



Citizens Utility Advisory Board

Chairperson: Ms. Heather Baca

Members: Ms. Keely Sonlitner, Mr. Paul Jensen, Councilman Mark Rockeymoore (ex-officio)

August 6, 2020

The Honorable Mayor Jane Hughson and Members of the City Council
630 East Hopkins Street
San Marcos, Texas 78666

RE: Citizens Utility Advisory Board's Utility Rate Adjustment Recommendations

Dear Honorable Mayor Hughson and Members of Council:

The Citizens Utility Advisory Board ("CUAB") received presentations and materials related to the FY2021 budget and rate modeling, including proposed user rate increases in electric, water, and wastewater utility services.

Information was presented at the July 29th, 2020 and August 5th, 2020 CUAB meetings related to user rates for electric, water, and wastewater utility services. CUAB reviewed the rate model presented by City staff and the rate consultant, discussed the proposed FY21 budget, and recommends (i) no general rate increase for electric (ii) a 5% rate adjustment for water service; and (iii) a 3% rate adjustment for wastewater service. The water rate adjustment is consistent with the multi-year plan comprised of small periodic adjustments recommended by CUAB to City Council beginning in FY15. This steady approach benefits City utility customers by ensuring adequate funding levels to recover adequate utility costs, continuing a high level of service delivery, and achieving future water supply security, while minimizing the financial impact on customers.

We sincerely appreciate the opportunity to serve our community and respectfully request you consider adoption of these recommendations.

Sincerely,

San Marcos Citizens Utility Advisory Board



Heather Baca



Keely Sonlitner



Paul Jensen



Councilman Mark Rockey Moore (ex-officio)