

September 5, 2008

Dear AMUD Customer,

Acton Municipal Utility District (AMUD) has an ongoing commitment to provide safe, plentiful water and wastewater service at the lowest possible cost. We continually evaluate our operations to insure that services are provided in an efficient and effective manner. In order to continue our mandate it is necessary to adjust service rates.

We have been able to hold water and sewer rates constant for the last three years, however during that time the costs of fuel, energy, materials, and regulatory mandates regarding water distribution/wastewater collection, treatment and security have caused significant increases in operational expenses. Additionally, we have seen sizable increases in cost for treated surface water produced at the Brazos River Authority's (BRA) Surface Water and Treatment System (SWATS) Plant. As you may be aware, this treatment plant removes salt and other dissolved solids from Lake Granbury using ultra filtration (UF) and reverse osmosis (RO) technologies.

As evidenced by the schedule of new rates and sample billing on the back of this notice, the increase in the average bill for water (9,000 gallons) will be approximately \$2.95, and for sewer (5,600 gallons) will be approximately \$3.01. These rates will be reflected on your October billing.

We at AMUD continue our pledge to you to provide safe, plentiful water at the lowest possible cost.

<b>SCHEDULE OF RATES</b> <b>EFFECTIVE OCTOBER 2008 BILLING</b>
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In District Water Rates

Minimum 0 – 2,000 gallons	\$23.50*
2,001 – 25,000 gallons	\$ 3.90 per thousand
Over 25,000 gallons	\$ 7.00 per thousand

Sewer Rates

Minimum 0 – 2,000 gallons	\$25.00
over 2,000 gallons	\$ 3.00 per thousand

(winter average: Residential: 6,000 gallons maximum – Commercial: no maximum)

Winter Average = December, January, and February billing

\*Note: minimums shown are based upon a standard 5/8” water meter. Alternate monthly minimum charge (0 – 2,000 gallons) for larger meters is as follows:

\$36.16	1” meter
\$46.99	1 ½” meter
\$57.51	2” meter
\$82.74	3” meter
\$291.74	4” meter

<b>SAMPLE BILLING</b> <b>IN DISTRICT RESIDENTIAL</b>
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	<u>Current</u>	<u>Effective October 2008</u>	<u>\$ Increase</u>
<u>WATER CHARGE</u>			
gallons used			
2,000 (minimum)	\$22.30	\$23.50	\$1.20
5,000	\$33.25	\$35.20	\$1.95
10,000	\$51.50	\$54.70	\$3.20
25,000	\$106.25	\$113.20	\$6.95
30,000	\$139.50	\$148.20	\$8.70
<u>SEWER CHARGE</u>			
gallons used			
2,000 (minimum)	\$23.00	\$25.00	\$2.00
3,000	\$25.72	\$28.00	\$2.28
4,000	\$28.44	\$31.00	\$2.56
5,000	\$31.16	\$34.00	\$2.84
6,000	\$33.88	\$37.00	\$3.12
10,000	\$33.88	\$37.00	\$3.12