

NOTICE of PUBLIC HEARING

Si gustaría obtener esta información en español, por favor visite www.bcvwd.org.



Concerning Proposed Changes To Water, Fire and Non-Potable (Recycled) Water Rates and Service Charges

PUBLIC HEARING

THURSDAY

February 27, 2020

6:00 p.m.

**Beaumont-Cherry Valley
Water District**

**560 Magnolia Avenue
Beaumont, CA 92223**



NOTICE IS HEREBY GIVEN that the Beaumont-Cherry Valley Water District (BCVWD) is considering a water rate and service charge increase. You are receiving this Notice because our records indicate that you are a water customer and/or owner of a property within the Beaumont-Cherry Valley Water District. This Notice describes the proposed increase and explains how you can participate in the rate setting process.

If adopted, the increased rates will become effective on all rates and charges on any bill where the billing period ends after March 1, 2020, and annually thereafter on January 1 for a period of five years (2020 to 2024).

The public hearing will be conducted per California Constitution Article XIII D, Section 6 (also known as "Proposition 218"). This notice is being sent to all owners and customers of record whose parcels receive water service from Beaumont-Cherry Valley Water District, who would be subject to the proposed rates and charges.

The term "Property Owner" and/or "Customer" as used in this Notice includes any affected person or entity that has a right to lawful possession and/or occupancy of property and who is responsible for payment of water service charges.

At the date, time and location specified on the left, the Board of Directors will conduct a Public Hearing to consider proposed increases to water rates and service charges. The proposed adjustments will be applicable to all parcels that receive water service from BCVWD. The Public Hearing will be for hearing public testimony and receiving written protests on the proposed rate increase. Only one protest per parcel is permitted. The Board may continue the hearing without further written notice.

Please refer to the "How Can I Participate?" section of this document for instructions on submitting a formal written protest against the proposed action. You may also appear at the Public Hearing at the date and time specified on the left.



More information about the proposed rate changes, including the full rate study and a bill estimator tool, is available on the BCVWD website at www.bcvwd.org. Staff are also available to answer questions. You can call 951-845-9581 or email info@bcvwd.org.



BCVWD At-a-glance

BCVWD ensures the long-term health and sustainability of water sources, plans for future growth and maintains assets such as pipes and pumps.



SERVICE POPULATION
55,000



SERVICE AREA
28 square miles



PIPELINES, PRESSURE ZONES, WELLS & RESERVOIRS
BCVWD serves its rate payers from **24 wells** and **14 reservoirs** through a multitude of pipelines ranging from **4 to 24 inches in diameter** located within **11 pressure zones**



SOURCES OF SUPPLY

- **State Water Project**
- **Local sources** such as the Little San Geronio Creek (Edgar Canyon)
- **Expanding to add recycled water** (partnering with City of Beaumont)



ACTIVE SERVICE CONNECTIONS
19,060



BCVWD has **increased water storage capacity** from **7 million** to **25 million gallons**

Why am I receiving this notice?

BCVWD is proposing a five-year rate adjustment sufficient to pay for the increased cost of water, water supply and delivery systems, and to maintain appropriate debt service coverage levels necessary for anticipated bonds and credit standing, fairly and equitably allocated across all Property Owners and/or Customers.

BCVWD's most recent 5-year rate increase plan was implemented in 2010, making BCVWD due for another rate and fee analysis. A new analysis was conducted by an independent financial expert over the last seven months. Upon request, a copy of the Water Financial Plan and Utility Rate Study may be obtained at the BCVWD District Office located at **560 Magnolia Avenue, Beaumont, California, 92223** or by visiting BCVWD's website at **www.bcvwd.org**.



What would change?

The proposed rate changes would increase the fixed bi-monthly service charge, volumetric commodity rates, fire service charge and drought rates. In addition, the volumetric commodity rates would change from the current two-tier system to a three-tier system.

Information detailing the changes can be found in this Notice of Public Hearing or the BCVWD Water Financial Plan and Utility Rate Study online at **www.bcvwd.org**.





Why are increases necessary?

As a result of a detailed budget analysis, the BCVWD Water Financial Plan and Utility Rate Study revealed the need for new rates and charges based on the following factors:



GROWING OPERATION & MAINTENANCE COSTS



26% INCREASE IN THE COST OF IMPORTED WATER



FLUCTUATING ELECTRICITY COSTS

Should the actual cost of any of these components (excluding the pass-through charges) be less than their projected cost over the five years, the excess revenues will be allocated to the Capital Replacement Reserves for capital improvement projects as shown in the BCVWD Capital Improvement Plan.

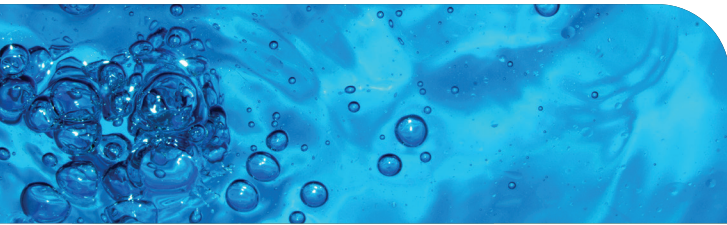
BCVWD is dedicated to providing safe and reliable water services in a cost-effective manner, while protecting water resources and the public's health. The proposed changes would ensure sufficient funds for the ongoing operation, repairs and maintenance of BCVWD's facilities, and an adequate long-term water supply for the region.

DID YOU KNOW?



According to state law, BCVWD cannot charge more than the actual cost of providing water service.

As a not-for-profit government agency, BCVWD is not legally allowed to make a profit.



PROPOSED NEW WATER RATES

Understanding your water bill

Your water bill is calculated based on a rate structure that includes a fixed bi-monthly service charge based on the size of the customer's meter and a volumetric commodity charge based on the amount of water actually used by the customer. Your bill also contains pass-through charges for the cost of imported water and the cost of energy to pump water.



The **BI-MONTHLY SERVICE CHARGE** on your bill is used to pay for the costs of service associated with operations, like pipe and system maintenance, capital projects, distribution, meters and service.



The **VOLUMETRIC CHARGE** is used to pay for the amount of water each customer actually uses. For single family customers, there are tiers of use within the volumetric charge and the cost of water increases based on how much you consume.



The **PASS-THROUGH CHARGES** reflect the true cost of imported water and the energy it takes to provide water to your home or business.

BCVWD bills most accounts on a bi-monthly basis. This means each bill customers receive includes charges for two months of service.



Proposed Potable and Non-Potable Bi-monthly Meter Service Charges

These are the fixed rates charged on each bi-monthly bill based on meter size.

Meter Size	Current Charge	March 2020	January 2021	January 2022	January 2023	January 2024
5/8"	\$18.01	\$22.58	\$24.17	\$25.87	\$27.69	\$29.63
3/4"	\$27.02	\$31.13	\$33.31	\$35.65	\$38.15	\$40.83
1"	\$45.03	\$48.24	\$51.62	\$55.24	\$59.11	\$63.25
1 1/2"	\$90.06	\$91.01	\$97.39	\$104.21	\$111.51	\$119.32
2"	\$144.09	\$142.33	\$152.30	\$162.97	\$174.38	\$186.59
3"	\$288.18	\$304.84	\$326.18	\$349.02	\$373.46	\$399.61
4"	\$450.28	\$544.34	\$582.45	\$623.23	\$666.86	\$713.55
6"	\$900.55	\$1,117.43	\$1,195.66	\$1,279.36	\$1,368.92	\$1,464.75
8"	\$1,440.88	\$2,400.46	\$2,568.50	\$2,748.30	\$2,940.69	\$3,146.54
10"	\$2,071.27	\$3,597.95	\$3,849.81	\$4,119.30	\$4,407.66	\$4,716.20
12"	\$2,791.71	\$4,538.84	\$4,856.56	\$5,196.52	\$5,560.28	\$5,949.50

PROPOSED NEW WATER RATES

PROPOSED POTABLE AND NON-POTABLE COMMODITY RATES

(\$ per ccf, 1 ccf = one hundred cubic feet, or 748 gallons)

These are the rates for water consumption based on tiers of use. The proposed rate structure for the Potable Commodity Rate for Single-Family Residential Customers has three tiers which impose higher rates as the level of consumption increases. The tiers are designed to recover the incremental costs to BCVWD of serving more water to those who place higher demands and greater burdens on BCVWD's water system and resources.

Due to the varying consumption needs among all other customers, the Potable and Non-Potable Commodity Rate is a uniform rate per ccf of water delivered during a billing period.



PROPOSED FIRE SERVICE CHARGES

These are the bi-monthly fixed rates charged to properties having a separate fire service line based on meter size.

Proposed Potable and Non-Potable Commodity Rates

(\$ per ccf, 1 ccf = one hundred cubic feet, or 748 gallons)

Customer Class	Tiers	Bi-monthly Tiers & Rates (ccf)		Proposed Tiers	March 2020	January 2021	January 2022	January 2023	January 2024
		Current Tiers	Current Rates		Proposed Bi-monthly Rates				
Single Family	Tier 1	0-44	\$0.96	0-16	\$0.66	\$0.71	\$0.76	\$0.82	\$0.88
	Tier 2	45+	\$1.05	17-34	\$0.81	\$0.87	\$0.94	\$1.01	\$1.09
	Tier 3	N/A	N/A	34+	\$1.36	\$1.46	\$1.57	\$1.68	\$1.80
Multi-Family	Tier 1	0-35	\$0.96	Uniform	\$1.01	\$1.09	\$1.17	\$1.26	\$1.35
	Tier 2	36+	\$0.98						
	Tier 3	N/A	N/A						
Commercial / Industrial	Uniform	Uniform	\$0.99	Uniform	\$0.95	\$1.02	\$1.10	\$1.18	\$1.27
Fire Service	Uniform	Uniform	\$0.99	Uniform	\$1.17	\$1.26	\$1.35	\$1.45	\$1.56
Landscape Irrigation	Uniform	Uniform	\$1.15	Uniform	\$1.06	\$1.14	\$1.22	\$1.31	\$1.41
Schedule Irrigation	Uniform	Uniform	\$1.01	Uniform	\$1.06	\$1.14	\$1.22	\$1.31	\$1.41
Construction	Uniform	Uniform	\$1.15	Uniform	\$1.17	\$1.26	\$1.35	\$1.45	\$1.56
Non-Potable	Uniform	Uniform	\$1.15	Uniform	\$0.72	\$0.96	\$0.96	\$0.98	\$0.98

Proposed Fire Service Charges (based on meter size)

Fire Meter Size	Current Charge	March 2020	January 2021	January 2022	January 2023	January 2024
4"	\$51.82	\$44.25	\$47.35	\$50.67	\$54.22	\$58.02
6"	\$150.53	\$118.12	\$126.39	\$135.24	\$144.71	\$154.84
8"	\$320.79	\$245.52	\$262.71	\$281.10	\$300.78	\$321.84
10"	\$576.89	\$437.17	\$467.78	\$500.53	\$535.57	\$573.06
12"	\$931.84	\$702.78	\$751.98	\$804.62	\$860.95	\$921.22

PROPOSED NEW WATER RATES

PROPOSED DROUGHT RATES

The table on the right shows the drought rate surcharge that would be applied to each commodity rate at a given drought stage. In the event that BCVWD activates water supply drought rates, customers will be notified in advance. Drought rates are generally triggered by the declaration of a specific water shortage by the California Department of Water Resources.



Proposed Drought Rates (\$ per ccf, 1 ccf = one hundred cubic feet, or 748 gallons)

	Stage 1	Stage 2	Stage 3	Stage 4
Reduction in Use	10%	20%	30%	40%
Surcharge	\$0.17	\$0.36	\$0.60	\$0.92

Adjustments to Pass-Through Charges:



BCVWD purchases a great deal of its water replenishment supply from the San Geronio Pass Water Agency (SGPWA). The cost of this imported water rose by 26 percent in 2019 and these costs are passed through to customers as a separate charge on the bi-monthly bill.

Provided that any such rates shall not increase by an amount that exceeds the cost of providing water service:

- **State Water Project (purchased through the SGPWA):** The pass-through charges for State Water Project may be increased as necessary by BCVWD by an amount equal to any increases for the cost of water purchased from the SGPWA upon 30 days' notice.
- **SCE Power Charge:** To account for increases in BCVWD costs in providing water service, the pass-through service charge may be increased as necessary by BCVWD by an amount equal to any incremental increase imposed on BCVWD for the cost of energy purchased from Southern California Edison upon 30 days' notice.

More information about pass-through charges can be found in the BCVWD Water Financial Plan and Utility Rate Study online at www.bcvwd.org.

How will the new rates and charges impact my bill?

If approved, a water bill for a typical single-family residence with a 5/8-inch meter using 34 units of water (25,432 gallons) during a bi-monthly billing period will increase by approximately \$5.57.

Typical Bill Calculation (34 ccf Bi-monthly)

Description	Existing Bill	Proposed March 1, 2020
Single-Family with 5/8" meter	\$77.51	\$83.08

For an estimate of how this would impact you specifically, visit the BCVWD bill estimator tool online at www.bcvwd.org. Customers can also call (951) 845-9581 or email info@bcvwd.org with questions.



How can I participate?

Written protests will be accepted in person or by regular mail at the BCVWD District Office, **560 Magnolia Avenue, Beaumont, CA 92223** during office hours of 8 a.m. to 5 p.m., Monday through Thursday. Emailed or faxed protests will NOT be accepted.

The content of the written protest should include:

1. **Printed name of protestor**
2. **Clear indication that the document is a protest**
3. **Residence or business address or parcel number (APN) within the BCVWD's service area**
4. **Signature of protestor**

Any Property Owner and/or Customer may appear at the Public Hearing and orally protest the proposed rate increases, or submit to BCVWD, at any time before the end of the Public Hearing, a written protest against the proposed rate increases. Oral protests will not qualify as a protest unless accompanied by a written protest, but the Board of Directors welcomes input from the community during the Public Hearing.

Any Property Owner and/or Customer may submit a protest. Only one protest per address/parcel will be accepted. Protests received prior to the Public Hearing will be opened and tallied. Copies of protests received prior to close of business on February 20, 2020, will be available at the Public Hearing.

For further information or to withdraw a protest, contact Recording Secretary Yolanda Rodriguez at **(951) 845-9581**. A letter of withdrawal may be required.

To be counted, any written protest must be received by BCVWD not later than the end of the Public Hearing. Protest tabulation will be finalized at the close of the Public Hearing on **February 27, 2020**, or on a date specified by the Board of Directors following the Public Hearing.

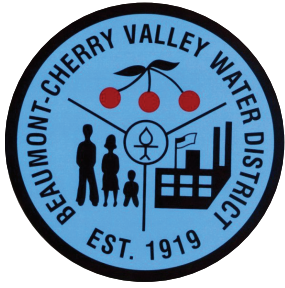
*This information will be made available in alternative formats upon request, as required by the Americans with Disabilities Act, by contacting the Administrative Assistant at **(951) 845-9581**. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters require different lead times, ranging from five business days to two weeks. Please provide as much advance notice as possible in order to assure availability.*

CONTACT: Yolanda Rodriguez, Director of Finance and Administrative Services | (951) 845-9581 | info@bcvwd.org



Community Meeting

An informational Community Meeting will take place at **6:00 p.m. on Thursday, February 20, 2020**, at the BCVWD District Office, located at **560 Magnolia Avenue Beaumont, CA, 92223**.



**Beaumont-Cherry Valley
Water District**

560 Magnolia Avenue
Beaumont, CA 92223

Important Information About Your Rates and Service Charges

HOURS OF OPERATION & CONTACT

Monday – Thursday, 8 a.m. to 5 p.m.
(Closed on Friday)

Phone: (951) 845-9581

Email: info@bcvwd.org

Online: www.bcvwd.org

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