

# NEWSLETTER

## WATER UTILITY RATE INCREASES

### PURPOSE AND OVERVIEW

We want to take this opportunity to inform you of a recent change to the City of Live Oak water utility rates, which were adopted at the November 24<sup>th</sup> City Council meeting and will become effective January 1, 2021. While there was no change to the stormwater or sewer utility rates, there will be a variable increase to the water rates based on consumption.

### RESULT OF APPROVED RATE INCREASES

To illustrate how the approved changes may affect your bill, here are some varying consumption totals and what the charge would be for those totals. This is based on a 2" meter.

	<u>Consumption</u>	<u>Current Water Charge</u>	<u>New Water Charge</u>	<u>% increase</u>	<u>\$ increase</u>	
\$8.80	40,000 gal			\$218.08	\$226.88	4.04%
\$19.20	80,000 gal			\$261.28	\$280.48	7.35%
\$29.40	120,000 gal			\$310.68	\$340.08	9.47%
\$61.90	250,000 gal			\$491.38	\$553.28	12.60%
\$164.90	650,000 gal			\$1,090.88	1,255.78	15.12%

For a reference, the average commercial water consumption for May 2020 was 43,400 gallons. Based on this average, the system would see approximately an average increase of just over 4%.

### CIRCUMSTANCES BEHIND THE INCREASE

The last water rate increase went into effect on January 1, 2018. Since this last increase, the City had several projects either get completed or scheduled to be completed this year. Two of the biggest projects were the major upgrade of our metering system to a fixed base system and the last of the major tank painting and rehab projects. The City has also been able to hold its water utility rates relatively low despite enduring some small to moderate increases in expenses to operate the utility systems. This approved increase will help keep our water utility system financially sound and still allow Live Oak to have some of the lowest water utility rates around our area.

In general, utility rates are reviewed annually to ensure that they are set accordingly to provide adequate revenues to cover all system expenses and liabilities and to maintain proper cash reserves necessary to provide a high-level service to the customer.

### WHAT CAN BE DONE TO SAVE?

There are things that can be done to help lower your bills, the most impactful being water conservation programs. The internet is a great resource on ways businesses can conserve water.

Here are just a few:

1. Monitor consumption
2. Perform routine water maintenance checkups
3. Perform routine maintenance checks on landscaping watering systems
4. Rethink your landscaping plans
5. Install new water-saving devices with new low flow or water-saving technologies

For more information, please contact our Public Works Department at (210) 653-9140 ext. 2234.

Also, conserving water will not only bring down your water usage part of your utility bill, but it will also result in a lower sewer bill.

### **FUTURE FISCAL YEARS**

As mentioned above, utility rates are reviewed annually to determine if they are adequately set to sustain the system. Utility rates are set accordingly to provide adequate revenues to cover all system expenses and liabilities and to maintain proper cash reserves necessary to provide a high-level service to the customer.