

CALAVERAS PUBLIC UTILITY DISTRICT

NOTICE TO PROPERTY OWNERS

Public Hearing About Proposed Water Service Rate Increase

The Calaveras Public Utility District Board of Directors will hold a public hearing on August 14, 2018 at 7:00 p.m. to consider adopting increases in the rates for its water services. The public hearing will be held at:

Calaveras Public Utility District Office
506 W. Saint Charles Street
San Andreas, CA 95249

PUBLIC HEARING
TUESDAY, AUGUST 14, 2018
7:00 P.M.

REASON FOR THE RATE INCREASE

The District's current water rates are insufficient to pay the operational expenses of the District's water utility operations, to provide for repairs and replacement of water system works, and to provide additional revenues for constructing capital improvements to the water supply system. The last rate modification performed by the District was in 2012. The proposed rates provide funds for necessary capital improvements, operations and maintenance, and to fully recover increases in the costs of providing water services.

The Water Rate Cost of Service Study prepared by Weber, Ghio & Associates, Inc. is available for inspection at the District Office, located at 506 W. Saint Charles Street, San Andreas, CA 95249. To make an appointment to review the Study, please contact the District Office at (209) 754-9442.

If adopted, the proposed rate increase will become effective on August 14, 2018 and be reflected on the billing cycle commencing on August 26, 2018. Rate increases thereafter will be effective on July 1, beginning July 1, 2019 through July 1, 2022.

PUBLIC HEARING

Any property owner of record whose property is subject to the proposed new rates may submit a written protest to the proposed rate increase. Only one written protest will be counted per identified parcel. Any written protest must:

- State that the identified property owner is in opposition to the proposed rate increases;
- Provide the location of the identified parcel (by assessor's parcel number, street address, or customer account #);
- Include the printed name and signature of the property owner submitting the protest; and

Written protests may be submitted by mail or in person to: Calaveras Public Utility District, P.O. Box 666, 506 W. Saint Charles Street, San Andreas, CA 95249. Any protest submitted via e-mail or other electronic means will not qualify as a written protest.

Written protests may also be submitted at the public hearing (date and time noted above). All written protests must be submitted to the District prior to the conclusion of the public comment portion of the public hearing. At the public hearing, the Board of Directors will accept and consider all written protests

Dated: June 28, 2018

and hear all oral comments to the proposed rate increase. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest that complies with the requirements above. Upon the conclusion of the public hearing, the Board of Directors will consider the adoption of the proposed increases to the rates for water service as described below. If written protests against the proposed rates are not presented by a majority of the property owners of the identified parcels subject to the proposed rate increases, the Board of Directors will be authorized to adopt the rate increase.

**If you have questions regarding this notice or how it may affect your property,
call (209) 754-9442 Monday through Friday from 8 a.m. to 4:30 p.m.**

PUBLIC OUTREACH MEETING

Prior to the public hearing, a public outreach meeting will be held to enable property owners and residents to learn more about the proposed water rate increase.

PUBLIC OUTREACH MEETING

TUESDAY, JULY 10, 2018

6:00 P.M.

Calaveras Public Utility District Office
506 W. Saint Charles Street
San Andreas, CA 95249

PROPOSED RATE INCREASE

The District's water rates are billed on a monthly basis. They are comprised of two components: (1) a base rate; and (2) a usage charge. The base rate is a fixed charge established on the basis of the size of the water meter serving a property and customer type, which is calculated to recover a portion of the District's fixed costs, such as the costs of billing and collections and customer service. The proposed usage charge has a uniform rate per one-thousand gallons or one-hundred gallons of water usage individualized for each class of customer and is based on customer consumption for a billing period. The charge is structured to include a portion of the fixed cost of the District as well as variable costs such as utilities, chemicals, etc. The usage charge recovers revenue intended to cover all costs not recovered in the base rate. Together, the two components of the District's water service rates are structured to recover the proportionate costs of providing water service to each customer class.

BASE RATE:

Residential & Commercial Meter Size	Current Rates	Proposed Rates					Usage Covered by Minimum (Gallons)
		August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023	
5/8" x 3/4"	\$39.73	\$65.11	\$68.78	\$72.64	\$76.68	\$80.93	5,000
1"	\$63.66	\$104.33	\$110.21	\$116.39	\$122.87	\$129.68	20,000
1-1/2"	\$115.63	\$189.50	\$200.19	\$211.40	\$223.18	\$235.55	40,000
2"	\$219.55	\$359.82	\$380.10	\$401.40	\$423.76	\$447.24	80,000
4"	\$401.42	\$657.88	\$694.97	\$733.91	\$774.80	\$817.73	150,000
6"	\$531.33	\$870.78	\$919.87	\$971.42	\$1,025.54	\$1,082.37	200,000
8"	\$661.24	\$1,083.69	\$1,144.78	\$1,208.93	\$1,276.29	\$1,347.01	250,000

Residential & Commercial Multiple Units	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
Usage 3000 Gallons /month or less avg./unit	\$23.73	\$38.89	\$41.08	\$43.39	\$45.80	\$48.34
Usage 4000 Gallons /month or less avg./unit	\$31.73	\$52.00	\$54.93	\$58.01	\$61.24	\$64.64
Usage 5000 Gallons /month or less avg./unit	\$39.73	\$65.11	\$68.78	\$72.64	\$76.68	\$80.93

Agricultural/Untreated	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
First 60,000 gallons of usage	\$167.59	\$274.66	\$290.14	\$306.40	\$323.47	\$341.40

Industrial	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
First 200,000 gallons of usage	\$531.33	\$870.78	\$919.87	\$971.42	\$1,025.54	\$1,082.37

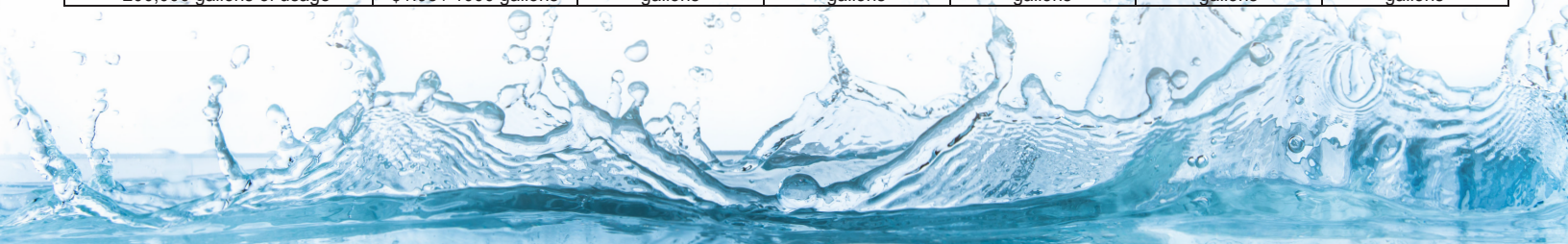
USAGE CHARGE:

Residential & Commercial	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
5,001 to 20,000 gallons	\$1.60 / 1000 gallons	\$2.62 / 1000 gallons	\$2.76 / 1000 gallons	\$2.92 / 1000 gallons	\$3.08 / 1000 gallons	\$3.25 / 1000 gallons
> 20,000 gallons	\$2.20 to \$2.60 / 1000 gallons	\$2.00 / 1000 gallons	\$2.10 / 1000 gallons	\$2.21 / 1000 gallons	\$2.32 / 1000 gallons	\$2.43 / 1000 gallons

Residential & Commercial Multiple Units	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
from 3,001 to 4,000 gallons	\$0.80 / 100 gallons	\$1.31 / 100 gallons	\$1.39 / 100 gallons	\$1.46 / 100 gallons	\$1.54 / 100 gallons	\$1.63 / 100 gallons
from 4,001 to 5,000 gallons	\$0.80 / 100 gallons	\$1.31 / 100 gallons	\$1.39 / 100 gallons	\$1.46 / 100 gallons	\$1.54 / 100 gallons	\$1.63 / 100 gallons
from 5,001 to 20,000 gallons	\$1.60 / 1000 gallons	\$2.62 / 1000 gallons	\$2.76 / 1000 gallons	\$2.92 / 1000 gallons	\$3.08 / 1000 gallons	\$3.25 / 1000 gallons
> 20,000 gallons	\$2.20 to \$2.60 / 1000 gallons	\$2.00 / 1000 gallons	\$2.10 / 1000 gallons	\$2.21 / 1000 gallons	\$2.32 / 1000 gallons	\$2.43 / 1000 gallons

Agricultural/Untreated	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
> 60,000 gallons	\$1.69 / 1000 gallons	\$1.54 / 1000 gallons	\$1.62 / 1000 gallons	\$1.70 / 1000 gallons	\$1.78 / 1000 gallons	\$1.87 / 1000 gallons

Industrial	Current Rates	August 2018-June 2019	July 2019-June 2020	July 2020-June 2021	July 2021-June 2022	July 2022-June 2023
> 200,000 gallons of usage	\$1.93 / 1000 gallons	\$2.00 / 1000 gallons	\$2.10 / 1000 gallons	\$2.21 / 1000 gallons	\$2.32 / 1000 gallons	\$2.43 / 1000 gallons



CALAVERAS PUBLIC UTILITY DISTRICT

P.O. BOX 666

506 W. St. Charles Street

San Andreas, CA 95249

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NOTICE TO PROPERTY OWNERS

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WATER SHORTAGE SURCHARGE

Due to continuing multi-year drought conditions in California, on January 17, 2014, Governor Jerry Brown proclaimed a State of Emergency and directed State officials to take all actions necessary to prepare for drought conditions and their impact on water supplies in California. The amount of water available for consumption by customers can be affected by climatic and other environmental conditions, such as a drought. In such instances, it may become necessary for the District to implement water conservation measures and to establish a surcharge on the rates (Water Supply Shortage Surcharge).

The District has developed a 3-stage Mandatory Water Conservation Plan that may be invoked during declared water shortages. The plan includes mandatory goals for reductions in water use, depending on the causes, severity, and anticipated duration of the water supply shortage. The following Water Supply Shortage Stages result in mandatory goals for reductions in water use: Stage 1 – mandatory reduction goal of up to 20%; Stage 2 – mandatory reduction goal of up to 40%; Stage 3 – mandatory reduction goal of up to 75% or greater.

The Water Supply Shortage Surcharge is established to ensure the District receives sufficient revenues to recover its costs of providing water service when consumption decreases due to District regulatory water shortage declarations for reductions in water use due to water shortages. In the event of a declared mandatory reduction in water use, the District may implement the water shortage surcharges up to the maximum percentages in the following table.

WATER SUPPLY SHORTAGE SURCHARGE			
	Stage 1	Stage 2	Stage 3
Mandatory Reduction Goal	20%	40%	75%
Surcharge applied to metered water charge	10%	21%	39%