

Scenario 1 - Property Tax Allocated by System Value

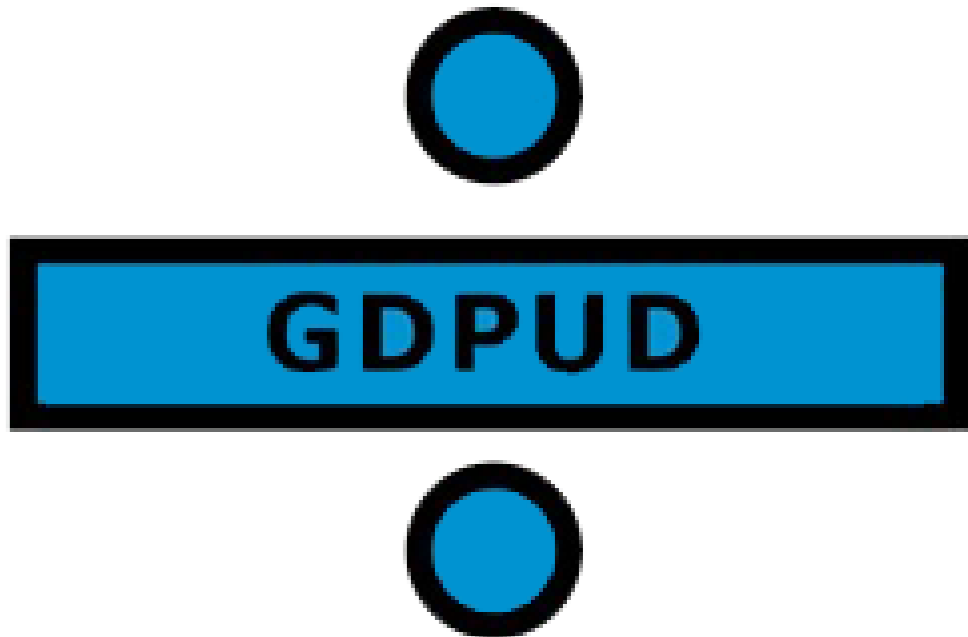
GDPUD

85% to Treated Water Reserves, 15% to Irrigation Water Reserves

Average Bi-Monthly Bill	Current	Year 1	Year 5
Low Water User (5/8- inch meter)	\$84.13	\$109.63	\$136.04
Average Single Family Residence (3/4- inch meter)	\$91.32	\$149.37	\$184.64
Industrial/ Commercial (1 1/2- inch meter)	\$147.47	\$437.15	\$538.15

Treated Water

Scenario 1 - Property Tax Allocated by System Value



85% to Treated Water Reserves, 15% to Irrigation Water Reserves

Seasonal Bill	Current	Year 1	Year 5
1 Miner's Inch	\$363.70	\$1918.00	\$2808.00

Irrigation Water

Scenario 2 - Property Tax Allocated by Water Costs

GDPUD

74% to Treated Water Reserves, 26% to Irrigation Water Reserves

Average Bi-Monthly Bill	Current	Year 1	Year 5
Low Water User (5/8- inch meter)	\$84.13	\$117.90	\$146.09
Average Single Family Residence (3/4- inch meter)	\$91.32	\$161.67	\$199.71
Industrial/ Commercial (1 1/2- inch meter)	\$147.47	\$478.49	\$588.41

Treated Water

Scenario 2 - Property Tax Allocated by Water Costs

GDPUD

74% to Treated Water Reserves, 26% to Irrigation Water Reserves

Seasonal Bill	Current	Year 1	Year 5
1 Miner's Inch	\$363.70	\$1781.00	\$2607.00

Irrigation Water

Scenario 3 - Property Tax Allocation

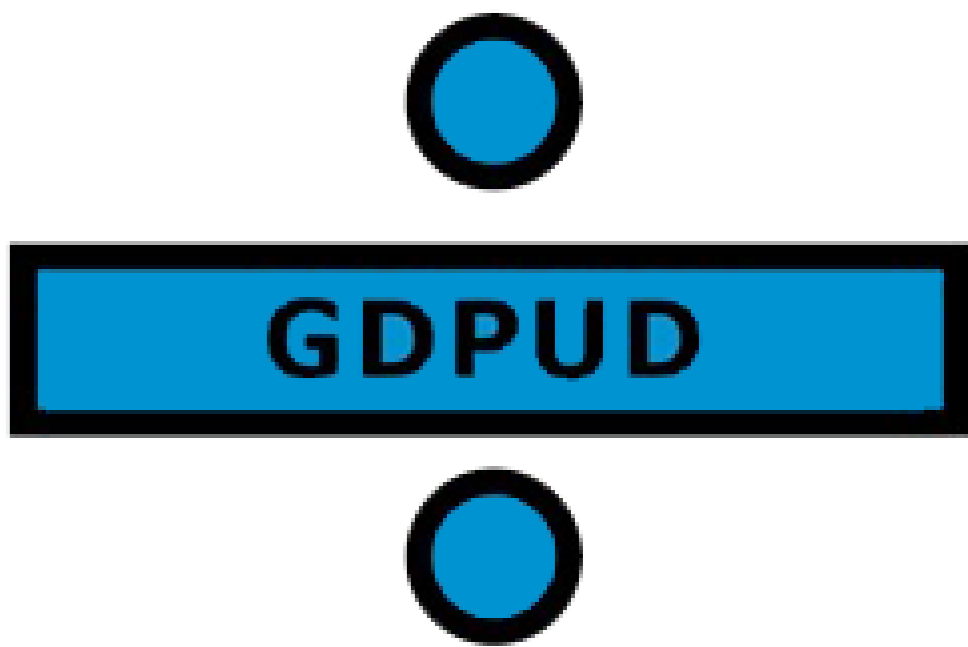
GDPUD

50% to Treated Water Reserves, 50% to Irrigation Water Reserves

Average Bi-Monthly Bill	Current	Year 1	Year 5
Low Water User (5/8- inch meter)	\$84.13	\$126.17	\$156.15
Average Single Family Residence (3/4- inch meter)	\$91.32	\$174.07	\$214.79
Industrial/ Commercial (1 1/2- inch meter)	\$147.47	\$519.83	\$639.66

Treated Water

Scenario 3 - Property Tax Allocation



50% to Treated Water Reserves, 50% to Irrigation Water Reserves

Seasonal Bill	Current	Year 1	Year 5
1 Miner's Inch	\$363.70	\$1507.00	\$2006.00

Irrigation Water

What We Heard



GDPUD

- » Agree with the GDPUD mission statement
- » Recognize the state of the water supply system is deficient
- » Recognize that the District's financial situation is unsustainable
- » Recognize the need to increase rates to fund operations and capital replacement
- » Would like to avoid a large rate increases during the first year
- » Need a policy related to drought
- » Property tax should be used to fund capital reserves

What We Heard

GDPUD

- » Desire for low or no base rate, and emphasize the usage rate
- » Property tax in capital reserves should be split between irrigation and treated water enterprises based on the relative asset value (85% treated, 15% irrigation)
- » There should be some consideration in the form of rate reduction for irrigation customers since they are subject to water being shut off at any moment. For example, during droughts.
- » Prefer to first pay for repairs and maintenance with cash, then finance
- » Use capital as much as possible, unless this makes rates too high
- » Want the District to be fiscally prudent- not to overspend on expenses