



POLONIA WATER SUPPLY CORPORATION
P. O. BOX 778 LOCKHART, TEXAS 78644
512-559-2030 FAX 512-559-2031

Water Rate Changes January 2019

The purpose of this newsletter is to inform you of changes to the Corporation's water rates adopted for the current Fiscal., Year 2019. Most residential customers will see an approximately 17 increase in their water bills (customers using more than 30,000 gallons a month will see a larger percentage increase). The new rates will commence with water meter readings in March 2019 and will be reflected on your April 2019 bill.

WHY RATE CHANGES ARE NEEDED

With continuing growth in the service area of approximately 5.0 a year, Polonia WSC has reach a time when current supplies may not be adequate to meet customer demands, especially during the summer. Recently, Polonia WSC entered into an agreement with Aqua WSC to purchase additional water supplies. As a part of this project, a new pipeline is being built to connect the systems, a new plant to receive the water and a new elevated storage tank are being built, all at a cost of \$4 million. In addition to thls expense, there are other costs associated with this project of about \$357,000. The project will be been funded with debt that will be repaid over the next 25 years. Once the project becomes operational in 2020, this additional purchased water will increase operation expenses of the Corporation. In addition to the Aqua supply, the Corporation is also drilling a new well for both increased supply and system reliability in 2019.

Polonia WSC is committed to providing a high level of service to each of its customers. This requires investment in new sources of supply and investments in infrastructure to reduce customer outages. Additional rate increases may be needed in the future to meet future demands; however, those will be determined on an annual basis. Polonia WSC staff and Board members are committed to keeping rates as low as possible while maintaining a high level of service.

In addition to a rate change for residential customers, a new commercial customer class will be added for schools and retail establishments on the system. The rate changes for these customers will results in about a 50 bill increase for most commercial establishments.

The table below shows 2018 rates and average water bills and also the new rates and average water bills for 2019.

2018 Residential Rates	2019 Residential Rates	2019 Commercial Rates
Base Rate - \$22.95	Base Rate - \$26.86	Base Rate - \$26.86
0-5,000 gallons - \$2.50	0-5,000 gallons - \$2.93	0-5,000 gallons - \$5.80
5,001-10,000 gallons - \$3.00	5,001-10,000 gallons - \$3.66	5,001-10,000 gallons - \$5.80
10,001-15,000 gallons - \$4.50	10,001-15,000 gallons - \$4.94	10,001-15,000 gallons - \$5.80
15,001-20,000 gallons - \$5.00	15,001-20,000 gallons - \$6.66	15,001-20,000 gallons - \$7.25
20,001-30,000 gallons - \$6.00	20,001-30,000 gallons - \$9.33	20,001-30,000 gallons - \$9.06
30,001 gallons and above - \$7.00	30,001 gallons and above - \$13.53	30,001 gallons and above - \$11.33
Average Residential Water Bill Comparisons From 2018 to 2019		
2018 Average Water Bill	2019 Average Water Bill	
3000 gallons - \$30.45	3000 gallons - \$35.65	
5000 gallons - \$35.45	5000 gallons - \$41.51	
10,000 gallons - \$50.45	10,000 gallons - \$59.81	
15,000 gallons - \$72.95	15,000 gallons - \$84.51	
25,000 gallons - \$127.95	25,000 gallons - \$164.41	
50,000 gallons - \$297.95	50,000 gallons - \$481.66	
100,000 gallons - \$647.95	100,000 gallons - \$1,158.16	
150,000 gallons - \$997.95	150,000 gallons - \$1,834.66	