

August 24, 2022



Dear Valued Customer,

In June 2022, the City of Georgetown completed a comprehensive water and wastewater rate study. The purpose of this study was to analyze fiscal policy and operational needs to ensure reliability and maintenance of our water services. We are committed to managing these costs in the most efficient and sustainable way while maintaining our commitment to meeting our customers' needs.

The rate study concluded the current multifamily rate structure is being subsidized by the other water and sewer rate classes. To correct this subsidy, changes to the multifamily rate structure are needed.

Currently, multifamily rates are like commercial rates, even though multifamily residents more closely resemble residential customers based on their usage patterns. For this reason, the multifamily rate structure for both water and sewer billings was modified to resemble the residential rate structure more closely.

The multifamily water rate structure was modified to include tiered rates in its calculation as well as the number of dwelling units in the base rate calculation. Tiered rate levels will be determined by calculating the **Volume per dwelling unit**. Once calculated, the volume will determine the usage (in 1,000 gallons) per tier and will be multiplied by the volumetric rate and number of dwelling units.

A hypothetical example of the volumetric rate is shown below. This example shows usage well above what we normally see for apartment complexes in an effort to demonstrate how different tiers will be calculated. If you have questions about how to project your monthly usage, please reach out to Customer Care.

Total annual billable Multifamily Complex Volume = 500,000 gallons
 Total Number of dwelling units = 14

$$\text{Volume per Dwelling Unit} = \frac{500,000}{14} = 35,714 \text{ gallons per dwelling unit}$$

Volumetric Tiered Structure	Unit Usage kgals	Dwelling Units	Complex Usage kgals	Rate	Charge per 1,000 gallons
Up to and including 7,000 gallons	7	14	98	\$2.05	\$200.90
Over 7,001 gallons, up to and including 15,000 gallons	8	14	112	\$3.10	\$347.20
Over 15,001 gallons, up to and including 25,000 gallons	10	14	140	\$5.35	\$749.00
Over 25,001 gallons	10.714	14	150	\$9.40	\$1,410.00
Total Multi-family Residential Volumetric Charges	35.714		5,00		\$2,707.10

The sewer rate structure is also changing to align more closely with residential based rates. The multifamily sewer rate will be calculated as two-thirds of the residential base rate for inside or outside city limits multiplied by the number of dwelling units.

The proposal to change the rate and formula structure was presented to the Water Advisory Board and City Council in June 2022. The study also recommended increasing customer rates for water and wastewater across all customer classes for the next several years due to the increased cost of inflation and interest rates; water treatment plant rehabilitation, construction, and resiliency; and growth. City Council will consider the new rates through the budget adoption process this July through September. New rates are effective Oct. 1, 2022, and coincide with the new budget year.

Please note: When Customer Care receives questions from apartment dwellers about their water usage, we will refer them to their apartment property management. Each apartment management company spreads its utility costs to its residents differently, so the City of Georgetown likely won't be able to explain to apartment dwellers how they are charged for Georgetown water services.

As our customer you are our most valuable asset, and we thank you for your business. Your continued confidence in the safety and high quality of our utility services remains our primary goal. Our staff takes pride in providing the community safe and reliable drinking water and sewer services.

More information about the rate study, recommended rates, and a timeline are available on the City's website at water.georgetown.org.

For questions, please email the City at customercare@georgetown.org. We can also be reached through the Customer Care Center at 512-930-3640 between the hours of 8 a.m. and 5 p.m. Monday through Friday.

Thank you,
City of Georgetown Utilities - Customer Care Team