

Dear Customers;

The Waterworks and Sewer Commission in its regular meeting on December 20, 2022 unanimously adopted new water usage rates to be effective February 1, 2023. The rates are as recommended in the Water and Sewer Rate Study sent under separate cover and as approved by the Division of Natural Resources, Arkansas Department of Agriculture on December 20, 2022.

The new rates will be effective for usage readings after February 1, 2023. The new rates will be:

Residential Inside the city - \$5.30 per thousand gallons Residential Outside of city - \$5.60 per thousand gallons Double Residential Inside the city - \$5.30 per thousand gallons Double Residential Outside the city - \$5.60 per thousand gallons Commercial - \$4.10 per thousand gallons for less than 100,000 gallons \$3.90 per thousand gallons for 100,000 gallons up to 500,000 gallons \$3.80 per thousand gallons for more than 500,000 gallons

In-City Residential customers are about 83% of our total residential customers. Average monthly usage for In-City Residential customers is 3,960 gallons. The new rates will increase the average monthly bill of the In-City Residential customer from \$38.41 to \$40.78 or by \$2.37 per month. A tabular comparison of Water usage rates in 2022 to 2023 rates is attached.

The Waterworks and Sewer Commission has not increased usage rates since 2015. In the Last four years there have been three increases in the wholesale price of water purchased from the Benton-Washington Regional Water Authority and the Authority has announced another increase effective January 1, 2023. The four rate increases total \$0.65 per 1,000 gallons and are the basis for our rate increase. Additionally, we have been informed by Benton-Washington Regional Water Authority they are considering another \$0.15 per 1,000 gallons rate increase to be effective July 1, 2023. You should anticipate that the Commission will increase water rates by that amount if Benton-Washington Regional Water Authority follows through on their proposed rate increase.

The Commission has deferred action on recommending an increase in Sewer rates at this time. The Commission expects to present recommendations to the City Council within the next few months for an increase in the Sewer Capacity Fee to share the cost of projects to improve sewer capacity. Additionally, the Commission anticipates that sometime in the last half of 2023 that financing of these proposed sewer capacity improvements will necessitate an increase in sewer rates. The Commission does not anticipate that the expansion of sewage treatment capacity at the Decatur treatment works will require an increase in rates in the foreseeable future.

The Waterworks and Sewer Commission works diligently to provide the best possible water and sewer service for the citizens of our City and our Water Service Area.

Water Rates Effective January 1, 2022					
Minimum or Base Bill Amounts					
Water Meter Size	Inside City Residential	Outside City Residential	All Commercial		
3/4"	\$20.00	\$25.00	\$34.50		
1"	\$33.40	\$41.75	\$57.62		
1.5"	\$66.60	\$83.25	\$114.89		
2"	\$106.60	\$133.25	\$183.89		
3"	\$233.40	\$291.75	\$402.62		
4"	\$400.00	\$500.00	\$690.00		
6"	\$900.00	\$1,125.00	\$1,552.50		
8"	\$1,066.00	\$1,333.25	\$1,839.89		

Water Rates Effective February 1, 2023					
Minimum or Base Bill Amounts					
Water Meter Size	Inside City Residential	Outside City Residential	All Commercial		
3/4"	\$20.00	\$25.00	\$34.50		
1"	\$33.40	\$41.75	\$57.62		
1.5"	\$66.60	\$83.25	\$114.89		
2"	\$106.60	\$133.25	\$183.89		
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8"	\$1,066.00	\$1,333.25	\$1,839.89		

Usage Block Rates (per 1,000 gal.)				
	Usage Block			
Customer Classification	<100,000 gal.	100,000 – 500,000 gal.	> 500,000 gal.	
All Residential (in)	\$4.65	\$4.65	N/A	
All Residential (out)	\$4.95	\$4.95	N/A	
Double Residence (in)	\$4.65	\$4.65	N/A	
Double Residence (out)	\$4.95	\$4.95	N/A	
All Commercial	\$3.45	\$3.25	\$3.15	

Usage Block Rates (per 1,000 gal.)				
	Usage Block			
Customer Classification	<100,000 gal.	100,000 – 500,000 gal.	> 500,000 gal.	
All Residential (in)	\$5.30	\$5.30	N/A	
All Residential (out)	\$5.60	\$5.60	N/A	
Double Residence (in)	\$5.30	\$5.30	N/A	
Double Residence (out)	\$5.60	\$5.60	N/A	
All Commercial	\$4.10	\$3.90	\$3.80	