

Sheep Creek Water Company
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November 20, 2025

Dear Customer:

During the Regular Board of Directors Meeting on November 18, 2025, the Board of Director's approved the new water rates.

During the Annual Shareholder's Meeting on May 4, 2024, the Shareholder's Approved the 2024 Water Master Plan, which included an automatic base rate increase of \$2 (two dollars) per year for the next 10 (ten) years for system upgrades. During the Annual Shareholder's meeting the new water allotment was also approved.

Material pricing and outside services have increased from: Edison, Fuel, Pipe, Gate Valves, Fire Hydrants, Fittings, Water Quality Monitoring, etc.

Below are the new rates effective January 1, 2026

Category	Current Rate	Increase	System Upgrades Annual Increase	New Rate
Monthly Base Rate	\$80.00	\$3.00	\$2.00	\$85.00
Tier 1 Rate	\$.72/hcf			\$.72/hcf
Tier 2 Rate	\$5.80/hcf	\$1.00/hcf		\$6.80/hcf
Tier 3 Rate	\$11.00/hcf	\$1.00/hcf		\$12.00/hcf

*New meter cost increase was also approved at the November 18, 2025 Board of Director's Meeting.

1" Meter Rate Increase from \$11,825 to \$12,500.

2" Meter Rate Increase from \$16,500 to \$25,000.

The water continues to be sold at cost.

Sincerely,



Joseph Tapia

General Manager

Sheep Creek Water Company