

April 27, 2024

Rio Brazos Water Supply Company Members:

Summary of our System

The Rio Brazos Water Supply Company is a non-profit organization for the water supply system in our Rio Brazos community. The utility is made up of 2 water plants and 3 wells. Each customer is a member/owner in RBWSC. Our water system is maintained by an operations partner, Olson Construction. Well water is provided to the community, and quality standards are maintained in accordance the Texas Water Code Rules. While the water is safe, it may not have a pleasing appearance, as this is well water that is sanitized and distributed. Additional water treatment is up to each customer, as it is their choice on how to treat well water.

Current State

Increasing prices in recent years have presented challenges and hardships throughout the economy, and unfortunately RBWSC has also been affected. RBWSC Board of Directors has analyzed financials, and identified that our current income and expense situation is not sustainable. Our rates were set in 2017, - 7 years ago, and can no longer keep up with repairs, labor and material costs, and future capital improvements.

A couple years ago, we added a \$7 & \$11 assessment to replenish 50% of the cost of a new well and plant refurbishments. Two months ago we collected that 50% and we removed the \$18 last billing. Unfortunately, that \$18 simply allowed us to keep up with normal operations, and never recouped the 50% expenditure lost to capital improvements.

Tariff Updates and Rate Increases

During the last 2 months, the board reviewed the last 2 year incomes and expenses. All that data is available at our office in the POA building for anyone to review, just contact one of the directors. In short, we analyzed our expenses and factored in required reserves to meet required maintenance, and added an amortized amount for the plant refurbishments required about every 5 years.

The new rates are designed with conservation in mind. Single family homes with a usage of 4000 gallons and under will see an increase of 24%. The higher the usage tier, the more the customer will see an increase. We are making every possible effort to provide reliable, affordable water service with our current systems. Our rates still remain lower than most surrounding communities and water systems.

OLD 2017 rates and NEW rates shown and implemented on upcoming billing cycle

OLD (2017) VOLUMETRIC CHARGES (PER 1,000 GALLONS)	
Base Rate	27.50
Gallon usage 0-6,000	3.40
Gallon usage 6,001 - 10,000	5.00
Gallon usage 10,001+	6.00

ADOPTED VOLUMETRIC CHARGES (PER 1,000 GALLONS)	
Base Rate	45.00
Gallon usage 0-4,000	7.00
Gallon usage 4,000 - 8,000	9.50
Gallon usage 8,000 - 12,000	12.00
Gallon usage > 12,000	15.00

OLD (2017) FIXED CHARGES (AS REQUIRED)	
TAP FEE	500.00
TAMPER FEE	
RECONNECTION FEE	50.00
CHANGE OF SERVICE / TRANSFER ACCOUNT NAME	50.00
RETURN CHECK FEE	25.00
CUSTOMER SERVICE INSPECTION FEE	50.00
METER TEST FEE, FOR SECOND OR MORE TESTS	25.00
METER RELOCATION FEE	AS CHARGED BY OPERATOR
RAF	0.5% X Revenue on Gallons Sold
UTGCD	0.30 per 1,000
LATE FEE	10%

ADOPTED FIXED CHARGES (AS REQUIRED)	
TAP FEE	900.00
TAMPER FEE	900.00
RECONNECTION FEE	50.00
CHANGE OF SERVICE / TRANSFER ACCOUNT NAME	50.00
RETURN CHECK FEE	35.00
CUSTOMER SERVICE INSPECTION FEE	50.00
METER TEST FEE, FOR SECOND OR MORE TESTS	100.00
METER RELOCATION FEE	AS CHARGED BY OPERATOR
RAF	0.5% X Revenue on Gallons Sold
UTGCD	0.30 per 1,000
LATE FEE	10%