

COMMISSIONERS:
JEFF DAVIS
REBECCA HUNTER
PHILIP R. SCHOFIELD



GENERAL MANAGER:
GREGORY K. BUTLER

NOTICE OF WATER RATE INCREASE

In 2022, Hixson Utility District received results from a rate study conducted by a utility consulting firm that evaluated the existing rate structure, expenses, and revenues. Although our cost to produce water is lower than surrounding utilities, the inflationary increases in operating expenses have led to our costs growing at a significantly faster rate than our total revenues over the past few years. The rate study presented a plan that will allow us to maintain a fully funded capital improvement program to replace aging infrastructure, while continuing to offer some of the lowest rates and cleanest water in East Tennessee.

Since 2022 we have made modifications to the minimum usage allowance for both residential and commercial customers. The cost of water per 1,000 gallons has not seen an increase since the mid-1980s, which is unheard of for most utilities. Hixson Utility's long-standing commitment to fiscal responsibility has not changed; however, to continue to serve our customers and maintain existing infrastructure to the best of our ability, it is necessary to increase our rates beginning August 1, 2024. This decision was made after careful consideration by the Hixson Utility staff and Board of Commissioners. While we regret the need to make this change, we are pleased that our customers will continue to see the lowest water rates in the region.

Beginning August 1, all consumption tiers for residential and commercial customers will increase by 35 cents per 1,000 gallons. The average homeowner with a 5/8" meter will see an increase of approximately \$1.75 per month. A full table showing the increases for each tier can be found on our website at www.hixsonutility.com. Please be aware that any sewer costs on your bill are controlled by the respective authority and will not be affected by this change.

As our customer you are our most valuable asset, and we appreciate your continued business. The customers who have lived here many years and those just moving into our service area will continue to benefit from the quality water and services we strive to provide. If you have any questions or concerns regarding this rate change, please feel free to email us at customerservice@hixsonutility.com.