Prosper is growing and growing fast. In many ways, that’s a positive development, but in some ways, growth can mean higher costs for some services, like water and wastewater. Every new home and business requires water and wastewater services, and the costs related to providing those services can have an adverse effect on utility costs. Here are some frequently asked questions related to the rising costs of utility service.

Why is my water bill increasing?
The two most critical reasons for the increase are the cost of water that we purchase from the supplier; and the costs related to distributing that water. Simply stated, the price of water is going up; and all aspects of distribution are also rising.

Why do utility customers have to bear the burden of these increases?
The account from which all water-related costs are financed is called the Utility Fund. This fund’s sole purpose is to pay for the drinking water we purchase along with its storage and distribution, as well as the collection of wastewater from drains and toilets. The water and wastewater system is self-sustaining, meaning that customers share in the costs related to the service in proportion to their individual use.

My property taxes increased, so why can’t some of that money pay for water?
The Utility Fund is a fund that uses money generated by utility customers to pay for utility services. Money from other funds cannot be used for this purpose. Basically, the money generated is used to maintain the operation of the utility. Residents are billed for the amount of water used and wastewater discharged, and the funds are then used to purchase the water, pay the salaries of the utility staff, and maintain the functioning of water storage facilities, water lines and sewer lines, meters and other related costs.

Weren’t utility rates recently increased?
The last time water and sewer rates were adjusted was 2012. During the ensuing five-year span, other towns and cities have seen an average increase of 30 percent. Water costs are rising throughout the country. In fact, since 2012, the North Texas Municipal Water District, from which we purchase our water, has increased its cost for water by 50 percent. Their forecast calls for an annual increase of 10 percent for the next several years. Because the Utility Fund is self-sustaining, these cost increases are borne by the end consumer – residents and businesses.

Are other cities raising rates?
The NTMWD provides water to most other cities in the area, and all of them are subject to the same financial pressures we are. Therefore, they must also deal with rising rates. Not only is the cost of water going up, but the vast majority of utility costs are fixed, meaning that they cannot be deferred or avoided. Many of these costs are also increasing faster than the rate of inflation.

*Continued on reverse side.*
What is the Town doing to help?
Even with a rate adjustment, the Town anticipates that the Utility Fund would be facing a shortfall in 2018. Raising rates to make the Utility Fund completely self-sustaining in one year would be catastrophic to many residents. Therefore, the Town is seeking a combination of multi-year rate increases that would make up any shortfalls and set the Utility Fund on a more stable financial footing.

How long will the rates increase until they remain stable?
The plan is for rates to maintain manageable increases for the next three years, after which we anticipate a leveling off. Artificially supporting the Utility Fund with other Town funds would only prolong the need to adjust rates to address the imbalance.

Raising rates is never easy, and it’s always the last option. The Town is not only facing higher water costs, but it also has a responsibility to maintain its water and wastewater system at acceptable levels. Improvements, repairs, expansion and maintenance of the system cannot be ignored or deferred. Unfortunately, there is little choice but to keep rates at a level that will ensure our system is at its most efficient.

Watering schedule changes on Nov. 1
From Nov. 1 to March 31, watering with automatic sprinklers reverts to once a week. Zone 1 (top section) may water on Mondays, Zone 2 (middle section) may water on Wednesdays, and Zone 3 (bottom section) may water on Fridays. This applies to all customers.


It’s time to come out and play!
For information about Town parks, recreational activities and events, please visit ProsperParksandRec.org

Save the Date for the Prosper Christmas Festival
At Frontier Park!
Saturday, Dec. 2 -- 3 p.m. to 6 p.m.

www.facebook.com/ProsperParksandRec. Like us!
Prosper Parks and Recreation Department, 972-569-1160