



Springdale Water Utilities

526 Oak Avenue P.O. Box 769 Springdale, Arkansas 72765-0769 (479) 751-5751

October 10, 2017

Tontitown Water and Sewer
P.O. Box 305
Tontitown, AR 72770-0305

To All Concerned:

Commensurate with the most recent water purchase agreement, the unit cost for water purchased by Tontitown is twenty two percent above the operation costs for water supplied by the Springdale Water and Sewer Commission. In addition, the contract provides that Springdale Water is entitled to collect an additional rate per thousand gallons from Tontitown equal to any rate increase charged from Beaver Water District which is not included in the above referenced calculation.

The current water rate of \$3.28 per thousand gallons for water supplied to Tontitown will increase to \$3.31 for each thousand gallons of water purchased for remaining calendar year 2017. Beaver Water District increased their water rate by \$0.03 per thousand gallons effective October 1, 2017, thereby affecting the calculation of your new bulk water rate as contained in our existing contract. Your new bulk water rate is based upon the following:

Unit water rate for Calendar Year 2017 (per SWU letter of 12/30/16).....	\$ 3.28
Beaver Water District Rate Increase effective 10/01/2017.....	\$ <u>0.03</u>

Revised Bulk Water Rate for October through December 2017 \$ 3.31

Your meters will be read in mid-November reflecting October water consumption. The water bill you will receive toward the end of November, 2017 will reflect the new rate.

Sincerely,

Terry Phillips
Chief Financial Officer

CC: Mayor Paul Colvin, City of Tontitown
Heath Ward, Springdale Water Utilities