

Many customers have contacted us with questions about our recent notification regarding rate increases. Below are answers or clarifications to several of the frequently asked questions or comments.

## Frequently Asked Questions:

An increase from \$3.94 to \$8.00 per thousand gallons is a 103% increase, this is excessive.

The usage rate is one of several components to the total water bill. The other components are not increasing. Below are several examples of the rate increase for residential users. The overall increase is much less than 103%.

Usage (gallons)	Previous Bill	New Bill	Increase
1,000	\$29.13	\$33.19	\$4.06 (14%)
2,000	\$33.07	\$41.19	\$8.12 (25%)
3,000	\$37.01	\$49.19	\$12.18 (33%)
4,000	\$40.95	\$57.19	\$16.24 (40%)

## Please explain why this rate increase is necessary.

There are two primary projects that need to be completed in the future to maintain reliable water service to our customers: 1) Pine Creek Filter Plant Repairs/Upgrade - \$2.6M and 2) Larrys Creek Filter Plant Replacement - \$5.4M. In addition to paying for these necessary projects, many of our operating expenses have increased significantly. Below are examples of our increased operating costs.

Item	Increase 26%	
Insurance		
Heating	78%	
Chemicals	129%	
Electric	10%	

## Why don't you get grants for the projects?

We are actively seeking grant funding for these projects from several sources. We have received some grant funding so far, which covered a portion of the cost of the major 16" water main replacement project that was completed this year.