

## **Notice of Public Hearing on Proposed Water Rate Restructuring, including Increases**

This notice is being sent to inform you that the San Lorenzo Valley Water District is proposing to restructure water rates over the next five years, which will include water rate increases. The District will hold a public hearing on the proposed rates as follows:

Date: Thursday, September 21, 2017

Time: 7:00 PM

Place: Highlands Park Senior Center, 8500 CA-9, Ben Lomond, CA 95005

### **Why are Water Rates Proposed to Increase?**

In 2017 the District conducted a rate study, which resulted in the current proposal to produce additional revenue needed to be invested in ongoing capital improvement projects throughout the District service area (including replacement of pipelines, pumps and tanks), as well as to bolster the District's emergency reserve funds. In addition, the proposed restructuring empowers customers to have more control over their monthly bill through conservation. Further, the existing drought surcharge is recommended to be eliminated. The proposal was drafted following a six-month process that included discussions and presentations at numerous public meetings, as well as a cost of service study, a prioritization of capital improvement projects and a comprehensive rate study.

### **Proposed Rates**

The District is proposing to phase in a series of water rate increases over the next five years as shown in the table below. The first rate increase will be effective for bills delivered after November 1, 2017.

### **What is the Revenue Stabilization Rate?**

<<To be drafted>>

Water Rate Schedule		Current Rates	Proposed Rates				
			FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
<b>Fixed Service Charge</b>							
5/8 inch	<i>per account</i>	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
3/4 inch	<i>per account</i>	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
1 inch	<i>per account</i>	\$56.50	\$42.36	\$45.33	\$48.05	\$50.45	\$52.97
1 1/2 inch	<i>per account</i>	\$114.00	\$77.61	\$83.04	\$88.03	\$92.43	\$97.05
2 inch	<i>per account</i>	\$181.50	\$119.91	\$128.30	\$136.00	\$142.80	\$149.94
3 inch	<i>per account</i>	\$341.00	\$232.70	\$248.98	\$263.92	\$277.12	\$290.97
4 inch	<i>per account</i>	\$567.00	\$359.58	\$384.75	\$407.84	\$428.23	\$449.64
<b>Volumetric Charges for All Water Consumed</b>							
Tier 1	<i>0 - 4 ccf</i>	\$3.81	--	--	--	--	--
Tier 2	<i>5 - 15 ccf</i>	\$4.97	--	--	--	--	--
Tier 3	<i>16 - 50 ccf</i>	\$5.96	--	--	--	--	--
Tier 4	<i>51+ ccf</i>	\$6.61	--	--	--	--	--
Drought Surcharge	<i>per CCF</i>	\$1.00	--	--	--	--	--
Flat Rate (Uniform Rate)	<i>per CCF</i>	\$4.64	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
<b>Revenue Stabilization Rates for All Water Consumed*</b>							
10% Revenue Stabilization Rate*	<i>per CCF</i>		\$11.13	\$11.91	\$12.63	\$13.27	\$13.93
15% Revenue Stabilization Rate*	<i>per CCF</i>		\$11.64	\$12.45	\$13.20	\$13.87	\$14.56
20% Revenue Stabilization Rate*	<i>per CCF</i>		\$12.14	\$13.00	\$13.78	\$14.47	\$15.19

\* - Revenue stabilization Rates would only be implemented if current water sales are below the percentages indicated

### How to Submit a Written Protest

Property owners and customers may file written protests against the proposed rate increase. Pursuant to California law, protests must be received in writing or electronically and must 1) identify the affected property or properties, such as by address, Assessor's Parcel Number, or customer account number, 2) include the name and signature (a scanned or photographed signature) of the customer or property owner submitting the protest, and 3) indicate opposition to the proposed water rate increases. The proposed rates cannot be adopted if written protests are received from a majority of affected parcels with one written protest counted per parcel. Written and signed protests can be mailed to: San Lorenzo Valley Water District, Water Rate Protest, 13060 Highway 9, CA 95006. Written and signed protests may also be emailed to [h Morrison@slvwd.com](mailto:h Morrison@slvwd.com). All written protests must be submitted prior to the close of the Public Hearing on Thursday, September 21, 2017. For additional information regarding the proposed increase, call SLVWD at (831)338-2153.