



Carpinteria Valley Water District

1301 Santa Ynez Avenue • Carpinteria, CA 93013
Phone (805) 684-2816

May 6, 2020

Letter from the General Manager

A few weeks ago, you may have received a notice from the water district regarding possible rate increases for Fiscal Year 2021 which begins in July 2020. This notice was intended to let you know that we are considering a modest increase to our water rates for the coming year. The change in water rates and charges were calculated after preparing the Fiscal Year 2021 budget. The District began preparing this budget in December of 2019 prior to any indication that we would be in the situation we are today. The changes in the proposed budget were modest with some inflationary adjustments, debt restructuring and reprioritizing. The end result was a net increase of 2.3% or \$311, 000 of additionally revenues needed. The results to your water bills were analyzed showing some increases to residential bills between 0.8% and 2.4 % and from 3% to 6.7% for agriculture users < click here for example bills>. As a matter of procedure and law we noticed District customers that the proposed budget and rates will be considered by the Board on May 27th at a public hearing. This all happened before it became clear that the Covid-19 Pandemic would have wide reaching implications to our community and even to the world economy. This new reality is still not fully understood and may not be for months or even years. Whatever the outcome of the Pandemic and related economic impact is, we are in this together! We are working hard to consider all factors when making decisions about the budget and rates, and we will!

On May 27 we will consider the proposed rate increase including options to delay the action. A delay to the action will mean that the existing rates will remain in effect and certain District activities will be curtailed until such time that economic conditions are better understood.

The best way for you to participate in the decisions made by the District is to ask questions and make your thoughts known to both the staff and the Board of Directors. Additionally, under the Proposition 218 voting structure each property in the District has one vote under the protest system. The vote requires a simple majority to protest. See below for voting requirements:

One written protest per parcel, submitted in accordance with the requirements below, will be counted as a protest for that parcel:

*If you are a legal **property owner**, your protest **must** include the following information:*

- (1) A statement indicating the specific rate and/or charge you are protesting.*
- (2) The assessor's parcel number(s) **or** street address(es) of the identified parcel(s).*
- (3) The printed name **and** original signature of the property owner of record.*

*If you are a District **customer of record**, your written protest **must** include the following information:*

- (1) A statement indicating the specific rate and/or charge you are protesting.*
- (2) The street address(es) where water service is delivered.*
- (3) The printed name **and** original signature of the District customer of record.*
- (4) Your ten-digit District account number(s).*

To be counted, the written protest must be received by the District prior to the close of the Public Hearing on Wednesday, May 27, 2020; or, if mailed, postmarked no later than May 27, 2020.

Mail or Drop off your protest vote at the District Offices; CVWD, 1301 Santa Ynez Ave, Carpinteria, CA 93013

How are water rates revenues used?

Our water rates reflect the cost of securing and operating a safe to drink, exceptionally reliable water system. In fact, over the last 10 years we have been tested in almost every way including extreme recession, extreme drought, wildfires, floods, debris flows, power outages and now a pandemic. During all these events the Carpinteria Valley had water and the District was able to provide continuous service to its customers. The District has set its priority to make certain that Carpinteria's water will be exceptionally reliable and safe for the Carpinteria Valley. This includes decisions in the distant past to participate in the construction of the Cachuma Project, a U.S. Bureau of Reclamation project constructed in the 1950s and operated and maintained by the four south coast member agencies, Goleta Water District, City of Santa Barbara, Montecito Water District and Carpinteria Valley Water District. The District funds approximately 11% of

the \$11 million annual cost or \$1.2 million to operate and maintain the project and receives approximately 2813-acre feet per year. The District also funds a portion of the operation and maintenance of the City of Santa Barbara's Cater Treatment Plant because approximately 3000-acre feet of Carpinteria's annually imported water from Lake Cachuma and other projects must be treated through a conventional water treatment plant to meet drinking water standards set by State regulations. The District pays approximately \$1.3 million per year to have its water treated at Cater Treatment Plant. The District also has a 2200-acre foot per year share of the State Water Project that it can turn to when necessary. Although importing this water from the SWP is substantially more expensive than local groundwater and Cachuma Project water, it is an important part of our water supply portfolio, providing water during dry periods. The total annual cost of this project for CVWD is on average \$3.8 million per year. Finally, the District maintains groundwater production facilities in Carpinteria Valley and relies on an average of 1400 acre feet per year from the Carpinteria Groundwater Basin. In addition to water supplies related costs, the District also maintains \$40 million of local infrastructure to enable it to deliver water to the entire valley. This includes 80 miles of pipeline, with seven pressure zones, three large reservoirs, an elevated tank, three active and two standby groundwater production wells and two groundwater treatment plants.

If you have any questions or would like additional information, please feel free to email me, bob@cvwd.net or call me at (805) 684-2816 ext 112.

Sincerely,

Robert McDonald, P.E., MPA
General Manager