



SEWER RATE STUDY

While a sewer rate analysis of revenue and expenses has not been completed, this information provides the affordability criteria. The affordability index of 1.5% to 2.5% of household median income (MHI) is used to gauge affordability by EPA. The household median income for Crosby is \$63,375. 1.5% MHI is \$79.22 per month for sewer service.

Monthly Base Rate	Montly Rate per 1000 Gallons	Monthly Affordability Rate
\$10	10% of Water Bill	\$79.22
Gallons Used	Total Monthly Water Rate	Rate Increase to Affordable
3000 Gallons	\$15.06	\$64.16
3500 Gallons	\$15.48	\$63.74
4000 Gallons	\$15.91	\$63.31
5000 Gallons	\$16.76	\$62.46

Recommendations from the study:

- Instituting a rate structure that is affordable, responsible, and will meet the community's long-term needs. Rate increases could be implemented incrementally over a multi-year period, allowing residents ample time to budget for the increases.