PROPOSED WATER RATE INCREASES

To Western Hills Water District Customers:

Proposition 218 requires local water districts to notify property owners of any proposed new rates for water service. The Western Hills Water District Board of Directors will consider new rates during the public hearing listed below. This notice also provides information on the reason for the rate increases and what the District plans on doing with the additional revenue generated.

NOTICE OF PUBLIC HEARING

A public hearing for the proposed rate increase will be held on:

Date: June 16, 2011

Time: 1:30 p.m.

Place: Diablo Grande Clubhouse, 9521 Morton Davis Drive, Patterson, Ca 95363

This Notice has been sent to all property owners who currently receive these utility services. If adopted, the proposed rate increases would become effective August 1, 2011, and each July 1st thereafter through fiscal year 2014.

HOW TO PROTEST PROPOSED RATES

Under Proposition 218, the owner of record for a parcel(s) that is subject to the proposed rate increase can submit a written protest against the proposed rate increase to the District at or before the time set for the public hearing. One protest per parcel without regard to parcel value or size. If a majority of the affected property owners submit written protests, the proposed rate increases will not go into effect.

A valid protest must: (1) be in writing; (2) include the County Assessor's Parcel Number (APN); (3) list the owner name(s); (4) have an original signature; and (5) be received at or before the public hearing on the rate increases.

If the party signing the protest is not shown on the last equalized assessment roll of Stanislaus County as the owners of the parcels(s), then the protest must include written evidence that such party is the owner of the parcel.

Protests may be mailed or personally delivered to: Western Hills Water District, 9501 Morton Davis Drive, Patterson, CA. 95363. All protests must be received by the time set for the public hearing.

In rental situations where the tenant pays the utility bills, the property owner is responsible for supplying the tenant with this notice. Tenants may submit a written protest at the hearing, but only one protest per parcel will be accepted.

Si usted necesita ayuda en español con esta noticia, por favor llame al (209) 895-9493. If you have any questions please call (209) 895-9493.

PROPOSED WATER RATE INCREASES				
	Current Rate	2011-12	2012-13	2013-14
Residential Water Use Charge	\$35 per month plus \$1.25 for every 750 gallons	\$51.67 per month plus \$1.25 per 750 gallons	\$68.34 per month plus \$1.25 per 750 gallons	\$85.00 per month plus \$1.25 per 750 gallons
Commercial Water Use Charge	\$35 per month plus \$1.25 for every 750 gallons	\$1.65 per 750 gallons	\$3.30 per 750 gallons	\$4.95 per 750 gallons
Raw Water	\$ 875.00 per acre-foot	\$ 1075.00 per acre-foot	\$ 1275.00 per acre-foot	\$ 1475.00 per acrefoot

If adopted, the new rates would go into effect on August 1, 2011. For each subsequent fiscal year, the new rates would go into effect on July 1 of each year. For fiscal year 2015 starting July 1, 2014, and all subsequent years following, the District proposes to use the Consumer Price Index, All Items, 1982-84=100 for All Urban Consumers for the San Francisco – Oakland – San Jose, CA area to adjust for inflation, with April 2011 as the Base Month and Year for purposes of such CPI adjustment.

Why are water rates being increased?

The District strives to provide reliable water service to its customers and rate increases are needed to cover increasing operational, administrative and water costs. The District Board of Directors established the current water rates on March 25, 1999 and has kept the rates constant for the last 11 years, except that the Raw Water rate was increased from \$350.00 to \$875.00 per acre-foot on September 1, 2009.

In 2009, the effective cost to the District for raw water at the District's California Aqueduct turnout was \$496.12 per acre-foot. The raw water then needed to be pumped uphill to Diablo Grande. A substantial portion of the water was used for the golf courses and open space irrigation. The remaining raw water was then treated and delivered mainly to the District's residential customers. The total cost for purchasing, pumping, treating, and delivering the treated water was \$1,078,345 and that total cost is projected to increase to \$1,715,817 by 2018-19. In 2009-10, the District's total cost for treated water exceeded revenues by \$828,934 and that revenue shortfall is expected to increase to unsustainable levels if the current rate increase is not enacted.

The District Engineer's Amended Report on the proposed rate increases may be viewed at www.whwdist.org.