

Over the past eight months, the City of Graham has reviewed its water usage and commissioned a new rate study, performed by an independent third party, to determine what kind of rate schedule will ensure enough revenue to meet our obligations. As most of you know, we have recently constructed a brand new water treatment plant as well as installed a new metering system for all customers. These two actions were necessities that came at considerable cost. After the new meters were installed and the bills began to reflect accurate water usage, we received feedback concerning the necessity of the expenditures. The old water plant would have turned 35 years old in 2017. As we began operations in the new plant, we experienced almost complete failure in the old plant. The walls of the old basin shifted and the old treatment equipment dropped from suspension when the osmotic pressure of the full basin was relieved. This failure caused the City of Graham to build a third new clarifying basin rather than refurbishing the old one. The meter replacement project has been a success in that the City now has accurate usage data from all of its customers. A third party rate study, based off the water usage data and rate schedule we are currently utilizing, has determined this scenario will not allow us to pay our current expenditures. As such they have recommended a new rate schedule that will allow us to pay our current obligations plus allow for saving for future water department projects, such as water line replacement. Attached is a link to the rate study

http://www.cityofgrahamtexas.com/Files/Retail_Rate_Study_2017.pdf, plus a comparison of the two options with other cities and water providers in our area http://www.cityofgrahamtexas.com/Files/comparison_of_rates_2017.pdf. This spreadsheet shows that even with the proposed rate increase, the City is providing a very competitive water rate for this area. We will have an open Town Hall meeting on May 2nd, 2017, @5:30 p.m. to allow citizens to provide their input. Please feel free to contact me at City Hall with any questions or concerns.