

# Subject: Upcoming Changes to Water and Sewer Rate Structure

Dear Aspen Pines Water and Sewer District Customer,

We are writing to inform you of adjustments to our water and sewer rate structure. The aim of these changes is to ensure a fair, transparent, and sustainable system for all residents and customers. The adjustments are based on recommendations from the Board's Rate Study Committee, which consists of community members and board members who, over the past year, have reviewed the current structure and proposed improvements.

For background, The Aspen Pines Water and Sewer District is a local special-purpose district responsible for providing water and wastewater services to the Aspen and Teton Pines subdivisions and commercial customers in the area. It also provides these services on a contract basis to customers outside the subdivisions. The district is overseen by a board of directors elected by property owners in the district. As a utility, the rates charged must generate sufficient revenue to pay for 100% of the operations and maintenance of the system.

## Existing Rate Structure

### 1. Residential Customers in The Aspen and Teton Pines

- The district does not meter residential water usage. Instead, charges are based on a combination of fixed and variable costs.
- Fixed costs are divided equally among all **Residential Unit Equivalents (RUEs)**, which are defined as single individual household.
- Variable costs are assigned based on **Water Generating Units (WGUs)**, which account for the number of bedrooms, bathrooms, and kitchens in a home.
  - *Examples:* A three-bedroom, 2.5-bathroom home with a kitchen is assigned 6.5 WGUs while a 5-bedroom, 5.5-bathroom home with a kitchen is assigned 11.5 WGU's.
- Each resident receives a bill from APWSD in early July (the beginning of the District's fiscal year) reflecting the District's budgeted operating costs for that year. Customers are billed quarterly with the option of paying the full year in advance at a 2% discount.
- Capital costs are estimated separately from the operating costs. The district has assessed those costs equally across all residents through the Teton County Property Tax Statement (\$410.86 per customer in 2024-25 year).

## 2. Contract Customers (Outside the Aspens & Teton Pines)

- Approximately 200+ customers residing outside The Aspens and Teton Pines are billed through their respective communities or districts using the RUE/WGU method.
- These customers currently pay a 10% capital expense surcharge since APWSD cannot levy taxes on them.

## 3. Commercial Customers

- Commercial customers are **metered**, and charges are based on actual usage. Commercial customers also pay capital costs through property tax assessments.

# What's Changing?

## 1. Maintaining the Current RUE & WGU System

- While the current system does not measure actual usage, based on the work of the rate study committee, it remains the most equitable way to charge for water and sewer services.
- Metering was considered but deemed prohibitively costly and complex for district-wide implementation. Estimates of the cost for equipment and installation are in the range of \$1.5-2.5 million, which would require an assessment to all customers.

## 2. Adjusting the Property Tax Assessment Method

- Currently, capital costs are divided equally among all customers, meaning a small condo owner pays the same as a large homeowner. Much of our plant and equipment was originally built nearly 40 years ago. When the plant was newer, the capital costs were a fairly minor portion of what was charged to the homeowner. As our plant and equipment have aged, annual capital costs have increased substantially.
- In order to make our rates more equitable across all customers, moving forward, tax assessments will be based on **WGUs**, better reflecting potential usage and infrastructure investment.

## 3. Revising Capital Cost Surcharges for Contract Customers

- The 10% surcharge for contract customers does not accurately cover their share of actual capital costs and will be adjusted upward to align with how residential customers within the Aspens and Pines are charged.

#### **4. Irrigation Surcharge**

- The district is still evaluating how to fairly charge for irrigation.
- Without accurate metering, implementing an irrigation fee remains challenging.

#### **5. Verifying WGU Assignments to benefit all customers**

- Some properties may have incorrect WGU assignments, leading to inaccurate billing.
- The district is considering a voluntary homeowner survey or inspections to verify and correct WGU counts.
- If you believe that your WGU count is incorrect, please contact our office so that we can correct it.

### **Next Steps & Your Input**

Community input has been valuable throughout this process. We welcome your continued involvement and please remember that all board meetings are open to the public. The board is in the process of finalizing the fiscal 2026 budget and expects to incorporate these changes as well as any other rate changes into our next billing cycle. The board has approved a four percent increase to the operating budget rates, along with the changes to the capital assessment. The proposed rate chart is attached to this letter.

The board will hold a budget hearing meeting on July 15, 2025 at 4:00 p.m. This meeting is open to the public, and all are welcome to attend. The meeting will be at the district's treatment plant – 4745 W Willowbrook Lane in Wilson. There will also be a Zoom link for those who would like to attend virtually.

<https://us02web.zoom.us/j/89178898990?pwd=aTk2YU5UTDN3di9ySHlYeTlLcXJpUT09>

For questions or further information, please contact Tiana Nield at (307) 739-9777 **or through the contact-us link in our website, [apwsd.com](https://apwsd.com).**

**Aspens Pines Water & Sewer District**  
**Rate Chart**  
**2025-26 Budget**

**Aspens Pines Rates**

Monthly							Monthly						
WGUs	Sewer Fixed	Sewer Operating	Total Sewer	Water Fixed	Water Operating	Total Water	Total Quarterly Fees	2024-25 Combined	% Increase	Property Tax Per Month/ WGU	Total Quarterly Cost	2024-25 Total	% Change
Per Unit	51.84	2.65		34.44	2.09					4.25			
3	51.84	7.95	59.79	34.44	6.27	40.71	301.50	289.96	3.98%	12.74	314.24	324.19	-3.07%
4	51.84	10.60	62.44	34.44	8.36	42.80	315.72	303.65	3.98%	16.99	332.71	337.87	-1.53%
5	51.84	13.25	65.09	34.44	10.45	44.89	329.94	317.33	3.97%	21.24	351.18	351.55	-0.10%
6	51.84	15.90	67.74	34.44	12.54	46.98	344.16	331.02	3.97%	25.49	369.65	365.23	1.21%
7	51.84	18.55	70.39	34.44	14.63	49.07	358.38	344.70	3.97%	29.74	388.12	378.91	2.43%
8	51.84	21.20	73.04	34.44	16.72	51.16	372.60	358.39	3.97%	33.99	406.59	392.59	3.57%
9	51.84	23.85	75.69	34.44	18.81	53.25	386.82	372.07	3.96%	38.23	425.05	406.27	4.62%
10	51.84	26.50	78.34	34.44	20.90	55.34	401.04	385.76	3.96%	42.48	443.52	419.95	5.61%
11	51.84	29.15	80.99	34.44	22.99	57.43	415.26	399.44	3.96%	46.73	461.99	433.63	6.54%
12	51.84	31.80	83.64	34.44	25.08	59.52	429.48	413.13	3.96%	50.98	480.46	447.31	7.41%
15	51.84	39.75	91.59	34.44	31.35	65.79	472.14	454.18	3.95%	63.72	535.86	488.35	9.73%

**Contract Rates - Monthly**

Sewer					
WGUs	Sewer Fixed	Sewer Operating	Total Sewer	2024-25 Total	% Change
Per Unit	51.84	4.58			
3	51.84	13.74	65.58	63.27	3.65%
4	51.84	18.32	70.16	66.08	6.17%
5	51.84	22.90	74.74	68.89	8.49%
6	51.84	27.48	79.32	71.70	10.63%
7	51.84	32.06	83.90	74.51	12.60%
8	51.84	36.64	88.48	77.32	14.43%
9	51.84	41.22	93.06	80.13	16.14%
10	51.84	45.80	97.64	82.94	17.72%
11	51.84	50.38	102.22	85.75	19.21%
12	51.84	54.96	106.80	88.56	20.60%
15	51.84	68.70	120.54	96.99	24.28%

Water				
Water Fixed	Water Operating	Total Water	2024-25 Total	% Change
34.44	4.40			
34.44	13.20	47.64	43.06	10.64%
34.44	17.60	52.04	45.27	14.95%
34.44	22.00	56.44	47.48	18.87%
34.44	26.40	60.84	49.69	22.44%
34.44	30.80	65.24	51.90	25.70%
34.44	35.20	69.64	54.11	28.70%
34.44	39.60	74.04	56.32	31.46%
34.44	44.00	78.44	58.53	34.02%
34.44	48.40	82.84	60.74	36.38%
34.44	52.80	87.24	62.95	38.59%
34.44	66.00	100.44	69.58	44.35%