Rural Water District No. 2 25290 Harmony Rd Paola, KS 66071 www.ruralwater2mico.com

Date: May 20, 2025

Subject: Notice of Water Rate Adjustment

Dear Valued Customers,

We are writing to inform you about upcoming adjustments to our water rates, which will take effect on July 1, 2025. The monthly minimum will be \$27/mo and water rate will be \$6.50/1,000gal. This unanimous board decision was not made lightly and comes after careful consideration of several significant factors affecting our operations.

Over the past few years, Rural Water District No. 2 has faced a series of financial challenges, including:

- Loss of One of Our Largest Wholesale Customers: The departure of one of our primary wholesale partners has resulted in a substantial decrease in our revenue. As a nonprofit public utility, we rely on consistent revenue streams to maintain the infrastructure and services that ensure clean, safe drinking water for our community.
- Inflation and Rising Operational Costs: Like many industries, we are experiencing
 significant increases in the costs of chemicals, energy, equipment, and other materials
 essential to water treatment and delivery. These cost increases have made it more expensive
 to operate and maintain our facilities at the high standards you expect.
- Aging Infrastructure and Increased Regulatory Demands: Ensuring the long-term reliability and safety of your water system means continued investment in infrastructure upgrades and compliance with evolving state and federal regulations.

To continue delivering reliable, high-quality water service and to protect the long-term sustainability of our system, we must adjust our rates accordingly. The increase average residential customers can expect will depend on water usage.

We understand that any increase in cost can be concerning. Please note how our new rate compares to nearby communities in our area. Our commitment to efficiency and accountability remains strong, and we are actively seeking ways to reduce expenses and pursue funding opportunities that may ease future impacts.

Thank you for your understanding and continued trust in Rural Water District No. 2

Sincerely,

Lyle Wobker, Chairman of the Board

Water Cost Comparison 5,000 gallon usage

