



Mallory Valley Utility District

Water Rate Change Notice

Mallory Valley Utility District takes pride in delivering high-quality and reliable water services to its customers. The District has been able to deliver water to its customers at reasonable and cost efficient rates based on its purchased water costs, its volume of water sales and the growth within its service area.

To meet the long term water needs of its present and future customers, the District is investing in several large capital improvement projects to replace and extend its current water system infrastructure. These large capital projects are necessary to meet the water demand needs of the District over the next twenty years.

The debt costs, increased depreciation costs and increased operating costs related to these capital improvements necessitate an increase in the District's current revenues. The District needs to revise its current water rate structure to raise revenue to meet these increased costs. The District's rate changes will allow the District to deliver the same high-quality and reliable water service that its customers depend on.

The new rates will become effective February 1, 2009. The rate structure is as follows:

Water usage between 0 and 20,000 gallons will be charged at a rate of \$4.50 per 1,000 gallons

Water usage above 20,000 gallons will be charged at a rate of \$5.50 per 1,000 gallons

The following examples should help you understand the effect of these rate changes to your monthly water bill:

If you are a small residential user and use 2,000 gallons per month, your bill is currently \$8.74 for water service (including the 9.25% sales tax). With the revised rate structure, your bill will be \$9.83 for water service (including the 9.25% sales tax).

If you are an average residential user and use 6,500 gallons per month, your bill is currently \$28.40 for water service (including the 9.25% sales tax). With the revised rate structure, your bill will be \$31.95 for water service (including the 9.25% sales tax).

If you are a large residential user or use water for irrigation and use 25,000 gallons per month, your bill is currently \$109.25 for water service (including the 9.25% sales tax). With the revised rate structure, your bill will be \$128.36 for water service (including the 9.25% sales tax).

If your business uses 50,000 gallons per month then your bill is currently \$218.50 for water service (including the 9.25% sales tax). With the revised rate structure, your bill will be \$278.58 for water service (including the 9.25% sales tax).

If your business uses 75,000 gallons per month then your bill is currently \$327.75 for water service (including the 9.25% sales tax). With the revised rate structure, your bill will be \$428.80 for water service (including the 9.25% sales tax).

Should you need to speak with a member of our staff please call our office at 615-628-0237

For additional information on billing, methods of payment, policies and other information please visit our website www.MVUD.org