



NEWS RELEASE

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Water, wastewater related rates increased as of Oct. 1 *Increases appear in November utility bills*

SACHSE (November 21, 2017) The rising cost of water purchased from the supplier, coupled with the increased costs associated with storing and distributing it to residences and businesses, have caused rates for these services to undergo a slight adjustment.

Water purchased by the City from the North Texas Municipal Water District is increasing in cost annually, and those increases are necessarily passed along to consumers. This is the case because the Utility Fund, a separate mechanism for financing water, wastewater and solid waste, is self-sustaining. The Utility Fund is kept solvent by ensuring that charges related to utility service for all customers is equal to the cost of those services. As those costs rise, so must the charges.

While the Council and staff have been diligent in attempting to keep those costs as low as possible, the cost of purchasing water and the costs associated with distributing that water to homes and businesses continue to rise. As a result of a comprehensive study on water and wastewater rates, the City Council approved a five-year schedule of rate adjustments in August of 2014.

Both the monthly base rate and water utilization charges are increasing by about 10 percent. Monthly service charges for wastewater will also increase, but at a more modest 4 percent.

Rates for commercial customers are also seeing a similar increase. The new rates are reflected in utility bills arriving in homes and businesses this month.

Periodic rate adjustments are unavoidable, as the Utility Fund must operate "in the black," that is, without carrying debt or deferring debt to later years. This is the case with all self-sustaining funds, of which virtually every Utility Fund-type mechanism is based.

Water conservation and prudent use of water resources have proven to save both water and money. Water conservation advice is available at <http://www.cityofsachse.com/331/Water-Conservation-Restrictions>.

Restricted water use is also important during this time period due to the winter averaging that is currently in place. Winter averaging is the process by which water utilities calculate wastewater charges for the year. The utility takes the averages of water use during the winter months, since few residents utilize their outdoor irrigation systems.

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