



Kachina Village Improvement District Initiating Rate Study

The Board of Directors for the Kachina Village Improvement District (KVID) met with staff on March 7th to provide input on a pending rate study for the utility. The meeting focused on gaining input from the Board of Directors regarding overall direction for the study and general rate structure considerations. The utility's water and wastewater rates have not been adjusted for more than 10 years and the Board is initiating the study to ensure KVID's long-term financial future and service delivery sustainability.

The Board expressed their desire to see any new rate structure continue to promote water conservation as well as making sure that the needs of Kachina Village residents were considered. The study will be conducted by an independent expert who will work with KVID staff to evaluate the past 5 years of operations as well as projecting expected operating and capital costs over the next 10 years.

The rate study is part of a multi-phase project to ensure the successful future of KVID. The rate study comes on the heels of a utility infrastructure condition assessment and master planning effort for both the water and sewer utilities. One key outcome of the master planning effort has been developing a Capital Improvement Program for KVID. The Capital Improvement Program identifies needed investments in the utility to address aging infrastructure and provide needed redundancies to promote reliability for the utility over the next 20 years.

The Board of Directors and KVID staff also endorsed the development and implementation of a robust communication process that will facilitate input from the residents and ratepayers. A Citizen's Advisory Committee will be created to review the results of the master plan and to provide input on any proposed changes to the utility's rate structure.

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Through this process, the Advisory Committee will also review options for future governance of the district as it is transitioned to a local district Board of Directors. The Advisory Committee will provide their input to the Board of Directors on these elements. If the Board of Directors elects to consider any modifications to the current rate structure or governance approach, then there will be public hearings as well as an official public comment period.

The communication process will include community open houses which will offer residents an opportunity to get information and ask questions about their utility and the rate study process. Additionally, there are plans to establish a website where residents can provide their input and comments. The current expectation is for the public engagement process to begin later this spring and take place over the summer and into early fall.

“Today’s meeting represents the first step in ensuring the utility’s ability to successfully meet its customers’ needs for many years to come,” said District Vice-Chair Matt Ryan at the close of the March 7th meeting. “As we move through this process, I look forward to listening to the needs of the Kachina Village community and crafting a plan that builds on our past success.”

Kachina Village Improvement District provides water and wastewater services to 1,380 customers in Kachina Village and is governed by a five-member board of directors, who also serve as the Coconino County Board of Supervisors. The District is managed by the County’s Public Works department and has a direct staff of seven persons needed to provide dependable delivery of water and wastewater services to the residents of Kachina Village.

KVID will be sending out further communications with the water bills as this process gets going.