

NOTICE OF RATE INCREASE

On June 18, 2024, the Board of Directors of Valley Municipal Utility District No. 2 voted to enact the first year adjustment of a two year rate increase. For water service, the rates will be increased a total of 11.94% over two years. For sewer service, the rates will be increased 13.96% over two years. A financial analysis of the District was performed by GDS Associates, Inc. of Austin. They recommended this increase to cover the costs of operations. Please note that this is the first rate increase in 10 years. Section G of the District's Service Policies has been amended as follows (Portions of Section G which remain unchanged are not shown):

6. Monthly Charges.

a. Base Rate for Single Unit Residential or Commercial Customers.

i. Water Service

Meter Size	Monthly Base Rate
5/8" X 3/4"	\$19.00 20.13
3/4"	\$28.50 30.20
1"	\$38.00 40.27
1 1/2"	\$95.00 100.67
2"	\$152.00 161.07
3" TURB.	\$332.50 352.35
4" CMPD.	\$475.00 503.36
4" TURB.	\$570.00 604.03

ii. **Sewer Service** - The monthly charge for standard sewer service on a per tap basis is as follows: ~~\$15.00~~**16.05**

Gallongage Charge - In addition to the Base Rate, a gallongage charge shall be added at the following rates for usage during any one (1) billing period.

- i. Water – Water usage will be charged according to the following usage:
- Tier 1: ~~\$2.00~~**2.12** per 1, 000 gallons for any gallongage from 0 to 10,000.
 - Tier 2: ~~\$2.25~~**2.38** per 1,000 gallons for any gallongage from 10,001 to 15,000.
 - Tier 3: ~~\$2.75~~**2.91** per 1,000 gallons for any gallongage from 15,001 to 25,000.
 - Tier 4: ~~\$3.50~~**3.71** per 1,000 gallons for any gallongage from 25,001 and up.
- ii. Sewer – Sewer usage will be charged at the following usage:
- Tier 1: ~~\$1.75~~**1.85** per 1, 000 gallons for any gallongage from 0 to 15, 000.
 - Tier 2: ~~\$2.00~~**2.12** per 1,000 gallons for any gallongage from 15,001 and up.

b. Base Rate for Multi-Family or Multi-Tenant, or RV Park Customers.

i. Water Service- The number of units multiplied by ~~\$12.00~~**12.72**.

ii. Sewer Service-

a. Multi-Family or Multi-Tenant Commercial Customers- The number of units multiplied by ~~\$15.00~~**15.90**.

b. RV Park Customers- The number of units multiplied by ~~\$5.00~~**5.30**.

Gallongage Charge -

- i. Water – Water usage will be charged according to the following usage:
- Tier 1: ~~\$2.00~~**2.12** per 1, 000 gallons for any gallongage.
- ii. Sewer – Sewer usage will be charged at the following usage:
- Tier 1: ~~\$1.75~~**1.85** per 1, 000 gallons for any gallongage.

The second half of the proposed rate increase will occur next year.