

**Owner Name Mailing Address  
Mailing City Mailing State, Mailing ZIP  
Water Service Address, «APN»**

**Proposition 218 Notification  
NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING  
ON PROPOSED INCREASES IN SEWER RATES**

**Hearing Date & Time: November 12, 2019 6:00 PM  
Hearing Location: City Council Chambers  
150 S. Palm Avenue, Rialto, CA 92376**

*This notice is being sent to property owners in the City of Rialto who are listed in the San Bernardino County Assessor's database as well as to all customer account holders. As a result, you may receive more than one copy of this notice. We apologize for the inconvenience this may cause.*

**Why are you receiving this notice?**

This notice is being furnished to you by the City of Rialto ("City") and the Rialto Utility Authority ("RUA") pursuant to the California Constitution Article XIID, which was added to the California Constitution by Proposition 218, a state ballot initiative known as the "Right to Vote on Taxes Act" and approved by the California voters on November 5, 1996. Under terms of Proposition 218, the City and RUA are required to notify property owners of proposed changes to property-related fees such as sewer service charges. This letter serves as notice that the City and RUA will hold a public hearing on November 12, 2019, to consider changes to its current sewer rates as described in Exhibit A attached hereto. This notice shall only apply to customers who receive their sewer services from Rialto Water Services, the City and RUA.

**What do sewer rates fund?**

RUA, as lessee of the City-owned sewer system, provides sewer service to over 21,000 customers (residential and commercial) within the city limits and in adjoining communities. Sewer rates are structured for the sewer system to be financially self-sufficient. Monthly rates paid by users of the sewer system are the primary source of revenue. All revenue generated from your utility bill is used to maintain, operate and pay capital costs with respect to the sewer system; it is not used for other general government purposes. These revenues must meet costs such as electricity, chemicals, maintenance, and salaries and benefits for utility staff or contract administrators. Additionally, revenue generated from these rates is used to pay off debt incurred in the process of acquiring or constructing capital improvements for the sewer system, and to make lease payments to the City for the use of City-owned facilities.

**Why are the rate changes required?**

RUA and the City recently completed an analysis of the financial requirements of the sewer system. The reason for the increases to the rates and charges is to cover increased operations and maintenance expenses and to provide adequate funding for system improvements.

**Impact on your bill**

For the first year, the sewer bill for a single family home will increase from the current amount of \$62.19 per month to \$63.12 per month under the new rates. The full amount of the proposed rate adjustment will be phased in over a five-year period commencing on January 1, 2020 as illustrated in Exhibit A, as attached. The rates are also subject to further automatic increases due to consumer price index-based inflation adjustments. Notices of any adjustments shall be given pursuant to subdivision (a) of Section 53755, not less than 30 days before the effective date of the adjustment.

**How do you protest?**

Sewer rates are subject to majority protest, which means if a majority of impacted property owners (or renters if they are financially responsible for the bill) submit written protests against the increases described herein, neither the RUA nor the City can institute the new rates. A written protest needs to include your name, the address of the impacted property (or APN number) and your signature. Written protests are accepted by the City Clerk by mail to 150 S. Palm Ave., Rialto, CA 92376, or in person at the public hearing on the date and time specified above.

*Do you need help paying your water or sewer bill? Customers age 65 and over or households who have incomes at or below the Low Income Limits may qualify for a 20% discount on the "Total Sewer Flat Rate." For more information and how to apply, call (909) 820-2661.*

## EXHIBIT A SEWER RATES

Line	Customer Type	Current 1/1/2019	Proposed 1/1/2020	1/1/2021	Projected 1/1/2022	1/1/2023	1/1/2024	Unit
1	<b>Group I</b>							
2	Residential	\$62.19	\$63.12	\$64.07	\$65.03	\$66.01	\$67.00	per month
3	Residential X 1.3	\$80.84	\$82.05	\$83.28	\$84.53	\$85.80	\$87.09	per month
4	Residential Multi.	\$62.19	\$63.12	\$64.07	\$65.03	\$66.01	\$67.00	per month per unit
5								
6	<b>Group II</b>							
7	Commercial	\$6.77	\$6.87	\$6.97	\$7.08	\$7.19	\$7.29	per HCF
8	(includes - Softwater Service, Car Wash, Office Buildings, Cleaners,							
9	Department/Retail Stores, Warehouse, Car lots, Equipment Rental, Storage Units,							
10	Hospitals, Manufacturing, Indoor Theater, Day Care, Pre School,							
11	Disabled Care, Nail/Hair Salon, Church)							
12								
13	<b>Group III</b>							
14	Commercial	\$7.96	\$8.08	\$8.20	\$8.32	\$8.45	\$8.58	per HCF
15	(includes - Hotels/Motels (no restaurant), repair and Service Station,							
16	Shopping Center, Recreation Park, Nursery/Florist,							
17	Manufacturing - Non-Domestic, Lumber Yard, Nightclub, Bar, Hall)							
18								
19	<b>Group IV</b>							
20	Commercial	\$10.17	\$10.32	\$10.48	\$10.63	\$10.79	\$10.96	per HCF
21	(includes - Hotels/Motels (w/restaurants), Bakeries, Dairy,							
22	Supermarkets, Dairy, Meat Market, Mom & Pop, Mortuary, Restaurants,							
23	Fast Food, Catering)							
24								
25	<b>Group V</b>							
26	Schools -							
27	Elementary	\$0.85	\$0.86	\$0.88	\$0.89	\$0.90	\$0.92	per month per student
28	Junior High	\$2.03	\$2.06	\$2.09	\$2.12	\$2.15	\$2.19	per month per student
29	High	\$2.03	\$2.06	\$2.09	\$2.12	\$2.15	\$2.19	per month per student
30	Continuation	\$0.85	\$0.86	\$0.88	\$0.89	\$0.90	\$0.92	per month per student
31	Adult Education	\$0.85	\$0.86	\$0.88	\$0.89	\$0.90	\$0.92	per month per student
32								
33	<b>Group VI</b>							
34	Large Volume	\$6.77	\$6.87	\$6.97	\$7.08	\$7.19	\$7.29	per HCF
35	Hospital	\$6.77	\$6.87	\$6.97	\$7.08	\$7.19	\$7.29	per HCF
36	Commercial Building	\$6.77	\$6.87	\$6.97	\$7.08	\$7.19	\$7.29	per HCF

Beginning in 2021, fees shall be adjusted annually every January 1<sup>st</sup> by the annual increase in the September Consumer Price Index ("CPI") for All Urban Consumers for the Riverside area, published bi-monthly by the U.S. Department of Labor, Bureau of Labor Statistics to a maximum of 1.5%. Such automatic increases shall not exceed five years. The sewer rate recovers costs of treatment of the wastewater, increased electricity, chemical and natural gas costs and the cost of complying with new Federal and/or State regulations and mandates.