

## Information on Water & Sewer Rates

September 10, 2015

In order to ensure that our utility rates will continue to support our operating costs and debt service obligations, the City hires a rate consultant to evaluate our utility system's operation costs and debt payments, and offer recommendations regarding any rate adjustments that would be necessary to fully fund the cost of operating our system while maintaining an adequate financial reserve. Last year's 2014-15 budget did not include any increase in water and sewer rates; however, it will be necessary to increase utility rates in the 2015-16 budget. Based on the most recent rate study, water and sewer rates will be adjusted on October 1, 2015. Customers will notice the increased rates in their November bills. The typical residential water customer uses about 5,100 gallons of water in an average month. The proposed rate adjustment would increase the average monthly utility bill (combined water and sewer) by \$6.94.

The primary factors contributing to this rate adjustment include: 1) water conservation programs leading to a 23.2% decline over the past few years in the average amount of water sold on a per customer basis; 2) a significant increase in the amount budgeted for North Texas Municipal Water District (NTMWD) wastewater transport and treatment charges; and 3) an increase in the amount budgeted to purchase treated surface water from NTMWD through a contract with the Greater Texoma Utility Authority (GTUA).

The following tables illustrate the changes to the base and volumetric rates for water and wastewater charges that each customer pays. Water customers outside the city limits are charged 1.25 times the water rates and 1.5 times the wastewater rates.

<b>Monthly Water Rate Schedule (Base Rates)</b>		
<b>Customer Class (Water Meter Size)</b>	<b>Current Base Rate</b>	<b>New Base Rate</b>
0.625 Inch x ¾ Inch	\$ 22.88	\$ 24.94
1.00 Inch	50.96	55.55
1.50 Inch	97.76	106.56
2.00 Inch	153.92	167.77
3.00 Inch	284.96	310.61
4.00 Inch	472.16	514.65
6.00 Inch	940.16	1,024.77
8.00 Inch	1,876.16	2,045.01
10.00 Inch	4,684.16	5,105.73

<b>Volumetric Water Rates</b>		
<b>Consumption</b>	<b>Current Rate per 1,000</b>	<b>New Rate per 1,000</b>
0 to 2,000 Gallons	\$ 0	\$ 0
2,001 to 10,000 Gallons	5.47	5.96
10,001 to 15,000 Gallons	6.84	7.46
15,001 to 20,000 Gallons	8.21	8.95
Over 20,000 Gallons	10.94	11.92

<b>Monthly Wastewater Rate Schedule (Base Rates)</b>		
<b>Customer Class (Water Meter Size)</b>	<b>Current Base Rate</b>	<b>New Base Rate</b>
00.625 Inch x ¾ Inch	\$ 22.88	\$ 24.94
1.00 Inch	50.96	55.55
1.50 Inch	97.76	106.56
2.00 Inch	153.92	167.77
3.00 Inch	284.96	310.61
4.00 Inch	472.16	514.65
6.00 Inch	940.16	1,024.77
8.00 Inch	1,876.16	2,045.01
10.00 Inch	4,684.16	5,105.73

<b>Volumetric Wastewater Rates</b>		
<b>Consumption</b>	<b>Current Rate per 1,000</b>	<b>New Rate per 1,000</b>
0 to 2,000 Gallons	\$ 0	\$ 0
Over 2,000 Gallons	4.52	4.93
Max. Residential Charge	84.24	84.24

The water and wastewater charges are calculated by adding the base rate to the variable volumetric charges. The average residential customer in Anna uses about 5,100 gallons of water in an average month. Under the new rate schedule, the water bill of a customer with a ¾ inch meter using 5,100 gallons of water in a month would be calculated by adding the \$24.94 Base Rate + \$0 for the first 2,000 gallons + \$5.96 per 1,000 gallons for the remaining 3,100 gallons for a total of \$43.42. The wastewater bill would be calculated by adding the \$24.94 Base Rate + \$0 for the first 2,000 gallons + \$4.93 per 1,000 gallons for the remaining 3,100 gallons for a total of \$40.22.

For questions about your utility bill, please contact a utility customer service representative at (972) 924-2432.