



CITY OF JERSEY VILLAGE, TEXAS

16501 Jersey Drive Jersey Village, TX 77040

713-466-2108(office) 713-466-2177(fax)

MAYOR'S NEWSLETTER - DECEMBER 2010

Thanksgiving

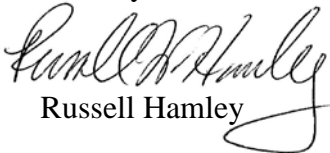
I am writing this letter shortly after Thanksgiving. It is a great time of year for several reasons. The weather has finally cooled off and you can finally shut down the air conditioning and open the windows to enjoy some crisp autumn air before the heater gets cranked up for several months. Some of our neighbors have put up their holiday decorations and the city has put up their lights which make the whole city sparkle at night. More people will be putting out their lights as they find time around their shopping and other preparations for the upcoming holidays. My family was able to get together for a few days which allowed me to reminisce about life in the village and the time we have spent here.

Vickie and I decided to move to Jersey Village in 1992, over 18 years ago. At the time our girls were about to start first grade and pre-kindergarten. That year we looked all over Houston for a place to raise our family; from Sugar Land to Kingwood; from Spring to Clear Lake. We were concerned about schools, crime, safety, neighbors, convenience, and value. We found that nothing could compare with Jersey Village. We found everything we needed and wanted in the village. From great schools, affordable houses, close-in access to freeways, to a beautiful neighborhood; we could not find a better place to raise our girls. Jersey Village had THE best police force and volunteer emergency services in Harris County. The lawns were all manicured, telling us that residents cared about their community. Most streets all had themes for their Christmas decorations which demonstrated both a close neighborhood but also a unique ability to communicate and make group decisions with your immediate neighbors. That shows a very important trait for a city, to know and care for the people closest to you.

Eighteen years later our girls have completed Cy-Fair schools, almost completed college (one at UT and one at A&M) and our big house seems way too big. A few of our friends with kids the same age are finding smaller places to live both in the village and in the country. At this time of year, between the holidays and accentuated by our visits from our girls, I have an opportunity to think back to the time in 1992 when we made the decision to move into Jersey Village. I reflected on Thanksgiving, just how thankful I am to have made the decision to buy this house and raise our family alongside the people reading this letter. I cannot express how grateful I am to live in Jersey Village.

I trust that most people feel the same way about living and raising your family in Jersey Village. I am truly thankful for everyone that has worked to improve this village and made it a great experience for the Hamley family. It could not have been better for us.

Thank you.



Russell Hamley

Proposed Water Rate Increase

Introduction. The City of Jersey Village contracts with the City of Houston for the delivery of treated water. Over the course of the past three years, we have received several rate increases for these water services. When the City of Houston increases the rate it charges Jersey Village for water, any resulting cost increases must be passed through to residential and commercial customers, as revenue from property and sales tax collection cannot be used to offset cost increases from water rates. As a result, the Jersey Village City Council will consider water rate increases at its next regularly scheduled meeting on Monday, December 13th, at 7:00 PM.

Some History. Prior to October, 2000, Jersey Village provided its residents with water through a network of groundwater wells located within the city. The wells did an adequate job of providing water to the city's residents during normal conditions; however service was questionable during times of drought. As the city grew, and demands on the wells increased, the city's wells struggled to keep up with demand. On June 5, 2000, city council agreed to enter into a contract with the City of Houston for the delivery of water. There were several reasons why council chose this path.

1. All cities in the Houston region are required to convert to surface water as their primary source of water before 2030. Although some cities will be required to meet this obligation sooner than others, all must eventually convert to surface water. This requirement was implemented to reduce subsidence effects within the region. Houston is the largest provider of surface water in the region.
2. In the late 1990s, the water wells being utilized by Jersey Village were experiencing water quality issues. Continued usage of the water wells would have required expensive modifications to address problems with harmful pollutants.
3. The existing water well system was simply not keeping up. The city was experiencing many periods of water rationing. In addition to being a major inconvenience for residents, low water pressure posed a health threat. During extended drought periods, fire-fighting abilities within the city were also compromised.

Why Now? In 2004, the City of Houston initiated a comprehensive water rate study. The study resulted in a 19% increase to the rate Houston charges municipalities. The City of Houston did not implement the 19% rate hike until September of 2007. At its October 2007 meeting, the Jersey Village City Council increased water rates 10% to cover the increased costs associated with the Houston increase. In December 2009, the City of Houston notified Jersey Village that it would increase its water rate charge to the city by another 16%. The 16% represented the balance of rate hikes associated with the 2004 rate study. In January 2010, the Jersey Village City Council raised its water rates 8% to partially cover the costs associated with the 16% Houston increase. The intent of city council at the time was to implement any additional necessary increases in January of 2011; however, in May of this year the City of Houston notified Jersey Village that it had completed a second rate study, that recommended another 12.7% increase in its charge to the city. The 12.7% Houston increase will be effective in January 2011. In June of this year the City raised water rates by 3.6%. To bring the City of Jersey Village current with regard to the City of Houston rate increases will require a 6.5% rate increase. Please note that any contemplated increases are of a pass-through nature, and will not generate any more revenue than what is necessary to offset the Houston rate increases. The Jersey Village city council will be discussing, and may take action relating to proposed rate increases at its December 13th meeting.