

News Release

For Immediate Release

Contact: Dick Fletcher, Interim City Manager 254 883-1450

WATER AND SANITARY SEWER RATES INCREASE

The next utility bill received by customers of the City of Marlin Water and Sanitary Sewer systems will reflect a significant increase in rates. The recent water crisis pointed out the dangers of deferred maintenance and shoestring operations. Being out of water for days and under a boil order for weeks has vividly highlighted the absolute necessity of providing adequate maintenance, staffing and training to produce quality drinking water.

The Public Utility Commission provided a consultant to study the existing rates and make recommendations concerning the needed level of water and sanitary sewer rates. This study revealed that both water and sanitary sewer rates presently being charged were woefully inadequate to fund the maintenance, operation and depreciation of the systems.

The new water rate will provide about an eleven percent increase in water revenue. The availability charge, formerly known as minimum bill, will increase about \$10 a month for all customers. Additionally, the consumption charge will be in effect for all usage when previously the first 2,000 gallons were included with the minimum bill. Along with these increases, the cost of the various brackets of usage will decrease. This is consistent with the state-recommended method of recovering all fixed costs for the system with the availability charge and applying the variable costs to the consumption brackets.

Wastewater rates were further behind than water, needing a 36% overall increase in revenue. The availability charge for all customers is only being increased by \$2 but the elimination of the 5,000 gallons that were previously included with the minimum bill will boost the costs further, another \$10 if the customer uses 5,000 gallons of water.

These rates may seem drastic but pale in comparison to the overall costs to individuals, businesses and the city itself inflicted by the water outage. For example, the City had to borrow \$500,000 and is receiving a like amount of emergency grants in order to continue needed repairs and meet current expenses. With the additional staffing, the annual operating cost of the Water Treatment Plant is up a half-million dollars from the previous year.

State officials have been very plain that Marlin must step up to the plate and properly fund its operations. The City Council has taken very seriously its fiduciary responsibility to provide adequate funding for this purpose. To see the rate schedules, you may review the 2016-2017 Fiscal Year Budget online at www.marlintx.net.