

**ALABASTER WATER BOARD
MARCH 2020**

The Alabaster Water Board (Board) strives to provide customers with a safe, high quality and reliable water supply. The Board manages its operations efficiently to minimize the cost of water service to its customers and works to balance the cost of providing service with needed system capital improvements.

The Board has a fiduciary responsibility to ensure that water rates are adequate to cover rising wholesale water costs and other operating expenses and to cover debt service for water system repair and replacement and for planned capital improvements. Between fiscal years 2014 and 2018, the Board reinvested over \$9,100,000 in capital improvements.

The Board retained a qualified rate consultant in August of 2018 to review the adequacy of the existing water rates to support additional long term borrowing for necessary capital improvements. After the completion of the water rate evaluation and after careful consideration of the rate consultants rate recommendations, the Board adopted recommended 5% water rate increases on March 5, 2019 effective with the April 2019 and April 2020 billing.

The Board awarded 7 construction contracts in the amount of \$11.757 M in November 2019. The Board obtained \$10.565 M from the State Revolving Fund loan program at 2.2% interest for 20 years in February 2020. The Board will complete an additional long term borrowing of \$5.0 M to \$6.0 M in 2020. The borrowed funds will be used to construct water system improvements including water line replacements and required water main relocations, well and water plant rehabilitation, water supply development, booster pump station rehabilitation and for the construction of a new office and shop facility.

For all water customers, the minimum water bill will increase by 5% as shown on the table below. Block 1 water usage will increase by \$0.24 per thousand gallons and Block 2 water usage will increase by \$0.27 per thousand gallons. A customer with a ¾-inch water meter that uses 3,000 gallons of water per month will see an \$0.95 per month water bill increase from \$18.86 to 19.80. A customer with a ¾-inch water meter that uses 5,000 gallons of water per month will see a \$1.43 increase from \$28.62 to \$30.05.

**Alabaster Water Board
Revised Water Rates Effective with April 2020 Billing**

Base Charge (Minimum)	Gallons Included	Existing Rate	April 2020
¾" Residential	<2,500	\$16.42	\$17.24
¾" Commercial	<2,500	\$16.42	\$17.24
1" Commercial	<6,000	\$33.66	\$35.34
1.5" Commercial	<11,600	\$61.27	\$64.33
2" Commercial	<21,300	\$111.95	\$117.55
3" Commercial	<71,300	\$350.15	\$367.66
4" Commercial	<126,100	\$574.83	\$603.57
6" Commercial	<252,200	\$1,202.86	\$1,263.00
Usage Charge Over Minimum:		Existing Rate	April 2020
Block 1 (Next 12,500 Gal. For All Customers)		\$4.88	\$5.12
Block 2 (All Usage Above Block 1)		\$5.30	\$5.57

For additional information, please contact the Alabaster Water Board at 205-663-6155.