



RURAL NORTH VACAVILLE WATER DISTRICT

Notice of Public Hearing

Meeting will be held on June 9th, 2015, at 7:00 p.m.

In the Vacaville Fire Protection District Fire Station #67 at
4135 Cantelow Road, Vacaville, CA 95688

**The Rural North Vacaville Water District Board of Directors
Will Hold a Public Hearing Regarding Proposed Water Rates and Capital
Replacement Charges**

In compliance with Article XIID of the California State Constitution and the Proposition 218 Omnibus Implementation Act, the Rural North Vacaville Water District is hereby notifying all affected property owners and rate payers of the proposed Water Rates Increases and Capital Replacement Charges that will become effective as of July 2015. The proposed Water Rates Increases and Capital Replacement Charges monthly fees are included in this Notice (see Table 1 and on the RNVWD website RNVWD.com).

Public Hearing Information

A Public Hearing will be held on June 9, 2015, at 7:00 PM at the Vacaville Fire Protection District Fire Station No. 67, located at 4135 Cantelow Road, Vacaville, California 95688. The Board of Directors of the Rural North Vacaville Water District will conduct the public hearing on the proposed Water Rates Increases and Capital Replacement Charges and at that hearing will tabulate all written protests received by the District. The District then will consider, and may adopt, the proposed Water Rates Increases and Capital Replacement Charges. If the District receives written protests against the proposed Water Rates Increases and Capital Replacement Charges by a majority of affected property owners or ratepayers, the District will not impose the proposed increases.

Protests must be submitted to the District in writing and must contain the following information:

- 1) a description of your property, such as the address or assessor's parcel number;
- 2) your Rural North Vacaville Water District account number, as shown on your monthly billing statement; and
- 3) whether you are the property owner or the rate payer.

Protests must be submitted either to the District by mail or in writing at the public hearing. Email protests will not be accepted. Send your written protest to:

Rural North Vacaville Water District
P.O. Box 5097
Vacaville CA 95696

If you have questions, contact Gordon Stankowski, District General Manager at (707) 447-8420. In addition, the District will be conducting a **Public Workshop** on **May 4th, 2015, at 7:00 p.m.**, at the Vacaville Fire Station #67 at **4135 Cantelow Road**, Vacaville, California.

Explanation of Water Rates Increase and Capital Replacement Charges

The Rural North Vacaville Water District is proposing increases to the Water Rates and Capital Replacement charge for your property and other properties serviced by the District. The increases are necessary to cover the escalating costs of providing water service to our customers. The proposed rates were calculated based on data collected by the District over the past three years, and reflect the District's actual and projected costs of providing these services. The Specialized Utility Services Program (SUSP) 2015 Water Rate Review Analysis was approved by the Board on March 10, 2015 meeting. Factors contributing to the increases include:

- The costlier, newly negotiated 3-year contract with Solano Irrigation District for system maintenance & repairs and continued compliance with safe drinking water regulations.
- 10 year Capital Improvement Plan (CIP) which includes Arsenic treatment of Well #2 so that it is fully operational as originally designed. The CIP was approved by the Board on the March 10th meeting.
- The rebuilding of reserves for long-term maintenance, unscheduled repairs, and capital replacement projects. The Reserve Policy was approved by the Board on the March 10th meeting.

The District's rate model for water rates calculates all the costs of providing water service, to determine the revenue needed to continue to provide reliable, quality services to our customers both today and in the future. All revenue from the District's water charges are separately accounted for and used exclusively for these services.

Base Service Charges for Metered and Supplemental Water Connections

Every water customer pays a monthly base water service charge, even if water is not used. This charge covers the District's costs of keeping the water system in operational condition, so that it is able to provide water to the customer.

Consumption Charges

In addition to the base water service charge, which keeps the water system operational, every customer pays for the water registered through their meter. All customers pay a per unit rate for water, measured as one hundred cubic feet (CCF – 748 gallons). The District uses a tiered rate schedule. Money collected from Tier 2 & 3 rates is used for the increased maintenance and repair costs imposed on the District as water use increases, and to build a New Source Development, Arsenic Treatment and Water Conservation Fund.

Gordon Stankowski
General Manager,
RNVWD

TABLE 1
Rural North Vacaville Water District Proposed Rates

2% yearly July rate increase

1.02%

<u>Base Monthly Fee</u>	<u>Current</u>	<u>July 2015</u>	<u>July 2016</u>	<u>July 2017</u>	<u>July 2018</u>	<u>July 2019</u>
Developed Connections	\$ 58.00	\$ 70.00	\$ 70.71	\$ 71.44	\$ 72.16	\$ 72.90
Undeveloped Connections	\$ 58.00	\$ 70.00	\$ 70.71	\$ 71.44	\$ 72.16	\$ 72.90
Supplemental Connections	\$ 14.00	\$ 17.00	\$ 17.17	\$ 17.35	\$ 17.53	\$ 17.70
<u>Monthly Tier Levels</u>						
Tier 1	0-25 ccf	0-15 ccf	Fixed			
Tier 2	26-50 ccf	16-35 ccf	Fixed			
Tier 3	over 50 ccf	over 35 ccf	Fixed			
<u>Monthly Water Usage Rates</u>	<u>Current</u>	<u>July 2015</u>	<u>July 2016</u>	<u>July 2017</u>	<u>July 2018</u>	<u>July 2019</u>
Tier 1	\$ 1.65	\$ 2.00	\$ 2.02	\$ 2.04	\$ 2.06	\$ 2.08
Tier 2	\$ 3.10	\$ 3.75	\$ 3.79	\$ 3.83	\$ 3.87	\$ 3.91
Tier 3	\$ 6.35	\$ 7.50	\$ 7.58	\$ 7.65	\$ 7.73	\$ 7.81
Monthly Capital Replacement Charge	\$ -	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00