

Fact Sheet and FAQs



BACKGROUND: THE CITY'S WATER AND WASTEWATER RATES

Utilities play a critical role in maintaining the health and well-being of communities. The City of Cayce does this by providing reliable water and sewer services to its customers. These services ensure that when someone turns on the tap, they can access clean, high-quality water. After use, wastewater runs down the drain and is cleaned before returning safely to the environment.

Managing these complex systems and maintaining the valuable infrastructure falls under the City's responsibility and is funded largely through utility rates.

The last time rates were increased was July 1, 2019, so the City recently conducted a rate study. This standard industry practice ensures utilities charge their customers fair rates for the services provided. The study found that the City needs to increase its utility rates to maintain and operate its water and sewer systems, while investing in critical infrastructure to ensure continued long-term service.

We are committed to good governance, fiscal accountability, and transparency, with systems and policies in place to earn the trust of our customers.

How are water and sewer rates changing?

The City's water and sewer rates are increasing by 25% for water and sewer customers, including customers currently paying a flat rate. This will help us ensure our rates are fair, and that we can continue to maintain critical infrastructure and keep up with the rising cost of service while still remaining one of the lowest utility providers in the region.

Also, in accordance with the recent 25% rate increase recommendations adopted by Cayce City Council on June 26th, 2024, and the billing practices of the Utility, all Outside-City, residential sewer-only customers previously billed based on meter readings will now pay the current bimonthly flat rate charge of \$107.46. Customers may see increases or decreases in sewer bills during the transition period. The conversion flat rate is lower per month than comparable regional providers who bill residential sewer-only customers a flat rate.

What do water rates cover?

Water rates cover standard operations and maintenance of the water system, but there's more to it than that. Water infrastructure is complex and critical to the service we provide every day. Much like a car, it needs to be maintained to operate properly. Rates help utilities maintain a responsible level of cash reserves so we can respond quickly in a water service emergency and plan for funding future water system infrastructure investments.

■ What do sewer rates cover?

Much like water rates, sewer rates ensure we're able to operate and maintain our sewer system. This complex system requires regular infrastructure investment to ensure it continues to provide the reliable service that keeps our community healthy.

■ Who conducted the rate study?

The City worked with Raftelis, an independent consulting firm, to conduct the rate study. Raftelis has conducted rate studies for utilities across the United States and has extensive experience applying industry best practices. The City chose to work with an independent firm to ensure our rate structure enables continued high-quality water and sewer service long into the future.

■ What did the rate study examine?

Rate studies are conducted to ensure that a utility's financial health is maintained and that the City sets a course toward meeting future financial obligations. The industry standard is to perform comprehensive rate studies every three to five years.

Our study aimed to do the following:

- Create a five to ten-year financial plan to ensure long-term financial stability and reliable utility service.
- Update water and sewer rates to support the systems and ensure each person who uses the system pays their fair share.
- Ensure rates keep up with the rising cost of infrastructure investment and regular system maintenance to protect the health and safety of our community.

■ Where can I find more information?

If you still have questions about the City's utilities rate changes, please reach out to Customer Service at (803) 796-9020 - Option #1, or email utilitybilling@caycesc.gov.