extend Jacobs service contract to study each of the four surcharges in detail. The Jacobs scope of work includes research and analysis of the impact of the future elimination or modification of each surcharge.

The Study of Surcharges will be held in the Finance Committee. The Finance Committee will then make recommendations to the Board for further consideration and discussion.