

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: January 27, 2016

Time: 4:00 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 April 1, 2016, and each July 1st thereafter through calendar year 2020.

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 is permitted, 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.

**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	2015-16	2016-17	2017-18	2018-19	2019-20
Effective Date		April 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019
Residential (1" mtr - treated)						
Usage Charge:	\$1.32 (per 750gl)	\$2.76 (per 750gl)	\$4.41 (per 750gl)	\$6.19 (per 750gl)	\$8.19 (per 750gl)	\$8.36 (per 750gl)
Service Charge:	\$89.56	\$84.00	\$77.00	\$70.00	\$62.00	\$63.43
Commercial (2" mtr - treated)						
Usage Charge:	\$5.22 (per 750gl)	\$2.76 (per 750gl)	\$ 4.41(per 750gl)	\$6.19 (per 750gl)	\$ 8.19 (per 750gl)	\$ 8.36 (per 750gl)
Service Charge:	\$0.00	\$448.00	\$410.67	\$373.33	\$330.67	\$338.27
Raw Water	\$1,554.20 (per acre foot)	\$1,864.59 (per acre foot)	\$1,905.41 (per acre foot)	\$1,947.54 (per acre foot)	\$1,991.21 (per acre foot)	\$2,034.78 (per acre foot)

If adopted, the new rates would go into effect on April 1, 2016. For each subsequent fiscal year, the new rates would go into effect on July 1 of each year. For fiscal year 2020-2021 starting July 1, 2020, 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 2016 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 capital, operational, administrative and water costs. The proposed rate increase is intended to shift from a fixed-charge for water to a more volumetric charge, with the intent to both promote conservation and provide a more equitable cost arrangement to the District’s customers. In 2015, the effective cost to the District for raw water at the District’s California Aqueduct turnout was \$1,304.02 per acre-foot. The raw water is then required to be pumped uphill to Diablo Grande, incurring significant electrical costs. A substantial portion of the water was used for the golf course 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 \$1,235,739 and that total cost is projected to increase to \$1,681,197 by 2018-19. In 2014-15, the District’s total cost for treated water exceeded revenues by \$679,139 and that revenue shortfall is expected to increase to unsustainable levels if the current rate increase is not enacted.

The December 4, 2015 Rate Study prepared by HF&H Consultants, LLC regarding the proposed rate increases may be viewed at www.whwdist.org.