



**PUBLIC NOTICE OF PROPOSED INCREASE
IN WATER AND WASTEWATER RATES AND CHARGES**
Public Hearing to be held on Tuesday, August 27, 2019, at 6:00 p.m.
2700 Foothill Blvd., La Crescenta, CA 91214

This notice replaces the notice sent to you in April 2019.

The rate increases proposed in the April notice were not adopted.

During the public meeting on June 11 2019, the board of directors received input from customers that the earlier rate increase notices did not make it clear that property owners and CVWD customers had the right to protest the proposed increases.

The purpose of this notice is to correct that oversight. The amounts of the proposed increases remain the same.

Crescenta Valley Water District is considering an increase in its current rates and charges for water and wastewater service. The increase is needed to cover increased costs and to replace aging infrastructure. By keeping rates and charges in line with expenses, the District is able to remain financially stable, which allows us to adequately maintain facilities and continue providing reliable service.

DID YOU KNOW?

As a public agency, the District cannot earn a profit from the services it provides and must charge no more than the actual costs associated with providing services to its customers.

WATER BILL IMPACT (IF APPROVED)

If new rates are approved, a water bill for a typical residence with a 3/4-inch meter using 17 units of water (17,000 gallons) during a two-month billing period would increase by \$10.65, from \$152.13 to \$162.78.

Effective Date: If approved, the increased rates will become effective on all rates and charges on any bill generated after September 1, 2019.

WASTEWATER BILL IMPACT (IF APPROVED)

If new rates are approved, a wastewater bill for a typical residence with a 3/4-inch meter using 17 units of water (17,000 gallons) during a two-month billing period would increase by \$3.03, from \$77.57 to \$80.60.

WHAT IS CVWD DOING TO HELP KEEP COSTS AS LOW AS POSSIBLE?

The District is committed to efficient operations and continuously evaluates every opportunity to reduce expenses. CVWD has reduced operational expenses by cross-training personnel to limit staffing levels, renegotiating long-term contracts with vendors, reducing benefits costs, and deferring maintenance and replacement of the District's aging facilities for multiple years. **The District has been using reserve funds for the past 8 years to mitigate the impact to rates from the recent drought.**

WHY IS THERE A NEED FOR RATE INCREASES?

Since the last rate adjustment, District costs have increased. Here are the main drivers:

Local water supply –A lower yield of our groundwater supplies have required CVWD to buy more expensive supplemental water from Northern California and the Colorado River.

Infrastructure maintenance and improvements –Aging pipes, reservoirs, pumps, wells and other District assets that are up to 80 years old need replacement to avoid critical system failures. Capital improvements enhance water system reliability, improve water quality, and reduce higher construction costs into the future.

Essential services – The Operations Department monitors water treatment, replaces meters, and makes emergency repairs. Customer Service addresses all customer needs, including service requests and analyzing usage to determine if a customer has a leak.

Wastewater services – The wastewater system's primary expense is the cost paid to the City of Los Angeles for treating the wastewater that is collected in the District's service area and sent to Los Angeles' treatment plant. Other major cost drivers include the maintenance of the wastewater collection system, wastewater line cleaning, and the sewer interceptor line, which runs nearly 7 miles, and transports all of the wastewater to the treatment plant located in Glendale.

**All proposed water and wastewater rates in the tables that follow
are the same as those provided in the prior notice.**

SEWER: HOW IS MY WASTEWATER BILL DETERMINED?

The amount of wastewater put into the District's collection system is estimated based on the prior year's winter water usage, when water is used less. This usage — up to a two-month maximum of 20 units (20,000 gallons) for a single-family residence — is used to determine the bill for the next 12 months.

PROPOSED WASTEWATER SERVICE CHANGES

<u>Single-Family Residence (per bi-monthly period)</u>	Current Rate	Proposed Rate Effective 9/1/2019
Service Charge	\$45.95	\$47.79
Usage Rate - maximum of 20 units based on prior year average winter water use. (New Single Family Residence accounts are assessed 8 units until winter water use can be established.)	\$1.86 (Per Unit)	\$1.93 (Per Unit)

<u>Multi-Family Residence (per bi-monthly period)</u>	Current Rate	Proposed Rate Effective 9/1/2019
Service Charge per Equivalent Dwelling Unit (EDU)	\$30.05	\$31.25
Usage Rate - maximum of 15 units per EDU based on prior year average winter water use	\$2.07 (Per Unit)	\$2.15 (Per Unit)

<u>Commercial / Institutional (per bi-monthly period)</u>	Current Rate	Proposed Rate Effective 9/1/2019
Usage Rate per 1,000 gallons	\$4.90 (Per Unit)	\$5.10
Minimum Charge	\$30.05	\$31.25

<u>All Schools (per bi-monthly period)</u>	Current Rate	Proposed Rate Effective 9/1/2019
Elementary School – Usage Rate per 100 ADA	\$81.60	\$84.86
Middle School – Usage Rate per 100 ADA	\$163.20	\$169.73
High School – Usage Rate per 100 ADA	\$244.80	\$254.59

ADA (Average Daily Attendance)

PROPOSED WATER RATE CHANGES

Water Meter Rates and Charges

Meter charges ensure that water is available for use at your tap whenever you need it, much like phone, cable, power or other utilities. Also known as fixed charges, they help pay for costs associated with operating and maintaining CVWD's water treatment and delivery system, and they are based on meter size.

<u>Meter Charges (per bi-monthly period) by size</u>	<u>Current Rate</u>	<u>Proposed Rate Effective 9/1/2019</u>
3/4"	\$50.56	\$54.10
1"	\$75.41	\$80.69
1 1/2"	\$137.56	\$147.19
2"	\$212.16	\$227.01
3"	\$448.34	\$479.92
4"	\$796.42	\$852.17

Fire Protection Charges

Fire protection charges are for private fire services and provide readiness for fire protection. They typically do not apply to residential customers.

<u>Fire Protection Charges (per bi-monthly period) by size</u>	<u>Current Rate</u>	<u>Proposed Rate Effective 9/1/2019</u>
1"	\$14.81	\$15.85
2"	\$22.86	\$24.46
3"	\$41.17	\$44.05
4"	\$72.74	\$77.83
6"	\$186.03	\$199.05
8"	\$381.45	\$408.15
10"	\$675.39	\$722.67

Usage Rates and Charges

Usage rates cover costs that vary based on the amount of water delivered. The most significant costs are purchasing imported water, pumping local groundwater, treating the water supply, and maintaining the water system. These rates are separated into three tiers for single-family residential customers and are based on bi-monthly usage (1 unit=1,000 gallons). The rates are uniform for multi-family, commercial and schools based on bi-monthly usage. The rates are separated into two tiers for irrigation customers based on bi-monthly usage.

<u>Single-Family Residence</u>	<u>Current Rate (Per Unit)</u>	<u>Proposed Rate Effective 9/1/2019</u>
Tier 1 (1 to 10 units)	\$4.83	\$5.17
Tier 2 (11 to 26 units)	\$7.61	\$8.14
Tier 3 (27 units and above)	\$11.49	\$12.29

<u>Multi-Family , Commercial / Schools</u>	<u>Current Rate (Per Unit)</u>	<u>Proposed Rate Effective 9/1/2019</u>
Base Rate (all units of water)	\$6.85	\$7.33

<u>Irrigation</u>	<u>Current Rate (Per Unit)</u>	<u>Proposed Rate Effective 9/1/2019</u>
Tier 1 (1 to 80) units	\$5.29	\$5.66
Tier 2 (81 units and above)	\$10.18	\$10.89

Service addresses located within the Glendale annex area pay a \$0.40 tax per 2-month bill, collected by CVWD and paid to the City of Glendale.

Crescenta Valley Water District
2700 Foothill Blvd.
La Crescenta, CA 91214

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**IMPORTANT RATE
INFORMATION ENCLOSED**

Protest Letters:

Any CVWD customer or property owner within the CVWD water or wastewater service area may file a written protest of the proposed rate changes by sending a letter to: CVWD, 2700 Foothill Boulevard, La Crescenta, CA 91214. A valid protest letter must include your name, a CVWD service address, a statement of protest, and an original signature. For your convenience, there is a protest form available at www.cvwd.com. Electronic submittals of protest letters may be signed, scanned and emailed to the District at customerservice@cvwd.com. All protests must be received at the address above no later than August 27th at 6:00 p.m. Protest letters received prior to August 23, 2019 at noon will be included in the agenda package distributed to the Board of Directors and posted online at www.cvwd.com.

If you submitted a valid protest letter in response to the earlier notice, you do not need to submit another one.

When will the CVWD Board of Directors consider adoption of new rates and charges?

Following the public hearing, which will take place on Tuesday, August, 27, 2019 at 6:00 p.m., the Board of Directors will meet to consider the proposed rate changes. The Board may adopt, reject, or modify the proposed rate structure. The Board cannot legally increase water rates and charges more than indicated in this notice.

Questions?

This notice is also available on the CVWD website, www.cvwd.com, or at the CVWD main office. CVWD staff can assist in answering any questions about your bill between 8:00 a.m. and 4:30 p.m., Monday through Friday. If you have questions or need additional information, please call CVWD at (818) 248-3925 or e-mail customerservice@cvwd.com.