



COMMISSIONERS

J.S. Korsmo, Jr.

G. J. Rediske

G. J. Barton

GENERAL MANAGER

Randall M. Black

January 2023

Dear Fellow Customers of Lakewood Water District:

As published in *The News Tribune*, the final 2023 Budget for the District was presented to your Board of Commissioners on December 15, 2022 and was approved.

The District manages to its Financial Policies as set by the Board to preserve the financial health of the District and maintain annual cash reserves at appropriate levels as prescribed in the policies. The District continues to adhere to its Five-year Rate Forecast as approved by the Board. The forecast projected a 6.67 percent rate increase for 2023. With the continued rise of operating and maintenance costs including the District's steady investment in capital projects with an emphasis on mitigating PFAS compounds, the rate model continues to show a need for a rate increase of 6.67 percent weighted average for 2023. As always, your Board continues to work hard to keep rate increases to a minimum.

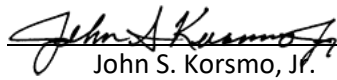
This increase covers both 1) the volume charge and base charge to fund general operation, maintenance, and other capital projects (2023 Bi-Monthly Rate Structure table below); and 2) the fixed fee based on meter size to fund the District's 50-year R&R (Replacement and Rehabilitation) Program (R&R Fixed Fee Based on Meter Size table below).

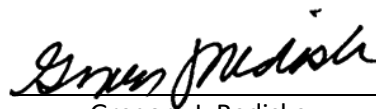
Therefore, the 2023 Budget includes an overall, weighted rate increase of 6.67 percent, effective January 1, 2023, with the first billings reflecting the increase to be on or after March 1, 2023.


In the table on the next page, you see the new bi-monthly charges. The cost for an average residential customer with a 5/8-inch meter and use of 1500 cubic feet of water will be \$56.67 versus the present \$53.25, for an increase of \$3.42 every two months (\$1.71 per month). This does not include the City of Lakewood's 6.00 percent Franchise Fee.

As always, it is our committed mission to provide you with a safe, clean, reliable water supply as efficient and cost effective as possible. **Our rates continue to be among the lowest in the region** (please see the graph on the next page). For more information on our rates, the 2023 Budget, and 2023 projects, please visit our website at www.lakewoodwater.org, or feel free to call us at 253-588-4423.

Sincerely,
Your Board of Commissioners


John S. Korsmo, Jr.
President


Gregory J. Rediske
Vice President


Gary J. Barton
Secretary

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2023 Bi-Monthly Rate Structure		
Base Charge and Water Consumption	Current (2022) Rates	New Rates Effective 1/1/23 First bills ≥ March 1, 2023
Base Charge	\$8.88 (incl's 800 cu ft)	\$9.50 (incl's 800 cu ft)
0-800 cubic feet	\$0 (included in Base Charge)	\$0 (included in Base Charge)
801-2000 cubic feet	\$1.88/ccf	\$2.01/ccf
2001 and over	\$2.56/ccf	\$2.74/ccf

R&R Fixed Fee Based on Meter Size		
Meter Size	Current (2022) Fixed R&R Fee	New (2023) Fixed R&R Fee Effective 1/1/23 First Bills ≥ 3/1/23
5/8"	\$ 31.21	\$ 33.08
1"	\$ 34.32	\$ 36.38
1.5"	\$ 43.68	\$ 46.30
2"	\$ 56.17	\$ 59.54
3"	\$ 90.50	\$ 95.93
4"	\$ 343.28	\$ 363.88
6"	\$ 436.90	\$ 463.11
8"	\$ 905.02	\$ 959.32
10"	\$1,185.89	\$1,257.04
12"	\$1,404.33	\$1,488.59

