



May 10, 2021

*Carpinteria Valley Water District
1301 Santa Ynez Ave.
Carpinteria, CA 93013*

**NOTICE OF PUBLIC HEARING
To Customers and Owners of Real Property About
Proposed Water Rates and Charges Increases**

When: Wednesday, June 30, 2021 @ 5:30 pm
Where: Virtual Tele-meeting – www.cvwd.net for meeting login information

The Board of Directors of the Carpinteria Valley Water District will hold a **Public Hearing** on Wednesday, June 30, 2021 at 5:30 p.m. to consider increases in its Rates and Charges.

The District is proposing changes, in some cases increases, to

- 1. the Unit cost of water,**
- 2. the Basic monthly charge,**
- 3. the Capital Improvement Program charge for agricultural customers,**
- 4. the AG O&M charge for agricultural customers, and**
- 5. the Fire Service charges.**

The District also proposes to eliminate the meter and volumetric Drought surcharges, as well as implement a three-tier volumetric rate structure for Residential customers. The proposed changes to the Rates and Charges are shown below on pages 3 and 4. The Rates and Charges adopted by the Board on June 23rd, and implemented July 1, 2021, could be lower than those shown. The total bill resulting from the new rates and charges may be lower or higher form previous years for different customers.

Please call the District @ 805-684-2816 if you would like to know specifically how the proposed Water Rates changes are likely to affect your monthly bill.

If you oppose the **Rates and Charges increases (as shown in the Tables below)** please mail your written protest with **original signature** (no facsimiles) to the General Manager/Secretary of the Carpinteria Valley Water District at 1301 Santa Ynez Avenue, Carpinteria CA 93013, **or** deliver it prior to the close of the Public Hearing to Carpinteria Valley Water District's Night Depository on Wednesday, June 30, 2021.

The District is currently closed to the public due to the novel coronavirus (COVID-19) pandemic. All mailed protests must be received by June 30, 2021 at 5:00 pm. Written protests submitted during the Public Hearing must be submitted to the Night Depository before the Public Hearing concludes.

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.

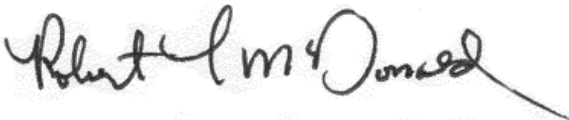
If you are a District **customer of record**, your written protest **must** include the following information:

- (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, June 30, 2021; or, if mailed, postmarked no later than June 30, 2021.

If written protests against the proposed fee or charge increase are presented by a majority of owners and/or customers of identified parcels served by the District, the District shall not impose the fee or charge increase.

Please call me, Bob McDonald, General Manager, at 805-263-4826 if you have any questions about the Public Hearing process or the proposed Water Rates and Charges increases, which are required to fund the cost of providing safe and reliable water service, including the District's operating costs, capital projects, and debt service.



General Manager

El Distrito es bilingue, para informacion sobre los aumentos favor de llamar a la oficina 805-684-2816

The District's governing Resolution No. 919 can be found on the District website:

www.cvwd.net/pdf/about/public_info/resolution919.pdf

or at the District office: 1301 Santa Ynez Ave. Carpinteria CA, 93013

Proposed Water Rates and Monthly Service Charges effective July 1, 2021

Table I

| Water Rates (unit cost) | | | | | | | |
|--|------------------------|--------------------|---------------------|-------------------------|--------------------|---------------------|--------------------|
| 1 unit = 100 cubic feet (HCF) or 748 gallons | Current FY 2021 | | | Proposed FY 2022 | | | *Difference |
| | Base | Pressure Zone I | Pressure Zone II | Base | Pressure Zone I | Pressure Zone II | |
| | HCF | HCF | HCF | HCF | HCF | HCF | \$ |
| Residential | | | | | | | |
| Tier 1 / Base | \$3.90 | \$4.13 | \$4.37 | \$3.67 | \$3.87 | \$4.16 | -\$0.23 |
| Tier 2 / Peak | \$5.12 | \$5.35 | \$5.59 | \$4.39 | \$4.59 | \$4.88 | -\$0.73 |
| Tier 3 | | | | \$5.32 | \$5.52 | \$5.81 | \$0.20 |
| Commercial, Industrial & Public Authority | | | | | | | |
| Base | \$3.90 | \$4.13 | \$4.37 | \$3.76 | \$3.96 | \$4.25 | -\$0.14 |
| Peak | \$5.12 | \$5.35 | \$5.59 | \$5.12 | \$5.32 | \$5.61 | \$0.00 |
| Agricultural Irrigation | | | | | | | |
| Uniform | \$1.97 | \$2.20 | \$2.44 | \$1.95 | \$2.15 | \$2.44 | -\$0.02 |
| Residential Equivalency Fee | \$17.37 | per month | | \$18.10 | per month | | \$0.73 |

Table II

| Monthly Basic and State Water Project Charges | | | | | | | | |
|--|------------------------|------------|---------|------------|-------------------------|------------|------------|--------------------|
| Meter Size | Current FY 2021 | | | | Proposed FY 2022 | | | *Difference |
| | Basic | SWP | Drought | Total | Basic | SWP | Total | \$ |
| 3/4" | \$14.28 | \$33.56 | \$0.54 | \$48.38 | \$10.11 | \$35.37 | \$45.48 | -\$2.90 |
| 1" | \$23.80 | \$55.93 | \$0.90 | \$80.63 | \$14.23 | \$58.94 | \$73.17 | -\$7.46 |
| 1 1/2" | \$47.60 | \$111.85 | \$1.80 | \$161.25 | \$24.53 | \$117.88 | \$142.41 | -\$18.84 |
| 2" | \$76.16 | \$178.96 | \$2.88 | \$258.00 | \$36.89 | \$188.60 | \$225.49 | -\$32.51 |
| 3" | \$152.32 | \$357.92 | \$5.76 | \$516.00 | \$76.03 | \$412.56 | \$488.59 | -\$27.41 |
| 4" | \$238.00 | \$559.25 | \$9.00 | \$806.25 | \$133.70 | \$742.62 | \$876.32 | \$70.07 |
| 6" | \$476.00 | \$1,118.50 | \$18.00 | \$1,612.50 | \$271.71 | \$1,532.38 | \$1,804.09 | \$191.59 |

Table IIIa -M&I (non – Agriculture)

| Monthly Capital Improvement Program (CIP) Charge and Drought Surcharge | | | | | | |
|---|----------|---------|-------------------------|----------|---------|-----------------------|
| Current FY 2021 | | | Proposed FY 2022 | | | *Difference \$ |
| Rate | \$3.70 | per HCF | Rate | \$3.70 | per HCF | \$0.00 |
| Minimum | \$22.20 | 6 HCF | Minimum | \$22.20 | 6 HCF | \$0.00 |
| Maximum | \$462.50 | 125 HCF | Maximum | \$462.50 | 125 HCF | \$0.00 |

*Negative value means the rate is decreasing

Table IIIb -Agriculture

| Monthly Capital Improvement Program (CIP) Charge and Drought Surcharge | | | | |
|---|-----------------|-------------------------|----------------|-----------------------|
| Current FY 2021 | | Proposed FY 2022 | | *Difference \$ |
| Rate | \$33.30 per res | Rate | \$0.00 per res | -\$33.30 |

Table IV -Agriculture O&M

| Monthly O&M Charge | | | |
|-------------------------------|------------------------|-------------------------|-----------------------|
| Meter Size | Current FY 2021 | Proposed FY 2022 | *Difference \$ |
| 3/4" | \$6.78 | \$28.82 | \$22.04 |
| 1" | \$11.30 | \$48.02 | \$36.72 |
| 1 1/2" | \$22.60 | \$96.04 | \$73.44 |
| 2" | \$36.16 | \$153.66 | \$117.50 |
| 3" | \$72.32 | \$336.13 | \$263.81 |
| 4" | \$113.00 | \$605.02 | \$492.02 |
| 6" | \$226.00 | \$1,248.45 | \$1,022.45 |

Table V -Fire Service

| Monthly Fire Service Charges | | | | | | | | |
|-------------------------------------|------------------------|----------|---------|----------|-------------------------|----------|------------|--------------------|
| Fireline Size | Current FY 2021 | | | | Proposed FY 2022 | | | *Difference |
| | Basic | SWP | Drought | Total | Basic | SWP | Total | \$ |
| 2" | \$9.52 | \$22.37 | \$0.36 | \$32.25 | \$8.56 | \$35.36 | \$43.92 | \$11.67 |
| 3" | \$21.42 | \$50.33 | \$0.81 | \$72.56 | \$17.36 | \$79.57 | \$96.93 | \$24.37 |
| 4" | \$38.08 | \$89.48 | \$1.44 | \$129.00 | \$32.55 | \$141.45 | \$174.00 | \$45.00 |
| 6" | \$85.68 | \$201.33 | \$3.24 | \$290.25 | \$87.05 | \$318.27 | \$405.32 | \$115.07 |
| 8" | \$152.32 | \$357.92 | \$5.76 | \$516.00 | \$181.06 | \$565.80 | \$746.86 | \$230.86 |
| 10" | \$238.00 | \$559.25 | \$9.00 | \$806.25 | \$322.47 | \$884.07 | \$1,206.54 | \$400.29 |

*Negative value means the rate is decreasing

Table I. Water Rates (definitions)

Water Rates refer to the unit cost of water, with one unit defined as 748 gallons or 100 cubic feet (HCF) of water.

Pressure Zone I refers to connections served by Gobernador Reservoir.

Pressure Zone II refers to connections served by Shepard Mesa Tank.

Existing Water Rate structure for most Residential, Commercial, Industrial and Public Authority customers:

Base Tier is based on the 5-year (Dec. to Mar.) water consumption by account and/or dwelling unit; this calculation has a 6 HCF min.

Peak Tier pricing applies to all consumption in excess of Base.

Existing Water Rate structure for Agricultural customers:

Uniform all water charged at uniform rate.

Agricultural customers with residential units pay a Residential Equivalency fee that covers drinking water treatment related costs.

Proposed Water Rate structure for Residential customers:

Tier 1 is based on efficient indoor use for a three-person household.

Tier 2 is based on average summer use (Jun. to Sep.) for the Residential class.

Tier 3 pricing applies to all consumption in excess of Tier 2 use.

The Water Rate structure for Commercial, Industrial and Public Authority and Agricultural customers is the same as existing.

Table II. Monthly Basic and State Water Project Charges

Monthly Service Charges for individually metered dwelling units or structures include:

A **Basic** component to fund costs associated with meter maintenance, customer service, and billing.

A State Water Project or **SWP** component to fund 100% of the District's SWP debt obligation. This charge varies with meter size.

In the existing rate structure, a **Drought Surcharge** component is charged to help fund increased costs associated with the current drought emergency. This component would be eliminated in the proposed rate structure.

Monthly Service Charges for residential units served by a master meter are adjusted to the service level of a ¾" meter for the SWP component of the charge. The SWP / DEQ charge appears only on the bills of master metered accounts. It equalizes the SWP charge for all dwelling units served by master meters.

Table III. Monthly Capital Improvement Program Charges

The Capital Improvement Program or **CIP** charge pays the District's non-SWP debt obligations and capital project costs associated with projects helping the District meet current and proposed drinking water quality standards set by the United States Environmental Protection Agency and enforced by the California State Water Board. These charges are based on 5-year average monthly water use, subject to a minimum of 6 HCF and a maximum of 125 HCF per month.

In the existing rate structure, a **Drought Surcharge** component is charged to help fund increased costs associated with drought emergency. This component is proposed to be eliminated in the proposed rate structure.

In the existing rate structure, all agricultural residences pay these charges based on the single-family monthly average water use of 9 HCF. In the proposed rate structure, agricultural residences will not pay a separate CIP charge and are billed for the monthly AG O&M charge only.

Table IV. Monthly O&M Charge for Agricultural Accounts

The **AG O&M** charge appears only on the bills of agricultural accounts. This charge funds the portion of costs that are collected from other customer classes through the **CIP** charge, which recovers costs associated with the District's non-SWP debt obligations and capital project costs associated with projects helping the District meet current and proposed drinking water quality standards. These charges are based on meter size.

Table V. Monthly Service Charges for Fire Service

Monthly Service Charges for Fire Service include the **Basic** and **SWP** components to recover costs associated with providing private fire protection. The existing rate structure includes a **Drought Surcharge** component, which is proposed to be eliminated in the proposed rate structure. These charges are based on meter size.