



CITY OF WESTMINSTER FINANCE DEPARTMENT

MEMORANDUM

DATE: November 17, 2009
TO: Water Customers
FROM: Paul Espinoza, Finance Director
SUBJECT: Water Rate Credit for Cycles 7 thru 3

Please be advised at the September 9, 2009 City Council Meeting the Mayor and City Council approved the City's new rate structure. Similar to the old structure, the new rate structure consisted of a fixed component and a variable component. Both of the fixed and variable components (or commodity component) under the new rate structure have been modified.

The new rate structure went into effect during a normal billing cycle. Because of this, both the fixed charge and commodity charge would need to be prorated to reflect charges before and after the effective date the new rate was to be applied. However, at the time of adoption, the City's billing system was able to prorate the fixed charge but not the commodity charge. As such the City billed the first cycle at the new commodity rate.

After a recent software upgrade it was determined the City's billing system is now able to accurately reflect the new tiered water rate structure (including both fixed and commodity components) and prorate these charges accurately. At this time City staff is working on calculating a credit to water customers whose bill reflected a full cycle's charge at the new commodity charge. This credit will only be issued to residential, life-line and multi-unit customers who are billed on Cycles 7 thru 3. Cycles 4 thru 6 will reflect the new modified rate on their bill and will not be issued a credit. Should you have any questions or need any additional information please do not hesitate to contact me at your earliest convenience.