

Austin County Water Supply Corporation  
117 N. Granville  
Bellville, TX 77418

December 2025

To Each Austin County Water Supply Member,

The Board of Directors has completed its annual review of operational costs, system maintenance needs, and long-term financial obligations for the upcoming year. After careful analysis, it has become necessary to adjust the water meter (base) rate to ensure the continued reliability and financial stability of our water system.

Beginning January 1, 2026, and implemented on the January 2026 water billing the base water meter rate will increase by 3%.

#### Why This Adjustment Is Necessary

Water Supply Corporations (WSCs) are private, nonprofit, member-owned utilities established under Texas Water Code Chapter 67. Unlike city-owned water utilities, WSCs do not have access to tax revenue, municipal bonds, or many of the federal and state funding programs designed specifically for public governmental entities. Because of this, WSCs operate solely on the revenue collected from member water bills. All system maintenance, repairs, operations, administrative costs, and debt obligations must be funded directly by the membership.

Additionally, WSCs do not receive the large infrastructure grants, subsidized funds, or city-backed capital financing tools available to municipal utilities. Rising costs in materials, equipment, labor, and regulatory compliance must therefore be absorbed within our nonprofit rate structure.

As our system continues to age and more vulnerable areas are identified and repaired, the need for materials and skilled labor increases—often at a higher cost than in past years. We remain committed to improving reliability, strengthening the system, and maintaining the financial health of the Corporation.

#### What the 3% Increase Means for Members

The 2025 base meter rate of \$55.13 will increase by 3%, resulting in a new 2026 base rate of \$56.78.

Example: Base Meter Charge — \$55.13 → \$56.78

#### How This Supports System Reliability

This modest increase helps ensure we can:

- Maintain and upgrade critical infrastructure
- Continue resolving longstanding repair needs
- Cover rising costs of parts and labor

- Meet lender obligations and regulatory requirements
- Preserve the long-term financial stability of the Corporation
- Avoid system failures caused by deferred maintenance

Because WSCs do not receive taxpayer-based funding or municipal financial support, rate adjustments are the only means to sustain a safe, reliable water system for our membership.

#### Our Commitment to You

We understand that any increase impacts our members. As a member-owned nonprofit, every dollar collected is used to operate, maintain, and improve the water system serving you and your families. The Board and staff remain committed to transparency, responsible budgeting, and long-term stewardship of your water supply.

Respectfully,

Board of Directors

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