

Pricing Water for Conservation

Solutions for Small Cities

January 2003

Most Utahns enjoy an adequate supply of water. But the state's fast-growing population is increasing the demand for this limited resource. Small cities, in particular, are wrestling with the issue of providing for their citizens while maintaining fiscal responsibility.

Water conservation is a key element to provide for future water needs. Conservation can delay the need for expensive water projects, it preserves the environment and it saves taxpayers' money.

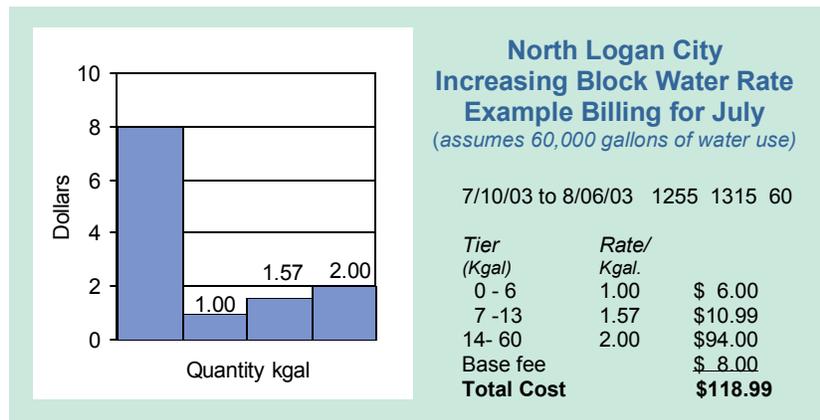
Currently Utahns consume 293 gallons of water per capita per day, second only to Nevada. At the same time, they enjoy some of the lowest water rates in the country.

A recently completed study by the Utah Association of Conservation Districts with the Utah Division of Water Resources, Utah State University Center for Water-Efficient Landscaping and USU Extension investigated alternatives to the current flat-rate pricing structure utilized by two small cities in Cache County, North Logan and Mendon.

The "increasing block" price structure was found to fit the needs of small municipalities and was simple to administer. The increasing block price structure bills the water consumer for a base rate and in incremental blocks based on increasing water usage. The proposed new North Logan City rate anticipates a 15 percent reduction in culinary water use and still assures adequate funding for operations and maintenance.

The study, funded by the Bureau of Reclamation Water Conservation Field Services Program, also documents information from Utah cities regarding water conservation ordinances and offers recommendations for educating residents, subdivision approval, issue of building permits, landscaping and water audits.

For a copy of the study and related water rate analysis for North Logan, go to www.uacd.org or contact the Utah Association of Conservation Districts, (435) 753-6029, gordon-younger@ut.nacdnet.org.



Water conservation can be encouraged by the rate schedule when designed to send a signal to the customer that wise water use is rewarded and waste is discouraged.

— Lyle Summers, economist
Utah Division of Water Resources

The drought got our attention! Wells are drawn down, pumping costs have increased and the city is facing the expense of developing new storage and water. We will need to conserve even after the drought. Pricing water for conservation is our best tool.

— Val Potter,
North Logan Mayor



Low-water use landscapes conserve water by utilizing native plants or other plant material proven to require minimal watering.

For more on water conservation, check out Governor Leavitt's web site: www.conservewater.utah.gov