



2026 District Updates to Water Rate Schedule & Service Policy

A Message from the Board of Directors

The Board of Directors is committed to providing safe, reliable water service while managing the District in a financially responsible manner. The District's previous water rate adjustment became effective in February 2017. Since then, operating costs have increased substantially. Rather than establishing new rates arbitrarily, the Board commissioned an independent third-party water rate study to evaluate operating costs, infrastructure needs, financial condition, and long-term sustainability. The updated rates are based on the recommendations of that study.

In addition to updating the water rates, the District has completed a comprehensive revision of the District's Service Policy. The revised policy reorganizes and modernizes the District's existing policies by clarifying customer and District responsibilities, improving consistency, reflecting current operating practices, and updating District service fees to better align with the actual cost of providing services. These updates are intended to make the policy easier to understand while ensuring the fair and consistent administration of District services.

The updated water rates, service fees and revised Service Policy will be formally considered for adoption by Ordinance on August 25, 2026. If adopted, the new rates will become effective with the October 2026 billing.

Current vs. New Rate Schedule for Standard Residential Service

CURRENT RATE SCHEDULE	NEW RATE SCHEDULE
Base Rate \$39.00	Base Rate \$45.00
0–4,000 gal. \$6.75 / 1,000	0–4,000 gal. \$8.00 / 1,000
4,001–7,000 gal. \$9.00 / 1,000	4,001–10,000 gal. \$9.75 / 1,000
7,001–10,000 gal. \$11.25 / 1,000	10,001+ gal. \$12.00 / 1,000
10,001–15,000 gal. \$12.00 / 1,000	
15,001+ gal. \$13.00 / 1,000	

At a Glance

Water Rates:

- First water rate adjustment since February 2017.
- Updated rates are based on an independent third-party rate study.
- Five usage tiers have been simplified to three.

Service Policy:

- Comprehensive update to improve organization, clarity, and consistency.
- Reflects current District operations and clearly defines customer and District responsibilities.
- Includes updates to District service fees.

Implementation:

- Board consideration for adoption by Ordinance: **August 25, 2026.**
- **If adopted, the updated water rates and District service fees will become effective with the October 2026 billing.**

Frequently Asked Questions

Q. Why are rates changing?

A. Operating costs have increased significantly since 2017. The updated rates help ensure the District can continue operating, maintaining, repairing, and improving the public water system.

Q. How were the new rates developed?

A. The Board relied on recommendations from an independent third-party water rate study.

Q. Why were the usage tiers changed?

A. The rate structure was simplified from five tiers to three, making it easier to understand and administer while continuing to allocate costs fairly and better align with current customer usage patterns.

Q. When do the new rates take effect?

A. If adopted on August 25, 2026, the new rates will become effective with the October 2026 billing.

Q. How will the additional revenue be used?

A. All revenue collected by the District is used to operate, maintain, repair, and improve the public water system. This includes pumps, storage facilities, water lines, equipment, maintenance, regulatory compliance, emergency repairs, and future infrastructure improvements necessary to provide reliable water service.

Q. Why was the Service Policy updated?

A. The District periodically reviews its policies to ensure they remain current, organized, and consistent with applicable laws, industry practices, and District operations. The revised Service Policy improves clarity, better defines customer and District responsibilities, updates District service fees to better reflect the cost of providing services, and provides a more user-friendly reference for both existing and future customers.

Q. Are all of the provisions in the Service Policy new?

A. No. Many provisions have been part of the District's policies for years. The revision reorganizes the policy, clarifies existing requirements, reflects current operations, and updates District service fees.

Q. Where can I learn more?

A. Please contact the District office at 972-932-3077 or customerservice@rhsud.com.

Implementation Timeline

Nov. 25, 2025	July 28, 2026	Aug. 25, 2026	Oct. 1, 2026
Independent rate Study completed	Draft Service Policy completed	Board considers adoption by Ordinance	New rates and policy effective

The Board of Directors appreciates the continued support of our customers. These updates are intended to help ensure the long-term financial stability of the District while continuing to provide safe, reliable water service for years to come.