

November 10, 2014

Dear Riviera Customer

Last year the Board made the decision to increase metered utility rates for the first time since 2002. At the time it was anticipated that another similar increase would be necessary this year as well. However with the unusually mild summers we have had recently, the water volume sold was less than projected, which has resulted in lower income.

Based on our analysis of the operating cost and projected income, the Board has made the decision to implement an increase in the Metered Water Rates to be effective for the billing mailed in Late December 2014.

Effective in December 2014 the new rates will be as follows:

UTILITY RATES:

WATER RATES: Metered	New Rate	Current Rate
Meter Rate: (minimum bill)	\$6.93/mo	\$6.30/mo
Commodity Charge:	\$.00813/gallon*	\$.00739/gallon*
Safe Water Act:	\$.30/month	\$.30/ Month
Sewer Rate	\$.00930/gallon**	\$.00845/gallon**

*Includes the wholesale rate adjustment which is tied to the wholesale rate charged by the City of Hot Springs.

Some examples of how this will affect your bills are:

	New Rate	Current Rate
2000 gallon user Water Only:	\$25.37	\$23.06
2000 gallon user on Sewer	\$43.97	\$39.96
3000 gallon user Water Only:	\$34.10	\$31.04
3000 gallon user on Sewer:	\$61.95	\$56.39
4000 gallon user Water Only:	\$42.93	\$39.02
4000 gallon user on Sewer:	\$80.13	\$72.82

Non-Metered Charges for Vacant Lots:

Water Availability Fee:	Unchanged	\$6.61/month*
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*billed semi-annually (April & October) in advance \$39.66 plus tax.

SEWER RATES: Connected Service:

****Rate:** The Rate is equal to 1.3 times the water rate and is applied to 88% of the water usage. With the increase in the wholesale rate, this formula works out to an effective rate of **\$.00930/gallon per month.**

Note: though sewer usage is not metered, this rate applies only to those households that are connected to Sewer.

SEWER FEES FOR VACANT LOTS AND HOMES NOT CONNECTED:

Sewer Operations Fee: Unchanged \$7.80/month*

*billed semi-annually in advance (January & July) \$46.80.

This fee is billed to all vacant lots and homes not connected to sewer, but are located within 300 feet of an existing sewer line. This fee was designed to assist with the operation cost of the system, until at some point in the future there are sufficient homes connected to support the operating cost.

Sewer Construction Fee: Unchanged \$11.40/month*

*billed semi-annually in advance (January & July) \$68.40.

This fee is billed to all lot owners, including lots with homes, whether connected or not connected. **Many property owners have fulfilled this obligation, and have completed payment for Sewer Construction Fees and are no longer being billed.**

We thank you for your continued support; please feel free to contact our office if you have questions.

Sincerely,

Jack Plumlee, CEO