

CHEROKEE CHANNEL

BOARD MEETING DATES:
 JANUARY 13, 2009
 FEBRUARY 10, 2009
 MARCH 10, 2009
 APRIL 14, 2009

VOLUME 3

EDITION 4

WINTER 2008

2009 Rates

On December 9, 2008, the Board of Directors approved a water rate and street light fee increase for 2009 which will take effect with your January billing. Even with the increase, your rates will remain competitive with other water and wastewater utility providers in the Pikes Peak region.

Our Promise: Cut Costs

With prices rising nationwide, we are committed to finding ways of doing more with less. In response, our staff has risen to the challenge by re-evaluating our business model, eliminating non-essential expenses and implementing creative cost-cutting tactics. In fact, the District has adopted 2009 expenditure budget 1% less than in 2008. Here are some of the things we are doing to cut costs:

- **Budget Cuts** – In preparing the 2009 budget, forecasted spending in many areas were calculated at or below the 2008 budget, including:
 - **Employee Training**
 - **Office Expenses**
 - **Travel and Education**
- **Creative Measures** – Small ideas can equal big savings.
 - **Lights Out** – Employees are encouraged to turn off office lights if leaving for more than a few minutes to save on electrical costs.
 - **Travel Trips** – Field employees have been asked to combine trips to save on fuel costs.

While we have reduced costs in many areas, there are expenses involved in providing water, wastewater and street light services beyond our control. For example, the cost of electricity – vital in the delivery of clean, safe drinking water – has dramatically increased over the past several years. As these costs continue to rise, we will do all we can on our end to ensure the lowest possible rates.

Residential Water Rates

Rates shown are per unit

*Units	2008	Increase	2009
Over 35	\$4.31	\$1.51	\$5.82
35			
Next 15	\$2.87	\$1.00	\$3.87
20			
Next 15	\$1.97	\$0.67	\$2.58
5			
7 units	<i>Average Monthly Residential Usage</i>		
First 5	\$1.53	\$0.54	\$2.07
0			

*One unit of water is equal to 100 cubic feet (cf) or 748 gallons

Availability Charge

2008	Increase	2009
\$8.21	\$0.00	\$8.21

Street Light Fee

2008	Increase	2009
\$1.08	\$0.10	\$1.18

Wastewater Charge

2008	Increase	2009
\$24.48	\$0.00	\$24.48

How will the new rates affect my bill?

Description	Units	2008	Increase	2009
Availability Charge	Flat Rate	\$8.21	\$0.00	\$8.21
Water	7 (700cf)	\$11.47	\$4.04	\$15.51
Wastewater	Flat Rate	\$24.48	\$0.00	\$24.48
Street Light	Flat Rate	\$1.08	\$0.10	\$1.18
Total	----	\$45.24	\$4.14	\$49.38

Based on average residential usage – 7 units

Remember you generally use more water in irrigation months (April – October). Therefore, your bill may be more in these months and less in non-irrigation months

Financial Assistance

Your current situation may qualify you for financial assistance. For information and referral services, please contact the Pikes Peak United Way by dialing 2-1-1 or visit www.ppunitedway.org



watering schedule

Winter Stage

Nov 1, 2008 – Mar 31, 2009

Odd Addresses

Even Addresses

1st/3rd Sat/Month

1st/3rd Sun/Month

Maximum of 2 hours

Time of Day: Customer Discretion

Trees, Flowers, Shrubs, Gardens: Any Day

Time of Day: Customer Discretion

Car Washing: Any Day/Anytime

Why is there an Increase?

Despite best efforts to anticipate and forecast future costs and economic conditions, rate increases are necessary to keep up with changing times. Some of the challenges impacting the District and creating the need for rate increases are:

Aging Infrastructure

Many of the District's water and wastewater lines are 30-50 years old and nearing the end of their useful lives. As a result they must be replaced or rehabilitated.

Resource Investment

Over the past two years, the District has used reserve funds to purchase additional water for irrigation purposes. Depletion of these reserve funds requires additional revenue for future acquisitions. To ensure a reliable water supply for current and future customers, we must continue to acquire available water resources suitable to the District's needs.

Since 2006, the cost of producing and delivering water to our customers has risen 46%.

Decline in the Housing Market

Considerable downturn in the home building industry in 2008 has reduced tap fee revenues used for our capital budget. With fewer homes being connected to the District's infrastructure and approved development within the District anticipated to decline through 2010, we are planning for a 75% decrease in tap fees for 2009.

Rates Cover Costs

As a not-for-profit organization, we collect only enough revenue to cover the expenses to provide service. Since 2006, the cost of producing and delivering water to our customers has risen 46%. In addition, the cost to operate and repair street lights has also increased.

Confidence in Bonds

Cherokee is required to maintain a minimum of 115% of the necessary funds required for repayment of our bonds. By maintaining the minimum funds, we maintain investor confidence and avoid paying higher interest rates.

We will continue to look for and implement new, innovative ways to address these issues ensuring you receive safe, dependable and affordable services.

Manage Your Bill

Implementing no- and low-cost water-saving techniques can help save more money than you'd think. Find out for yourself by trying some of the following water-saving tips.

→ Periodically inspect your home for water leaks. Check your faucets, toilets and irrigation systems



Did you know: A small toilet leak can waste up to 200 gallons per day, or 6,000 gallons per month!

*Identifying and repairing a toilet leak can save you \$18 – 45 each month
*(based on 2009 rates)

→ Limit your showers to five minutes or less

→ Install low-flow showerheads. Inexpensive and efficient, they can save up to five gallons per minute and long-term savings will pay for the upgrade

→ Install aerators on all faucets. You will save water without sacrificing water pressure

→ Wash only full loads in the dishwasher

These are just a few ways to help keep your bill low, visit cherokeemetro.org for more water saving tips

Q:

I think I may have a leak in my home, how can I tell for sure?

A:

Step 1: Locate your water meter
(Usually located near your hot-water heater in the basement or crawlspace)

Step 2: Record the current meter reading

Step 3: Wait 15 minutes
(Remember: No water should be used during this time)

Step 4: Read the meter again

If the reading has changed, you have a leak. If you are unable to locate the source, you may need to contact a plumber.

