

PICOSA WATER SUPPLY CORPORATION

3274 FM 2579
FLORESVILLE, TEXAS 78114
(830)393-4424
www.picosawsc.com

February 20, 2024

To: All Picos Water Supply Corporation Members

Re: CY2024 Water Rate Increase Letter

Your elected Board of Directors of Picos Water Supply Corporation (PWSC) approved the Calendar Year 2024 Budget and Water Rates. This letter is to communicate to you, our members, that management has determined the need to increase water rates by a minimal 2% this year. This decision was made after a detailed study of both revenue and expense budgets and considering the ever-increasing material costs, labor costs, and growth of our water system.

Our Mission at Picos Water Supply Corporation is to continue to provide safe, high-quality water and services at an equitable rate for all our customers. To sustain current budget requirements for operational and reserve costs, we must adjust our water rates to produce the necessary revenue needed to cover all system costs. We also need to be prepared to provide water services to future landowners and developers. That will mean major infrastructure improvements to ensure we can provide water to all those who need it. Our customer base has grown significantly in the last 5 years, and we estimate it will continue to grow much more in future.

In April 2020, the Board implemented a ten (10) year Growth Preparation Plan to place monies aside for future Capital Improvements. Also, in May 2021 the "Impact Fee" (formerly Buy-In Fee) was increased specifically for new customers, to support the future growth of our system. That growth has already begun. Our customer base has increased by 25% in the last 5 years.

New Water Rate Structure per thousand gallons of water:

Usage Tier 0 to 1,000	\$10.97 base rate monthly minimum	Previously \$ 10.75
Usage Tier 1,001 to 2,000	\$ 8.26 per thousand gallons + \$10.75 base rate	Previously \$ 8.10
Usage Tier 2,001 and up	\$ 9.61 per thousand gallons + \$10.75 base rate	Previously \$ 9.42

Picos Water Supply Corporation Volunteer Board of Directors invite you to become involved in the future planning and growth of your water system. All year long we meet at least monthly and collaborate with our field operators and office employees to make decisions for the future of our water system. Be part of the planning and growth of PWSC and help us make decisions about its future. We usually meet the 3rd Thursday of every month. The date and agenda are always filed and published at the Wilson County Clerk's office and on our website www.picosawsc.com. We look forward to seeing and meeting you!

Most Sincerely,

Sylvia Tejada Howard, Board President
Picos Water Supply Corporation

This institution is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found on line at <http://www.ascr.usda.gov/complaintfilingcust.html>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all the information requested on the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442, or email at program.intake@usda.gov.”