



COACHELLA VALLEY WATER DISTRICT
P.O. BOX 1058
COACHELLA, CA 92236
WWW.CVWD.ORG

PRESORT STANDARD
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NOTICE OF PUBLIC HEARING

AND PROTEST INSTRUCTIONS FOR PROPOSED CHANGES TO WATER RATES



Date: June 8, 2021

Time: 8 a.m.

Location: Virtual or by telephone

See back page for more information on how to participate.

HOW CAN I PARTICIPATE?

Coachella Valley Water District welcomes your input as its Board of Directors considers the changes explained in this notice. If you have questions or comments, you may:



Call or log-on – More information on the proposed increase is available for review by calling (760) 398-2661, ext. 2389, or on our website: cvwd.org/ratechanges.



Write – Any record owner of a parcel upon which the Domestic Water Service is or may be imposed, and any tenant who is directly responsible for the payment of the Domestic Water Service has the right to submit a formal written protest to the proposed rate increase; provided, however, only one protest will be counted per identified parcel.

Any protest must: (1) be in writing; (2) state that the identified property owner or tenant is opposed to the proposed rate increase; (3) provide the location of the identified parcel (by street address, assessor's parcel number, or customer account number); and (4) include the name and signature of the property owner or tenant submitting the protest. **Written protests may be submitted by mail to the District, Attention: Clerk of the Board, P.O. Box 1058, Coachella CA, 92236.**



District offices are closed to the public. In lieu of submitting protests in person, protests may be submitted via email to the Clerk of the Board at SBermudez@cvwd.org. Any protest submitted via email must include a valid image of the protestor's signature. All protests must be submitted to and received by the District prior to the close of the public input portion of the Public Hearing on June 8, 2021. The Board of Directors will accept and consider all written protests and will hear and consider all oral comments (via telephone) to the proposed rate increases at the Public Hearing. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. You may provide public comment during the meeting via telephone or in accordance to the Districts online meeting platform.

For information on how to provide public comment at the meeting, please refer to the June 8, 2021 agenda at cvwd.org/151/Board-Agendas.

The agenda is posted at least 72-hours in advance of the meeting and can be found on the District's website. You may also contact the Clerk of the Board at (760) 398-2651 or via email at SBermudez@cvwd.org for additional information.

Public Hearing process – At the time of the Public Hearing, the Board of Directors will hear all oral comments and consider all written protests and public comments. After the Hearing, if a majority of property owners and tenants of the impacted parcels submit written protests in opposition to the proposed rate increase, the increase will not be imposed. If a majority protest is not received, CVWD's Board of Directors may elect to adopt the proposed five-year rate increase schedule after considering all the facts. If adopted, the proposed rates would become effective July 1, 2021, and subsequent increases may be proposed annually on or after July 1 over the next four years.

IMPORTANT INFORMATION ABOUT YOUR RATES

The Coachella Valley Water District (CVWD) Board of Directors will hold a Public Hearing to consider a proposed five-year maximum rate increase schedule for domestic water service provided to residential and commercial customers. If approved by the CVWD Board of Directors, the increases will take effect on July 1, 2021, with subsequent increases proposed annually over the next four years.

This notice is being sent to all record owners of property upon which the proposed charges will be imposed and any tenants who are directly liable for the payment of such charges (i.e., customers of record who are not property owners). CVWD is dedicated to keeping its customers informed throughout the process. (See the back page titled "How Can I Participate?" to learn more.) More information about the proposed domestic water rates is included in this document and is available at cvwd.org/ratechanges.

WHY HAVE I RECEIVED THIS NOTICE?

CVWD is committed to providing safe, reliable, and affordable drinking water to the communities we serve. The rates the district charges for water service are developed to treat all customers fairly, reflect the true cost to provide that service, and to protect CVWD's financial stability and its ability to provide the same level of service in the future. You have received this notice to inform you that the CVWD's Board of Directors is considering increases in its water rates.

As part of its commitment to transparency, the District is sharing information with the community and seeking input that the Board of Directors will use to make the right decision for the district and its ratepayers.

Para obtener esta información en español, llame al (760) 391-9600



www.cvwd.org

WHY ARE NEW RATES BEING PROPOSED?

Two factors have driven the decision to update the District's Domestic water rates. First, the District's operating costs are increasing at a pace greater than the current rates and charges can support. The District's supply-related Replenishment Assessment costs are increasing, as are the utilities the District pays, such as electricity to operate groundwater pumps and run the distribution system. Furthermore, capital investments are needed to repair and replace District assets. These investments help the District maintain uninterrupted service to all customers. All assets have a finite lifespan and some of the District's assets have reached this point where continuing use would increase the risk of system outages and a lower quality of service than the District strives to provide.

Due to these cost drivers, the District has determined that it must generate more revenue.

Second, the District is updating its rates to reflect the current cost of service for each customer. Every few years, the District reviews its usage and customer profile to identify how costs are incurred and to allocate costs to customers in proportion with the benefit they receive from the Domestic system. Changes to the cost of service have resulted in modifications to the rate structure. Some rate components, such as the monthly service charges for smaller meters and the Tier 3 commodity rate, are increasing, while others, such as the Tier 1 and 2 commodity rates, are decreasing.

PROPOSED RATES

Single Family Monthly Service Charges

METER SIZE	CURRENT	EFFECTIVE JULY 1, 2021	EFFECTIVE JULY 1, 2022	EFFECTIVE JULY 1, 2023	EFFECTIVE JULY 1, 2024	EFFECTIVE JULY 1, 2025
3/4-inch	\$7.92	\$12.65	\$13.46	\$15.12	\$16.58	\$17.75
1-inch	\$13.18	\$15.15	\$16.12	\$18.11	\$19.86	\$21.26
1 1/2-inch	\$26.36	\$21.40	\$22.77	\$25.60	\$28.06	\$30.05
2-inch	\$42.19	\$28.90	\$30.75	\$34.58	\$37.90	\$40.59
3-inch	\$79.06	\$46.40	\$49.37	\$55.53	\$60.86	\$65.18
4-inch	\$131.77	\$71.40	\$75.97	\$85.46	\$93.66	\$100.31

Multi-Family Monthly Service Charges

METER SIZE	CURRENT	EFFECTIVE JULY 1, 2021	EFFECTIVE JULY 1, 2022	EFFECTIVE JULY 1, 2023	EFFECTIVE JULY 1, 2024	EFFECTIVE JULY 1, 2025
3/4-inch	\$9.05	\$12.78	\$13.60	\$15.28	\$16.75	\$17.94
1-inch	\$15.07	\$15.37	\$16.35	\$18.38	\$20.14	\$21.58
1 1/2-inch	\$30.21	\$21.83	\$23.24	\$26.13	\$28.63	\$30.68
2-inch	\$48.30	\$29.59	\$31.50	\$35.43	\$38.81	\$41.60
3-inch	\$90.56	\$47.70	\$50.77	\$57.13	\$62.56	\$67.08
4-inch	\$150.90	\$73.57	\$78.30	\$88.13	\$96.49	\$103.48



PROPOSED RATES CONTINUED

Commercial Monthly Service Charges

METER SIZE	CURRENT	EFFECTIVE JULY 1, 2021	EFFECTIVE JULY 1, 2022	EFFECTIVE JULY 1, 2023	EFFECTIVE JULY 1, 2024	EFFECTIVE JULY 1, 2025
3/4-inch	\$5.68	\$12.71	\$13.53	\$15.19	\$16.66	\$17.84
1-inch	\$9.46	\$15.25	\$16.24	\$18.23	\$19.99	\$21.41
1 1/2-inch	\$18.93	\$21.60	\$23.00	\$25.83	\$28.33	\$30.35
2-inch	\$30.27	\$29.22	\$31.12	\$34.95	\$38.33	\$41.07
3-inch	\$56.70	\$47.00	\$50.07	\$56.23	\$61.66	\$66.08
4-inch	\$94.55	\$72.40	\$77.14	\$86.63	\$94.99	\$101.81

Landscape Monthly Service Charges

METER SIZE	CURRENT	EFFECTIVE JULY 1, 2021	EFFECTIVE JULY 1, 2022	EFFECTIVE JULY 1, 2023	EFFECTIVE JULY 1, 2024	EFFECTIVE JULY 1, 2025
3/4-inch	\$19.63	\$16.15	\$17.19	\$19.30	\$21.17	\$22.67
1-inch	\$32.74	\$20.98	\$22.34	\$25.08	\$27.51	\$29.46
1 1/2-inch	\$65.46	\$33.07	\$35.20	\$39.53	\$43.36	\$46.45
2-inch	\$104.79	\$47.57	\$50.64	\$56.87	\$62.38	\$66.83
3-inch	\$196.46	\$81.40	\$86.67	\$97.33	\$106.76	\$114.38
4-inch	\$327.39	\$129.73	\$138.14	\$155.13	\$170.16	\$182.31

Tiered Consumption Rates

TIER	CURRENT	EFFECTIVE JULY 1, 2021	EFFECTIVE JULY 1, 2022	EFFECTIVE JULY 1, 2023	EFFECTIVE JULY 1, 2024	EFFECTIVE JULY 1, 2025
Tier 1	\$0.98	\$0.94	\$1.00	\$1.12	\$1.23	\$1.31
Tier 2	\$1.37	\$1.17	\$1.25	\$1.40	\$1.53	\$1.64
Tier 3	\$2.55	\$3.59	\$3.83	\$4.30	\$4.71	\$5.04
Tier 4	\$4.83	\$4.21	\$4.48	\$5.04	\$5.52	\$5.91
Tier 5	\$6.34	\$6.44	\$6.86	\$7.70	\$8.44	\$9.04

Budget thresholds for each tier:

- Tier 1, up to 8 CCF
- Tier 2, up to 100% of budget
- Tier 3, up to 175% of budget
- Tier 4, up to 300% of budget
- Tier 5, 300% or more of budget

Learn how water budgets are calculated by visiting our website at cvwd.org/rates or call us at (760) 391-9600.

UNDERSTANDING YOUR BILL

Your bill is composed of two types of charges, fixed and volumetric. A fixed charge (meter service charge) is based on the size of the meter (in inches) serving your property and does not vary from month to month. The volumetric charges on your bill reflect the amount of water you use in a billing period. The chart below shows which costs are covered by each type of charge.

Fixed rates: Meter Service Charge

Operation & Maintenance: All costs for billing, customer service, and meter reading are allocated to the fixed rate.

A portion of the costs to operate and maintain the domestic water system are also allocated to the fixed rate.

Capital Replacement : These water supply capacity and storage costs are allocated to the fixed rate since they do not vary depending upon the amount of water delivered.

Volumetric Rates: Water Rate Charge

Operation & Maintenance: The remainder of the costs to operate and maintain the domestic water system used to deliver water to your home or business are allocated to the volumetric rate.

Capital: Improvements to the water supply system and any new treatments systems that are required by law.

Utilities: The energy for pumping and moving water in the system

Conservation Programs: These costs are allocated to tiers 3, 4, and 5. Water use in these tiers is not efficient, so every effort is made to help customers with water use in these tiers to conserve.

Revenue Offsets: Interest earnings, charges for special services, property taxes and other miscellaneous items allow the district to offset the effects of rising costs for customers in the excellent and efficient tiers