

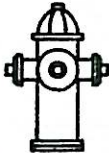
DAVIDSON WATER, INC.

WELCOME, N. C.



DECEMBER, 1995

The Nation's Largest Rural Water System



SINCE 1969



NEW RATE SCHEDULE

Davidson Water, Inc.'s last rate increase was January 1, 1994. In the past two years the cost of chemicals alone has increased 32.8%. Due to this increase, and along with inflation and new testing regulations from the EPA, we find that in order to ensure quality water service to our members this increase is needed. Also, each year with the increased water usage of our customers it is necessary to continually expand and upgrade our facilities in order to properly continue to serve our existing customers. The new rates will be effective beginning with the bills mailed January 1, 1996. The new and previous rate structures are as follows.

GALLONS USED			PREVIOUS RATE	NEW RATE
0	2,000	Minimum	7.35	7.75
2,001	5,000	Per Thousand	2.65	2.80
5,001	10,000	Per Thousand	2.40	2.65
10,001	20,000	Per Thousand	1.95	2.15
20,001	50,000	Per Thousand	1.55	1.75
50,001	100,000	Per Thousand	1.45	1.65
OVER	100,000	Per Thousand	1.40	1.55

This is an equal opportunity program. Federal law prohibits discrimination. Complaints of discrimination can be filed with the Administrator, FmHA, US Department of Agriculture, Washington, DC 20250-0700

HOW TO FIGURE YOUR WATER BILL

If you use between 0 and 2,000 gallons, your new bill will increase \$0.40 per month, an increase of \$4.80 per year. A customer using 5,500 gallons would figure their bill as follows:

EXAMPLE CONSUMPTION = 5,500 GALLONS

		NEW	PREVIOUS
Minimum	2,000 gal. (7.75)	7.75	7.35
2,001 - 5,000	3,000 gal. (3 x 2.80)	8.40	7.95
5,001 - 10,000	500 gal. (.5 x 2.65)	<u>1.33</u>	<u>1.20</u>
		\$17.48	\$16.50

DAVIDSON WATER, INC. FACTS

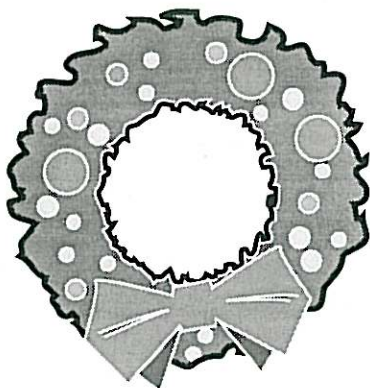
57 Employees

OVER

- 💧 *25 Years of Service*
- 💧 *40,000 members*
- 💧 *1,500 miles of pipe*
- 💧 *1,100 new connections last year*
- 💧 *13 million gallons of water storage*
- 💧 *2,600 fire hydrants in the system*
- 💧 *3 billion gallons of water treated last year*

WATER TESTING

Some of our customers have received information packets on their door or phone calls concerning water testing. This testing is not being done by or for Davidson Water, Inc. Davidson Water, Inc. does not endorse any companies selling water softeners or water purification systems.



**Happy Holidays
from
Davidson Water, Inc.**

FREE FIRE HYDRANTS

Davidson Water, Inc. would like to take this opportunity to thank all of the fire departments in our service area for their continued support of our fire hydrant policy.

According to the policy, each fire department tests and flows all hydrants in their service area. They maintain records of these flow tests and provide Davidson Water, Inc. a copy. They also inspect them each year to be sure that they are in proper working order and notify Davidson Water, Inc. of any hydrants that are not functioning properly, so that they can be repaired. They trim and clean around each hydrant annually, so that they are easily accessible

in case of an emergency, and they paint the hydrants and color code the caps as to the flow at least every five years. Each year that a fire department completes inspection of their hydrants, Davidson Water, Inc. will install a fire hydrant in their service area on a six or eight inch water line at a location chosen by the fire department.

We feel that this policy benefits Davidson Water, Inc.'s members and the fire departments in ensuring proper fire protection. This year Davidson Water, Inc. will install fire hydrants for the following fire departments. These departments have completed their portion of the policy.

TRIANGLE VOLUNTEER FIRE DEPARTMENT
WELCOME VOLUNTEER FIRE DEPARTMENT
SOUTHMONT VOLUNTEER FIRE DEPARTMENT
WALLBURG VOLUNTEER FIRE DEPARTMENT
HASTY VOLUNTEER FIRE DEPARTMENT
GUIL-RAND VOLUNTEER FIRE DEPARTMENT
WEST LEXINGTON VOLUNTEER FIRE DEPARTMENT

JOB WELL DONE!