

Meiners Oaks Water District

PROP 218 NOTICE OF PUBLIC HEARING

Proposed Water Rates Increase

May 6, 2022

Notice Summary

Meiners Oaks Water District hasn't increased its water rates since 2018, partly due to the pandemic. Now, in preparation for a water treatment plant replacement and other major projects we must finally increase our rates. This Notice compares current rates with proposed new rates over the next three years. It provides an explanation for why and how we will increase our various rates. A public hearing has been scheduled on this topic. Our customers are invited to attend the hearing and to provide comments, or to submit comments by mail, email or phone. Attached to this notice is a form for protesting the rate increase, if you wish to do so. Depending on customers' input, MOWD's board may adopt the new rate structure for the next three years in July 2022.

Notice of Public Hearing on Water Rates

Date: Thursday, June 30, 2022

Time: 5:00 PM

Location: Register here to attend the virtual public hearing

<https://attendee.gotowebinar.com/register/3528431092614846731>

Meeting ID: 654-704-515

(Public Hearing information is also available at www.meinersoakswater.org)

Why Water Rates Must Increase

Water rates must increase for several reasons, including the following:

- ◆ Our small water treatment plant, visible from the parking area for the Cozy Dell trailhead, needs to be replaced.
- ◆ A recent inspection of our water tanks found that one tank must be replaced in a few years.
- ◆ We must upgrade the Meiners Road pressure zone to improve fire flow reliability.
- ◆ The City of Ventura is suing around 14,000 pumpers and landowners in our area, including MOWD, to adjudicate groundwater in the Upper Ventura River Basin, where we have our wells. We have hired an attorney and are participating in the process. This is a very costly effort and we don't know its effects on future budgets.
- ◆ As a necessary step to promote conservation, our backup water supplier, Casitas MWD, has increased its over-allocation charge from \$1 to \$5 per hundred cubic feet (HCF), and we must be able to pass that potential cost on to our customers who exceed their own water allocations in very dry years.
- ◆ Inflation has risen in the past year and we need flexibility to raise water rates if inflation continues to affect our operational costs.

How Much Will Rates Change?

For Fiscal Year 2022-23:

- ◆ The monthly Water Availability Charge (WAC) will increase from \$35.91 to \$36.00.
- ◆ The monthly Meter Capacity Charges (MCC) will not change.
- ◆ The fixed WAC and MCC charges will be combined into a single monthly "Meter Charge."
- ◆ The cost of each hundred cubic feet (HCF) of water you use each month will increase from \$2.34/HCF to \$3.85/HCF.
- ◆ The over-allocation charge will increase from \$1.00/HCF to a maximum of \$5.00/HCF, depending on drought conditions.
- ◆ The purchase of Casitas water will continue to be paid via a "Casitas Surcharge."

See Table 1 for more detailed information on the proposed future rates. The usage rate and MCC will increase in Fiscal Year 2023-24 and FY 2024-25. The board has the option of adopting lower rates in each of those years, if justified.

For many years we have received about half of our revenue from fixed charges – the amount customers pay even if they don't use any water. To encourage water conservation, we are increasing our unit charges the most – the amount customers pay for the water they use. That way, those who use the least amount of water will pay relatively less.

Customer Allocations

Despite significant rains early this winter, Lake Casitas remains under 40% of capacity and we are still in a Stage 3 Drought. Since 2013, there have been periods when we have been forced to take all of our water from Casitas MWD. To prepare for the possibility of a continuing drought, MOWD recently adopted a water allocation program in conformance with Casitas MWD's *Water Allocation and Efficiency Program (WEAP)*. MOWD's *Allocation Program* is posted on our web site.

Our online Allocation Calculator is also available on our website. You can enter your Customer Number and see your monthly allocation amounts, which vary with drought stage. Staying within your allocation will be important because over-allocation fees are increasing substantially. We will continue our Allocation Waiver Program for customers who may have unique circumstances and wish to revise their allocation, if justified.

Water Rates for 2022 - 2025

Table 1

1) Monthly Water Availability Charge (WAC)

Meter size	Current	Proposed		
	FY2021-22	FY2022-23	FY2023-24	FY2024-25
All	\$35.91	\$36.00	\$36.00	\$36.00

2) Monthly Meter Capacity Charge (MCC)

Meter size	FY2021-22	FY2022-23	FY2023-24	FY2024-25
5/8" & 3/4"	\$0.00	\$0.00	\$0.00	\$0.00
1"	\$16.00	\$16.00	\$16.80	\$17.60
1.5"	\$36.00	\$36.00	\$37.80	\$39.70
2"	\$104.00	\$104.00	\$109.20	\$114.70
3"	\$256.00	\$256.00	\$268.80	\$282.20
4"	\$776.00	\$776.00	\$814.80	\$855.50
6"	\$1,576.00	\$1,576.00	\$1,654.80	\$1,737.50

Note: In future water bills, the WAC and MCC will be combined into a single "Meter Charge" that will vary with meter size.

3) Unit Rate per HCF for all water used

Meter size	FY2021-22	FY2022-23	FY2023-24	FY2024-25
All	\$2.34	\$3.85	\$3.90	\$3.95

4) Over-Allocation Penalty (Additional charge for use exceeding a customer's monthly allocation.)

Meter size	FY2021-22	FY2022-23	FY2023-24	FY2024-25
All	\$1.00/Unit	The Over-Allocation Penalty will be set at Casitas MWD's Over-Allocation Penalty then in effect (Currently \$5.00/HCF). The amount is additional to the unit rate.		

5) Casitas Surcharge

Meter size	FY2021-22	FY2022-23	FY2023-24	FY2024-25
All	The cost of purchasing water from Casitas MWD is collected as a "Casitas Surcharge" added to a customer's bill in proportion to the amount of water used that month. (NO CHANGE)			

6) Other Fees and Charges

See our website for special rates and conditions.

Note: 1 Unit = 100 cubic feet = 1 HCF = 748 gallons

**To Protest – Return this page by mail with information filled in
(No reply or action needed if you don't wish to protest)**

If you are the owner of record of a parcel or parcels subject to the proposed rate increases, you may submit a protest against any or all of the proposed rate increases by filing a **written** protest with MOWD on or before the time set for the public hearing **Thursday, June 30, 2022 at 5:00 pm**. If written protests are filed by a majority of these parcel owners, the proposed rate adjustments will not be imposed.

A written protest must contain your printed (or typed) name, signature, mailing address, and a description of the parcel or parcels in which the party signing the protest has an interest. A street address and/or parcel number shall be considered sufficient description. If the parcel owner signing the protest is not shown on the last certified Ventura County Assessor's tax roll as the owner of the parcel(s), the protest must contain, or be accompanied by, written evidence that such party is the owner of the parcel(s). Protests must be received no later than **June 28, 2022 (postmarks do not apply)** and be mailed to:

Meiners Oaks County Water District
202 W. El Roblar Drive, Meiners Oaks, CA 93023
Attn: Protest Ballot

2022 PROTEST BALLOT

Must be received no later than **June 28, 2022** – postmarks do not apply

I protest the proposed rates.

Name (printed)

Signature

Customer Number

Address of property located in MOWD

Parcel number of property

Comments (optional): Attach comment if necessary.