

Proposed Utility Rate Increase Frequently Asked Questions

Why are utility rates increasing?

The City of Henderson Utilities (COHU) is dedicated to providing reliable, high quality water and wastewater services to its 332,000 residents, in a cost-effective manner. In addition to the operation and maintenance of a Water Treatment Plant and extensive water distribution system, the City also operates and maintains a wastewater collection system, two reclamation facilities and delivers reclaimed water via a reclaimed distribution system for outdoor irrigation. The modest annual increase will be used to cover infrastructure maintenance, ongoing operations and capital improvement projects, and meet required debt service coverage for existing bonds.

How much are the rates increasing?

Rates, charges and fees for potable water, raw water, reclaimed water, and wastewater services will increase an average annual rate of 3.0%. This increase will take place in increments over a 5-year period.

How much will my bill change with the approved increase?

A single-family residential customer with a $\frac{3}{4}$ " meter that uses 6,000 gallons per month will see an increase of approximately \$2 per month, split between the monthly meter fee and volumetric fee (cost per 1,000 gallons) for water and the monthly sewer service fee. Additional estimates for sample customers (e.g., median single family residence, small restaurant, daycare facility, religious facility, and several others) are included on the website.

When will the rate increase take effect?

The effective increase January 1, 2021 is 0% and incremental rate increases will begin January 1, 2022. The current 2021 rates are in effect until December 31, 2021.

When is the last time water and sewer rates were increased in the City of Henderson?

In 2015, the City approved a five-year rate increase package beginning with a 0% rate increase on January 1, 2016, followed by an average 1.3% annual increase beginning January 1 of each year from 2017 through 2020, for water and sewer rates to cover annual operating and maintenance expenses, necessary capital improvements, and to meet required debt service coverage for existing Utility Services Bonds. Overall, the City has tried to limit rate increases to minimize customer impact. In contrast, other water agencies have been required to implement much larger rate increases in part due to long periods between adjustments.

How were the proposed utility rate increases determined?

As part of the financial planning and rate review process, the City assessed investment in aging infrastructure needs and operational needs for the upcoming 5-year period to determine the estimated rate adjustment requirements. These adjustments were allocated across all classes of customers, meter sizes, and usage tiers to ensure users share an equitable portion of the rate changes.

Are the rates increasing for new development?

Yes. Potable Water System Development charges will increase \$100 per Equivalent Dwelling Unit for three consecutive years and Wastewater System Development charges will increase \$135 per Equivalent Residential Unit for five consecutive years.

How can I conserve water to lower my bill?

There are many ways to save water, but using water efficiently outdoors can make the biggest impact. Remember to:

- Make sure your irrigation system is functioning properly
- Water only during permitted times on your assigned watering day(s)
- Prevent water waste that happens when water flows off your property

How do the City of Henderson utility rates compare to other utilities?

Despite the arid climate and the proposed rate adjustments, water bills in the City of Henderson will remain competitive when compared to the average Western city.

I'm on a fixed income. Are there any programs that offer a discount?

For low-income and disabled residents, the City waives the basic service charge portion of your monthly water and sewer bill. For eligibility information on our Utility Bill Discounts visit <https://www.cityofhenderson.com/government/departments/utility-services/customer-care-center/utility-bill-discounts> or call (702) 267-5900.

I have been impacted by COVID and am struggling financially. Is there any assistance you can offer?

If you are affected by COVID-19 due to illness or layoff, we are here to help. Our Utility Services Department suspended late fees and shutoffs for a year due to the COVID-19 pandemic, and provided Federal Cares Act assistance, along with City assistance with past due utility balances. Please be proactive. If you foresee you will have a difficult time making payments, contact a Customer Service Representative at 702-267-5900 to talk through your options.