

July 26, 2024

Dear PLVD community water system user,

Beginning with this cycle you will experience changes to the water cost allocation and billing processes. A vote was taken during the March annual meeting to begin charging all water system costs to the water system users alone. This is a correction to the previous process of charging all PLVD residents for water system costs and water system loan charges which were being applied in error. Through our attorney's guidance it was determined that it is not legal to charge anyone for costs associated with a utility if they are not receiving current, direct benefit from the utility.

As of this statement, all customers will be billed equally on a per gallon basis. The \$334 cost for 3000 gallons equals .11 [11 cents] per gallon. There were a few customers who used less, and their cost was cut by 2 cents. However, there are many users who use over 3000 gallons, and they paid considerably less per gallon than the .11 base. [only .025 per gallon for the extra instead of .11]

The new rate is .16 per gallon [5 cents over previous base rate]. With the equal cost for everyone, the shortfalls can be caught up. After that happens, it may be that the cost per gallon can drop again.

The current portion of our two existing loans is shown below:

Concord Drive project	Annual payment \$9,475.01	Current portion \$3,617
Peninsula Filtration Project	Annual payment \$27,978.00	Current portion \$10,679

The total portion of the loan payments currently due is \$14,296 which will be divided by the 56 homes currently taking benefit from the water system, or a fixed \$255.29 each. The number of homes on the system has been dropping, so that cost may increase if the number of users decreases.

Please understand that legally the only people who can be charged for the water system are people who are currently on the system. And that treating all customers equally is the only fair way to proceed.

We understand that these changes may cause hardship for some users of the system, and we will do our best to work with you.

Thank you for your understanding and cooperation.

The PLVD Commissioners