



Mayor's Letter
September 15, 2018

Hello Everyone,

Water System Update. Recent rains have significantly helped our situation and improved our ability to balance supply and demand. The rain has not effected the root cause of our problem. The rain here **has no effect** on the aquifer where we obtain our water which is over one thousand feet below ground. The rain, along with your conservation efforts has significantly reduced our water demand. For the last month we used 2,828,000 gallons which is 33 percent below our August billing cycle. Therefore, on September 13th, I notified the Town Council that our situation had improved to the extent that we were immediately moving from a Level 4 to Level 3 Water Emergency. The detailed restrictions for Level 3 are on the Town website www.Lakewoodvillagetx.us. The principle change is that in-ground irrigation systems are now permitted three days per week. Odd addresses are Monday, Wednesday, and Friday; even addresses are Tuesday, Thursday, and Saturday. On Sunday, we all do laundry while we watch the Cowboys game. All other restrictions and exceptions apply. As I have stated previously, we will likely stay on restrictions until Thanksgiving when we can safely take the wells offline and make the necessary adjustments.

We are moving forward with the engineering and design of two additional wells. TCEQ generally requires water systems to produce 0.6 gallons per minute for each customer connection. Under normal operations our three wells produce approximately 210 gpm which, **according to the TCEQ rules is enough for 350 connections**. We have 292 houses and platted empty lots in the Town. Thus, our current infrastructure is sufficient to service all of what is here, if we were operating normally¹. We have always planned on drilling new wells, its just that the plan was to wait until the new development began and it was necessary. Unfortunately, the aquifer did not follow the plan and we will have to move forward sooner than we anticipated. I have already talked with our financial advisors and engineers and do not anticipate there being any issues with the project, other than it will consume a lot of time and effort by the Council and staff.

Obviously, we must obtain the funds to pay for the new construction. Accordingly, the Council unanimously approved increasing our water rates. **Under our new rate structure, for the same usage our water bills will still be more than 40 percent below our neighbors.** In the winter our average household water usage is 4,300

Total Bill - Water/Sewer/Garbage		
Usage	Current Rates	New Rates
4,300	\$92.32	\$98.16
17,800	\$151.02	\$169.26

gallons. Under the new rates, the average utility bill will increase by slightly under \$6 per month. In the summer, as we all know too well, our usage increases to an average of 17,800 gallons per household. Under the new rates, the average summer water bill will increase by about \$18.

Overall our projected annual water revenue will increase by approximately \$40,000, which in combination with other cost savings, should be sufficient for our loan payments. We will be able to refine our financial analysis when we obtain probable construction costs estimates from our engineers in the coming months. No one likes raising water rates, but it is necessary to expand our infrastructure and provide the services you demand. .

¹ With our current issues, we are producing only 145 gpm. Under the TCEQ rules this is enough for 242 houses. We currently have 231 houses receiving water service, so under the rules, there shouldn't be a problem. BUT we are on watering restrictions because we cannot meet our demand. **We use much more water than the TCEQ rules expect.** But we compensate for that by having greater pressure tank capacity (enough for 800 connections under the rules) and greater ground storage (650 connections).



IMPROVING THE VILLAGE You may have noticed several improvements around the village. The playground has undergone a huge transformation. The play area has been increased and the previous weed-growing-shredded-wood chips has been replaced with new rubber mulch. Councilwoman Serena Lepley lead the project, procuring funds from the Town Council and Lakewood Village MDD, obtaining bids, and monitoring the construction. Of course, with mom involved in construction you know the children are going to want to be a part too !

As part of the construction we also removed the deceased rose bushes at town hall. If you would like to lend a hand

with creating our landscaping we are always looking for help. Stop in anytime if you have some ideas.



You may have also noticed our new front door. It is ADA compliant and provides a much more professional look. The impressive design and graphics were done by Lakewood Village's own Larry Owens

KEY FIGURES: As we head toward the end of our fiscal year on September 30th, here is a comparison to last year,

On September 15, 2017 the Town had \$229,511 in deposits at Point Bank.

Today, September 15, 2018, we have **\$381,467** in the bank.

There's never been a better time to be in Lakewood Village.

Dr. Mark E. Vargus
Mayor

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