

Proposed Fees and Charges

- 4.5% Combined Utility rate increase
 - 5.7% Water rate increase
 - 3.3% Wastewater rate increase
 - \$3.78 monthly bill increase from \$63.57 to \$67.35
 - Reflects residential customer that uses 8,500 gallons of water and 5,000 gallons of wastewater.
- Monthly charge waiver for low-income customers
- 2.5% Inflationary adjustment to most fees and charges
- Implementing 2008 Cost of Service Rate Study

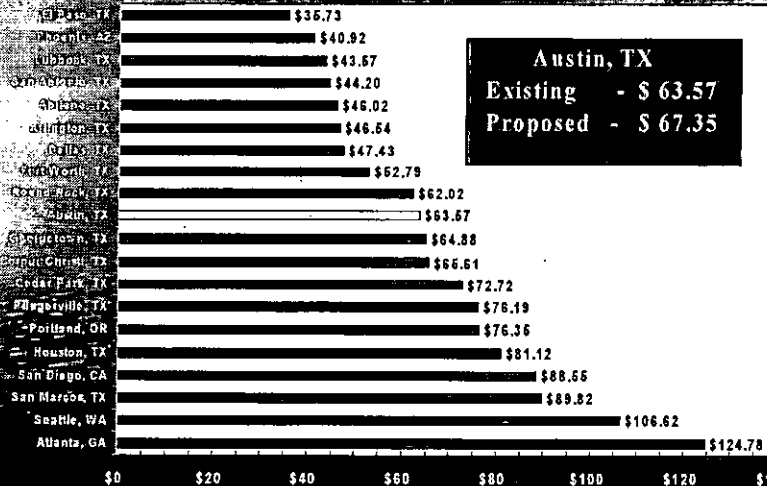


AWU - 9



Comparison of Monthly Residential Bills

(Water 8,500 Gallons & Wastewater 5,000 Gallons)



AWU - 10



CIP Spending Plan: Major Projects

- \$1.4 Billion Capital Spending Plan over 5 Years
- Water Projects
 - \$423M WTP4 and associated Transmission Mains
 - \$90M South I-35 Program
 - \$80M Priority Water System Rehabilitation
 - \$59M Davis Water Treatment Plant Upgrades
 - \$29M Water Reclamation Projects
- Wastewater Projects
 - \$134M Wastewater Treatment Plant Upgrades
 - \$71M Downtown Tunnel
 - \$45M South I-35 Program



AWU - 11



Cost of Service Rate Study

- Purpose:
 - Transparent process to improve methods of determining fair and defensible rates
- Process followed:
 - Hired consultant & residential customer advocate
 - Established Public Involvement Committee
 - Documented Study with extensive website:
 - <http://www.ci.austin.tx.us/water/costofservice.htm>
 - Final report to be issued



AWU - 12



The Austin Water Utility's Proposed Fiscal Year 2009-10 Budget includes the following changes to the current water and wastewater rates:

	Water Rates (Revenue Impact)	Wastewater Rates (Revenue Impact)
<u>Retail Customers:</u>*		
Single Family	10.1% Increase	3.9% Increase
Multifamily	3.3% Increase	8.3% Increase
Commercial	2.0% Increase	0.0% Increase
Large Volume	4.1% Increase	-2.0% Increase

** Outside City Retail aggregated with Inside City Retail*

<u>Wholesale Customers:</u>	3.8% Increase	0.4% Increase
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<u>Systemwide:</u>	5.7% Increase	3.3% Increase
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The attached schedules provide detailed current and proposed water and wastewater rates for all retail and wholesale customer classes.

**CITY OF AUSTIN, TEXAS
AUSTIN WATER UTILITY
PROPOSED RETAIL WATER RATES
FY 2009-10**

<u>Monthly Customer Charge - Retail:</u>	<u>Current Rates</u>	<u>Proposed FY 2009-10 Rates</u>
Meter Size:		
5/8"	\$ 6.25	\$ 6.70
3/4"	7.21	7.91
1"	8.55	9.38
1 1/4"	10.47	11.49
1 1/2"	12.39	14.52
2"	16.23	21.55
3"	33.13	39.32
4"	52.33	76.04
6"	100.33	152.05
8"	148.33	837.18
10"	196.33	875.94
12"	225.13	899.20

** Certain residential customers may qualify for a waiver of the customer service charge*

<u>Volume Charges - Retail:</u>	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
Single Family:		
0 – 2,000 Gallons	\$ 0.98	\$ 1.00
2,001 – 9,000 Gallons	2.59	2.62
9,001 – 15,000 Gallons	4.75	6.71
15,001 – 25,000 Gallons	8.50	9.00
25,001 – over Gallons	NA	10.00
Multifamily – Off Peak / Peak	3.54 / 3.88	3.50 / 3.86
Commercial - Off Peak / Peak	4.20 / 4.58	4.21 / 4.63
Large Volume:		
Applied Materials	3.93 / 4.28	4.21 / 4.63
Freescall	3.93 / 4.28	4.07 / 4.48
Hospira	3.93 / 4.28	4.21 / 4.63
Samsung	3.93 / 4.28	4.02 / 4.43
Sematech	3.93 / 4.28	3.90 / 4.29
Spansion	3.93 / 4.28	3.86 / 4.25
UT Austin	3.93 / 4.28	4.20 / 4.62

**CITY OF AUSTIN, TEXAS
AUSTIN WATER UTILITY
PROPOSED WASTEWATER RATES
FY 2009-10**

	<u>Current Rates</u>	<u>Proposed FY 2009-10 Rates</u>
<u>Monthly Customer Charge:</u>	\$ 8.00	\$ 8.50
Certain residential customers may qualify for a waiver of the customer service charge.		

	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
<u>Retail:</u>		
Single Family:		
0 – 2,000 Gallons	\$ 3.29	\$ 3.43
2,001 – over Gallons	7.44	7.73
Multifamily	6.59	7.19
Commercial	7.23	7.22
Large Volume / Industrial:		
Applied Materials	6.64	7.22
Freescall	6.64	6.64
Hospira	6.64	6.87
Samsung	6.64	6.26
Sematech	6.64	6.25
Spanion	6.64	6.42
UT Austin	6.64	7.01
<u>Wholesale:</u>		
Manor, City of	4.62	4.89
North Austin MUD #1	4.98	4.89
Northtown MUD	5.00	4.89
Rollingwood	4.72	4.94
Shady Hollow MUD	4.62	4.92
Sunset Valley	4.62	4.85
Travis Co. WCID #17 Comanche	3.50	3.88
Travis Co. WCID #17 Steiner Ranch	3.38	3.72
Wells Branch MUD	4.94	4.92
Westlake Hills, City of	4.49	4.67

**CITY OF AUSTIN, TEXAS
AUSTIN WATER UTILITY**

**PROPOSED WHOLESALE WATER RATES
FY 2009-10**

Monthly Customer Charge - Wholesale:

Meter Size:		
5/8"	\$ 6.25	\$ 5.90
3/4"	7.21	6.54
1"	8.55	7.44
1 1/4"	10.47	8.95
1 1/2"	12.39	10.01
2"	16.23	12.58
3"	33.13	23.90
4"	52.33	36.75
6"	100.33	68.89
8"	148.33	101.04
10"	196.33	133.18
12"	225.13	152.46

Volume Charges - Wholesale:

	<u>\$ / 1,000 Gallons</u>	<u>\$ / 1,000 Gallons</u>
Creedmoor-Maha WSC	2.88	2.91
High Valley WSC	2.75	2.86
Lost Creek MUD	3.02	3.17
Manor, City of	2.76	3.03
Manville WSC	3.27	3.65
Marsha WSC	2.78	2.92
Morningside Subdivision	3.04	3.03
Night Hawk WSC	2.73	2.89
North Austin MUD #1	3.12	3.20
Northtown MUD	2.92	3.09
Rivercrest WSC	3.10	3.21
Rollingwood, City of	3.33	3.52
Shady Hollow MUD	3.21	3.40
Sunset Valley, City of	3.19	3.23
Travis Co. WCID #10	3.13	3.29
Village of San Leanna	3.04	3.03
Wells Branch MUD	2.80	2.88
Windermere Utility	6.96	7.33