



November 5, 2020

Dear Rollingwood Wastewater Customers,

On September 16, 2020, the City Council adopted a new wastewater rate schedule effective on the first day of the billing period in January, which is on or around January 23, 2021. The new rate structure incorporates:

- A new monthly base rate of \$13.07 for residential customers and a new monthly base rate of \$91.07 for commercial customers;
- No increase in volumetric rates for residential customers and a decrease in volumetric rates for commercial customers; and
- The winter averaging process for residents has been updated to consider all five (5) months' consumption between November and March with a minimum average of 1,000 gallons.

The current and new wastewater rates are shown below, side by side for comparison.

Current Wastewater Rates		New Wastewater Rates	
Service Rates		Service Rates	
Residential Monthly Base Rate	\$ 0.00	Residential Monthly Base Rate	\$ 13.07
Commercial Per LUE	\$ 78.00	Commercial Per LUE	\$ 91.07
Use Charge (per 1,000 gal.)		Use Charge (per 1,000 gal.)	
Residential	\$ 7.81	Residential	\$ 7.81
Commercial	\$ 9.32	Commercial	\$ 7.81
Winter Average Calculation		Winter Average Calculation	
Average consumption during months of November. – March, drop lowest 2 months.		Average consumption during months of November – March, minimum 1,000 gallons at \$7.81/1,000 gallons.	

### Process of Creating the Rate Structure

In April, it was determined that many customers were paying nothing or very little for wastewater services throughout the year. As a result, the City of Rollingwood hired a consultant to perform a study of the wastewater rates, which revealed that 16% of wastewater customers were paying \$0 for wastewater services. Following careful analysis and deliberation, along with the recommendation of the Utility Commission, City Council took action to adjust the rates. The new wastewater rate structure accomplishes the following objectives:



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Phone +1 (512) 327-1838

403 Nixon Dr, Rollingwood, TX 78746-5512

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- Includes a base fee for services that is based on actual usage and costs;
- Establishes a fair and clear winter averaging system; and
- Provides for an annual reserve fund and incrementally funds the annual debt service in accordance with best management practices.

As a City, we have a responsibility to ensure the delivery of high-quality services to our residents and commercial customers in a fair and equitable manner. This update to our rate structure follows the recommendations of the Utility Commission and reflects fiscally sound policy for the City of Rollingwood.

For more information or questions about updates to your wastewater bill, please contact: Elaine Acosta, Administrative Assistant at [eacosta@rollingwoodtx.gov](mailto:eacosta@rollingwoodtx.gov) or at 512-327-1838.

Sincerely,

The City of Rollingwood



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