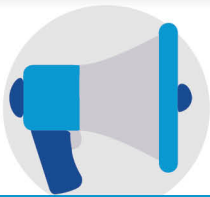




Notice of Public Hearing on Proposed Potable Water and Recycled Water Rate Increase



Public Hearing

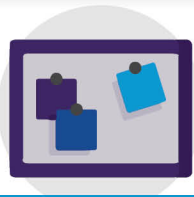
DATE

Thursday, November 14, 2024
6:00 p.m.

LOCATION

South Coast Air Quality
Management District (AQMD) Auditorium
21865 Copley Drive
Diamond Bar, CA 91765

Additional information about the proposed water rates, the full rate study report, and informational videos are available at walnutvalleywater.gov/lets-dive-in



Let's Dive In

COMMUNITY INFORMATIONAL MEETINGS

Wednesday, October 23, 9:00 a.m.

Walnut Valley Water District Board Room
271 S. Brea Canyon Road
Walnut, CA, 91789

Wednesday, October 30, 5:00 p.m.

via Zoom
Meeting ID: 843 6457 5542
Passcode: 123456

Wednesday, November 6, 2024, 6:00 p.m.

via Zoom
Meeting ID: 838 7542 1134
Passcode: 123456

Proposed increases to potable and recycled water rates will be considered at an upcoming public hearing. This notice explains:

- What is being proposed and why.
- How your rates would change and when.
- The decision-making process and how you can participate.

Proposed Rate Changes

The total average monthly residential water bill would increase by \$12.00 in the first year. The following years will vary based on individual water usage. Commercial bills vary depending on the quantity of water used, which will be based on the nature of the commercial use. To estimate your monthly bill, speak to a Customer Service Representative at (909) 595-7554 or visit walnutvalleywater.gov/lets-dive-in

If the proposed rates are approved, they will become effective January 1, 2025, and will be reflected on the February 2025 water bill.



Walnut Valley
Water District

Proposed Monthly Meter Charge

Monthly meter charges are based on meter size and do not vary based on the amount of water delivered. Revenues from these charges cover the costs of maintaining WVWD's water supply infrastructure.

Meter Size	Current Charge	2025	2026	2027	2028	2029
≤3/4"	\$25.14	\$37.15	\$41.98	\$47.44	\$53.61	\$60.58
1"	\$39.64	\$51.59	\$58.30	\$65.88	\$74.45	\$84.13
1 1/2"	\$75.90	\$87.65	\$99.05	\$111.93	\$126.49	\$142.94
2"	\$119.38	\$130.93	\$147.96	\$167.20	\$188.94	\$213.51
3"	\$235.39	\$246.35	\$278.38	\$314.57	\$355.47	\$401.69
4"	\$365.89	\$376.19	\$425.10	\$480.37	\$542.82	\$613.39
6"	\$728.38	\$736.85	\$832.65	\$940.90	\$1,063.22	\$1,201.44
8"	\$1,163.36	\$1,169.65	\$1,321.71	\$1,493.54	\$1,687.71	\$1,907.12

Proposed Potable Water Usage Rates

Water usage rates are based on the number of units used per month. 1 Unit/CCF = 748 Gallons. A CCF is represented as one hundred cubic feet of water.

Customer Type	Tier Definitions	Current	2025	2026	2027	2028	2029
Single-Family							
Tier 1	0 - 6*	\$3.60	\$3.55	\$4.02	\$4.55	\$5.15	\$5.82
Tier 2	7 - 27*	\$4.79	\$4.49	\$5.08	\$5.75	\$6.50	\$7.35
Tier 3	28+*	\$5.51	\$5.97	\$6.75	\$7.63	\$8.63	\$9.76
Multi-Family	Uniform	\$4.10	\$4.46	\$5.04	\$5.70	\$6.45	\$7.29
Non-Residential	Uniform	\$4.34	\$4.46	\$5.04	\$5.70	\$6.45	\$7.29
Irrigation	Uniform	\$4.34	\$4.46	\$5.04	\$5.70	\$6.45	\$7.29

* Current tier ranges are Tier 1: 0 -9; Tier 2: 10 - 40; and Tier 3: 41+

PLEASE NOTE: The proposed rates and charges are based on WVWD's projected operating expenses and on estimates of future MWD and TVMWD water rate increases (projected at 8.3% per year for MWD and 8.3% per year for TVMWD). The rates for years 2026 through 2029 are subject to revisions based upon the actual rate increases implemented by those suppliers, as well as upon inflation projected at 3.9% per year and economic conditions as measured by the Consumer Price Index for all Urban Consumer (CPI-U) for Los Angeles-Riverside-Orange County (calculated on a September 1 to August 31 annual basis) if such cost increases exceed the projections included in the proposed rates for those years. To the extent such costs exceed those projections, the additional costs will be passed through to WVWD's customers after action taken by the WVWD Board of Directors pursuant to Government Code Section 53756 that will determine the extent of actual increases over the projected increases to the sources of the District's water supply that are impacted by the excess actual increases in costs.



Walnut Valley Water District owns and maintains the utility infrastructure necessary to provide drinking water and recycled water service to the customers within its service area. Most of that infrastructure runs under city streets and is never seen by residents.

Walnut Valley Water District Age

72 YEARS

Average Lifespan of Infrastructure

30-50 YEARS

Proposed Recycled Water Usage Rates

Recycled water is highly treated wastewater that can be used for non-drinking purposes. This drought-proof supply is available to schools, businesses, and homeowners' associations (HOAs) for irrigation.

Current Variable Rate	2025	2026	2027	2028	2029
\$2.29	\$2.66	\$3.04	\$3.47	\$3.96	\$4.53

Proposed Dedicated Fireline Charges

Dedicated fireline charges reflect a monthly service charge. These charges do not apply to most residential customers.

Connection Size	Current Charge	2025	2026	2027	2028	2029
1"	\$11.07	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
1 1/2"	\$11.88	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
2"	\$13.30	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
4"	\$27.09	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
6"	\$58.46	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
8"	\$112.53	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
10"	\$193.90	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
12"	\$0.00	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31
Private Hydrant	\$58.46	\$15.51	\$17.53	\$19.81	\$22.39	\$25.31



Proposed Pump Zone Charges

Pump zone charges cover the cost of using electricity from Southern California Edison and Industry Public Utilities, gas from SoCal Gas, and maintenance costs required to pump water to customers in higher elevation neighborhoods. Due to the layout of the District's infrastructure system, there is a cost with pumping water upward due to the nature of gravity. To see what pump zone you are in, enter your address into our interactive Division Map at walnutvalleywater.gov/about-us/district-overview.

Pumping Zone	Current Charge	2025	2026	2027	2028	2029
Zone 1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zone 2	\$0.32	\$0.26	\$0.30	\$0.34	\$0.39	\$0.45
Zone 3	\$0.56	\$0.48	\$0.55	\$0.63	\$0.72	\$0.82

Proposed Drought Rate Surcharge

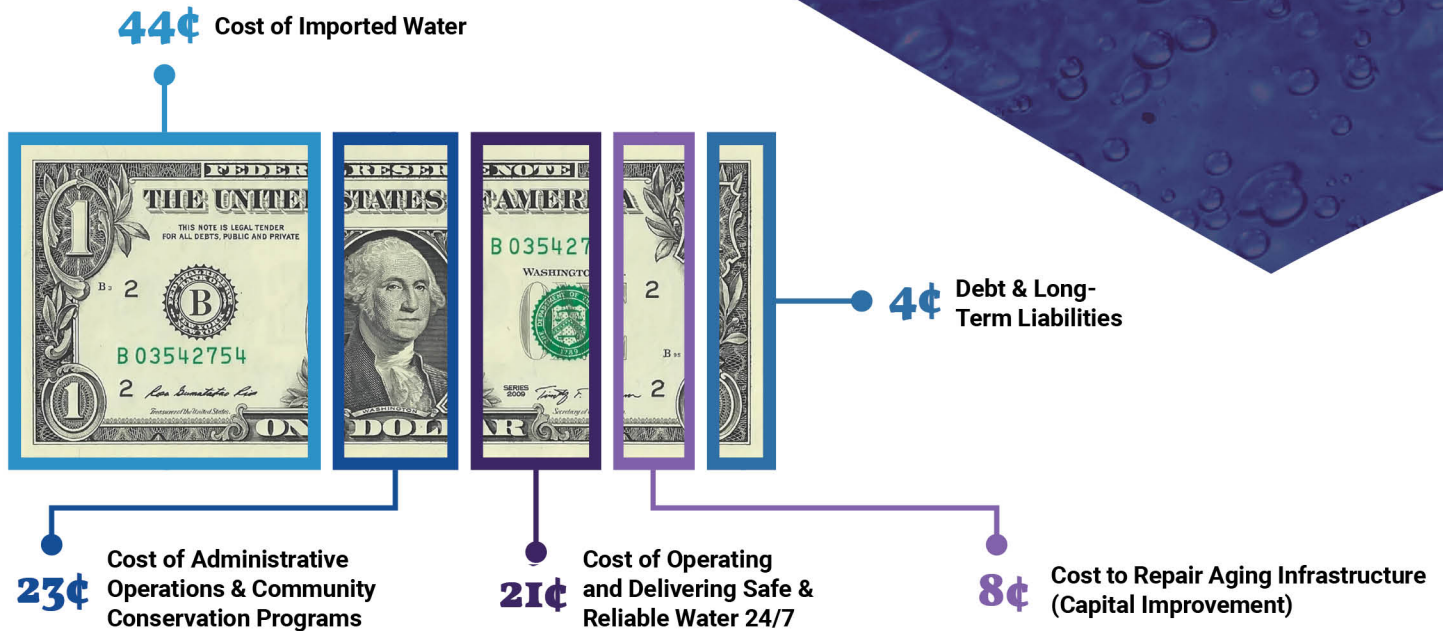
Drought rate surcharges are designed to ensure the District continues to generate revenues adequate to meet its operating costs and other revenue requirements in times of drought when state-mandated reductions or reductions under the District's Water Shortage Contingency Plan reduce water sales and resulting revenue. Any activation of the drought surcharge must be accomplished by Board of Directors' action at a duly noticed Board of Directors' meeting.

Mandatory Water	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
	10.0%	20.0%	30%	40.0%	50.0%	60.0%
2025	6.43%	11.57%	16.67%	23.84%	34.06%	47.28%
2026	6.81%	12.44%	18.28%	26.23%	37.72%	52.82%
2027	7.17%	13.29%	19.76%	28.58%	41.32%	58.28%
2028	7.52%	14.09%	21.14%	30.74%	44.62%	63.27%
2029	7.86%	14.85%	22.46%	32.83%	47.80%	68.09%



About Your Rates

2024 Rates Dollar Breakdown



The rates you pay for potable (drinking) and recycled water do not exceed the cost of providing service. Walnut Valley Water District contracted an independent consulting firm to assess WVWD's operating costs, capital improvement costs to fix aging infrastructure, and revenue requirements to meet operational needs. The independent consulting firm developed a rate model that analyzed those financial components and conducted a thorough rate study. The results of that study set forth the justification for the proposed rate changes. With the proposed rate structure, WVWD will reduce its reserve requirements (savings need for future costs) by 30%, from a 5-year reserves savings target down to 2-year target, to minimize the financial impact of the necessary rate and charge increases on customers. The rate study and an electronic version of this document is available at walnutvalleywater.gov/lets-dive-in

Several factors influence the cost, and consequently, your rates, including:

- **Increasing Costs of Imported Water:** Walnut Valley Water District imports 100% of its drinking water from the Metropolitan Water District of Southern California through Three Valleys Municipal Water District. The rates for water purchased from these agencies are set by their respective governing boards and imposed on the District and other local retail water suppliers. These costs make up over 50% of the District's operating expenses.
- **Infrastructure Investments:** Significant investments are required to maintain aging pipes, pumps, treatment facilities, and other infrastructure needed to ensure a reliable supply of safe drinking and recycled water.
- **Rising Costs:** As you have also likely experienced, the prices of supplies, materials, labor, insurance and utilities have increased dramatically in recent years, above normal inflation.
- **State Conservation Mandates:** California has adopted legislation mandating water conservation measures that set indoor and outdoor water usage budgets for all residential and commercial customers. The administrative costs associated with implementing these mandates, along with the subsequent reduction in water sales, has a significant financial impact on WVWD. Over the last three years, WVWD had reduced water sales by 20%. The resulting reduced sales of water means WVWD's fixed costs (which it incurs regardless of how much water is sold) are spread across a smaller quantity of the units of water being sold. Unfortunately, net result of that is a further need for price increases to cover those costs.



Walnut Valley Water District

271 S Brea Canyon Rd
Walnut, CA 91789

(909) 595-7554
walnutvalleywater.gov

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"DEDICATED TO MEETING THE WATER SUPPLY NEEDS OF THE COMMUNITIES WE SERVE."

Public Hearing

The Walnut Valley Water District Board of Directors will conduct a public hearing on November 14, 2024 at 6:00 p.m at the South Coast Air Quality Management District's Auditorium at 21865 Copley Drive, Diamond Bar, California 91765. The purpose of the hearing will be to consider the adoption of the proposed water rate adjustments for the following:

- Monthly Meter Charge
- Fireline Charges
- Recycled Water Rates
- Water Usage Rates
- Pump Zone Charges
- Drought Rate Surcharge

How To Submit A Written Protest

Property (parcel) owners or customers of record may comment and file a written protest (one vote per parcel) on the proposed increases. If you own more than one parcel, you may file a single protest, but you must identify each parcel you own. California law prohibits the District from increasing charges if protests are filed from a majority of the affected parcels before the end of the public hearing.

Written protests must be mailed to the District or hand-delivered at the public hearing by 6:00 pm on November 14, 2024. All written protests must be received prior to the conclusion of the public hearing. Written protests received after the deadline, even if postmarked earlier, cannot be accepted. Written protests submitted by email or other electronic means are not accepted. If your written protest is lost or spoiled, you may complete a new written protest at the public hearing.

Each protest must identify the affected property and include the signature of the property owner on record or utility customer on record. Oral protests at the public hearing will not qualify as a protest unless accompanied by a written protest. The District's Board of Directors welcomes input from the public during the public hearing. California law (Government Code Section 53759) provides a 120-day statute of limitations for judicially challenging the adoption or increase of the rates and charges that are the subject of this notice.

Written protests may be mailed
or hand delivered to:

Walnut Valley Water District
Attn: Board Secretary
271 S. Brea Canyon Road, Walnut, CA 91789

If you would like this information translated, please call (909) 595-7554

如果您需要翻譯此訊息, 請致電 (909) 595-7554

Si desea esta información en español, llame al (909) 595-7554

The procedural requirements of the California Constitution, Article XIII D section 6 (Proposition 218), require that WVWD provide notice of the proposed rate increases to all property owners of record. WVWD is also providing this notice to its customers who are tenants of real property who are directly liable to pay water bills.