

Date

Property Owner Name
Mailing Address 1
Mailing Address 2

SUBJECT: RESERVED CAPACITY FEES

Dear Sir or Madam:

Review of billing records indicates that the water and/or sewer service(s) at your property have been inactive for 3 months or longer. The purpose of this letter is to inform you that services left inactive for 6 months or greater are subject to Reserved Capacity Fees. Reserved Capacity Fees are assessed to bring customers that have reserved use of the system, via the existing connection, back on par with current customers once service is re-initiated.

In general, capacity fees are one-time charges required for new, expanded, or out-of-date connections to water and wastewater system facilities. The charges are intended to reduce potential inequalities to existing customers that have actively been contributing toward system facilities, including financing costs. When water or sewer service is inactive but the connection to the system still exists, the City must be able to provide service at a moment's notice. Therefore, reserved capacity fees allow for the connection to be reactivated at any time while also addressing the lapse in contribution to maintenance of infrastructure.

Fees are calculated via the following formulas:

- WATER: Current Monthly Meter Fee multiplied by the number of months the account was out of service
- SEWER: Fixed Wastewater Charge multiplied by the number of months the account was out of service

The monthly meter fee will be based on the meter size at the time of account termination. If the above calculation exceeds the current buy-in fee for the meter size in question, the cost is capped at the current buy-in fee amount.

Alternatively, you may instead opt to reinitiate service and keep the account active.

Please feel free to call 564-5343 if you have any questions. Thank you.

Sincerely,

Utility Billing Supervisor