



WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

November 18, 2020

TO: Utility Districts; the Cities of Houston and Katy, Texas; Non-District/Non-City Well Owners within the West Harris County Regional Water Authority

FROM: West Harris County Regional Water Authority (the "Authority")

RE: Notice of Fee Increases, Additional Payment Options, and Other Rate Order Changes

At the Authority's Board of Directors meeting held on November 11, 2020, the Authority adopted changes to its Rate Order, which include increased fees in order to fund the massive water supply projects that are needed to meet the Harris Galveston Subsidence District ("HGSD") groundwater reduction regulations and to avoid the \$9.24 per 1,000 gallons disincentive fee that the HGSD imposes for non-compliance. The HGSD regulations require reduction of groundwater pumpage in our area to no more than 40% of the total water demand by 2025 and no more than 20% of the total water demand by 2035.

The water supply projects required to achieve compliance with these HGSD regulations include design and construction of: (i) the 320 million gallon per day Northeast Water Purification Plant expansion at Lake Houston in northeast Harris County, (ii) the approximately 40 mile long Surface Water Supply Project transmission line to transport water from Lake Houston to the Authority, and (iii) the approximate 75 miles of internal distribution lines to be constructed within the boundaries of the Authority to deliver this water.

Effective January 1, 2021, the Groundwater Reduction Plan Fee will be \$3.45 per 1,000 gallons of groundwater pumped and the Surface Water Fee will be \$3.85 per 1,000 gallons of water delivered by the Authority. These new fees correspondingly increase the Imported Water Fee.

Beginning February 1, 2021, the Authority will offer two additional options for making payment to the Authority – credit card and automated clearing house (ACH). These new payment options are made available through service providers who charge a convenience fee per transaction, which must be paid by the payor along with the other amounts due to the Authority. Currently, these fees are 3% of the payment amount for credit card payments and \$1.00 per transaction for ACH payments. Any users who does not wish to pay these convenience fees may continue to pay by check.

This year, the Authority transitioned to reading surface water/well meters and sending monthly invoices of the fees due to the Authority based upon such meter readings. The Authority is now able to read all surface water meters and almost all water well meters through the Authority's Automated Meter Reading (AMR) System. However, for meters that must be read manually, the cost to the Authority to do so increased during the year. Therefore, effective November 11, 2020, the Manual Meter Reading Fee increases from \$150.00 to \$155.00 per month per meter for users that are charged this fee.

With the Authority's transition to meter reading and invoicing and as the 2025 HGSD conversion deadline approaches, it has become increasingly important to keep the Authority aware of new or changing information regarding water usage. While the Authority has always requested users update the Authority, the Authority has implemented two forms to help you keep the Authority informed: the Contact Information Request Form and the Interconnect Notification Form. Both forms are available on the Authority's website at <https://www.whcrwa.com/documents/>. The Contact Information Request Form should be provided to the Authority before a new non-exempt well is operational and if any contact information for a non-exempt well has changed. The Interconnect Notification Form should be provided to the Authority if a user plans to receive or is receiving water through an interconnect. Please see the forms for additional information.

To review the complete Amended Rate Order, including certain modifications to imported water procedures and all other changes, please go to the Authority's website at <https://www.whcrwa.com/documents/>.