

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 WATER 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" approved by the California voters on November 5, 1996. Under the terms of Proposition 218, the City and RUA are required to notify property owners of proposed changes to property-related fees such as water 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 water rates as described in **Exhibit A** attached hereto. This notice shall only apply to customers who receive their water services from Rialto Water Services, the City and RUA.

What do water rates fund?

RUA, as lessee of the City-owned water system, provides water service to over 11,000 customers (residential and commercial) within the city limits. Water rates are structured for the water system to be financially self-sufficient. Monthly rates paid by users of the water system are the primary source of revenue. All revenue generated from your utility bills is used to maintain, operate and pay capital costs with respect to the water system; it is not used for other general government purposes. These revenues must meet costs such as purchasing raw water, 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

water 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 water 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

A typical single family home uses approximately 12,716 gallons of water, equal to 17 hundred cubic feet, per month. The monthly water bill for this typical home would increase from \$56.05 to \$57.70 per month under the new rates. The increased rates would be phased in over a five-year period, commencing on January 1, 2020, as illustrated in Exhibit A. 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.

The following table shows the estimated monthly bill at 12, 23, 50 and 100 hundred cubic feet amounts.

Monthly Water Bill	Current	Effective 1/1/2020	Effective 1/1/2021	Effective 1/1/2022	Effective 1/1/2023	Effective 1/1/2024
12 HCF/Month	\$47.60	\$49.00	\$50.43	\$52.02	\$53.52	\$55.17
23 HCF/Month	\$66.19	\$68.14	\$70.12	\$72.37	\$74.42	\$76.73
50 HCF/Month	\$132.02	\$135.92	\$139.85	\$144.32	\$148.52	\$153.05
100 HCF/Month	\$291.82	\$309.25	\$309.25	\$319.02	\$328.12	\$338.35

How do you protest?

Water 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 WATER RATES

Line	Water Rate Component	Current 1/1/2019	Proposed 1/1/2020	1/1/2021	Projected 1/1/2022	1/1/2023	1/1/2024	Unit
1	Monthly Minimum Charge							
2	<u>Single Family Residences, Multiple Family Connections, Commercial, Landscape, and Industrial Service Customers</u>							
3	1/2 " & 5/8" meter	\$30.42	\$31.32	\$32.25	\$33.22	\$34.22	\$35.25	per month
4	3/4" meter	\$30.42	\$31.32	\$32.25	\$33.22	\$34.22	\$35.25	per month
5	1" meter	\$44.01	\$45.31	\$46.66	\$48.06	\$49.51	\$50.99	per month
6	1 1/2" meter	\$53.04	\$54.60	\$56.24	\$57.93	\$59.66	\$61.45	per month
7	2" meter	\$152.54	\$157.03	\$161.74	\$166.59	\$171.59	\$176.74	per month
8	3" meter	\$324.45	\$334.00	\$344.02	\$354.34	\$364.97	\$375.92	per month
9	4" meter	\$550.59	\$566.80	\$583.80	\$601.32	\$619.36	\$637.94	per month
10	6" meter	\$1,138.62	\$1,172.14	\$1,207.30	\$1,243.52	\$1,280.83	\$1,319.25	per month
11	8" meter	\$1,636.17	\$1,684.34	\$1,734.87	\$1,786.91	\$1,840.52	\$1,895.73	per month
12	Fire Hydrant Water	\$324.45	\$334.00	\$344.02	\$354.34	\$364.97	\$375.92	per month
13								
14	Volume Charge for Monthly Consumption							
15	<u>All Customers Except those Noted Below</u>							
16	1 - 5 Units	\$1.07	\$1.10	\$1.13	\$1.17	\$1.20	\$1.24	per HCF
17	6 - 30 Units	\$1.69	\$1.74	\$1.79	\$1.85	\$1.90	\$1.96	per HCF
18	31 - 60 Units	\$2.70	\$2.78	\$2.86	\$2.95	\$3.04	\$3.13	per HCF
19	61 - Over units	\$3.32	\$3.42	\$3.52	\$3.63	\$3.73	\$3.85	per HCF
20	<u>Multiple Apartments</u>							
21	Over 49 Units and Mobile Homes	\$2.40	\$2.47	\$2.54	\$2.62	\$2.70	\$2.78	per HCF
22	<u>Landscape</u>							
23	1 to 30 Units	\$2.70	\$2.78	\$2.86	\$2.95	\$3.04	\$3.13	per HCF
24	31 and over units	\$3.32	\$3.42	\$3.52	\$3.63	\$3.73	\$3.85	per HCF
25								
26	Fireline							
27	Rate	\$27.91	\$28.73	\$29.59	\$30.48	\$31.40	\$32.34	per inch of line
28	Hydrant							
29	Rate	\$3.33	\$3.43	\$3.53	\$3.64	\$3.75	\$3.86	per HCF
30	Per Day	\$10.81	\$11.13	\$11.46	\$11.81	\$12.16	\$12.52	per day

Beginning in 2021, fees shall be adjusted annually every January 1st 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. Such automatic increases shall not exceed five years. (Line 14-24) The "Volume Charge for Monthly Consumption" of the water rate recovers costs of purchasing water and the cost of pumping water from our local basins, increased electricity, chemical and natural gas costs and the cost of complying with new Federal and/or State regulations and mandates.