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## CENTRAL CALIFORNIA IRRIGATION DISTRICT

### NOTICE OF PROPOSED RATE INCREASE

This is to notify you of **PROPOSED** new rates for water as required by Article XIII D, Section 6, of the California Constitution (Proposition 218). Details concerning the proposed rates, and your opportunity to protest those rates are set forth below.

#### **Public Hearing**

A Public Hearing to consider the proposed rates will be held on May 12, 2021 at 8:30 a.m. for the purpose of receiving oral and written comments, and tabulating written protests to the proposed rates.

*Pursuant to Executive Order N-29-20 and the on-going COVID-19 pandemic, the meeting will be conducted to provide for remote participation via Zoom.*

#### **This is the Zoom information for the Public Hearing**

Join Zoom Meeting: <https://zoom.us/j/97778357068?pwd=aIREVm54VVZscVN4dDVnZlNYcSt1Zz09>

The following can be used for phone in:

1-669-900-6833

Meeting ID: 977 7835 7068

Passcode: 147941

#### **Basis and Reasons for the Proposed Water Rates**

Central California Irrigation District (District) is committed to providing a safe and reliable source of water supply for its customers. To accomplish this, the District levies a variety of water rates and charges for water services. Water rates are required to be set at levels sufficient to cover the costs of: (1) ongoing operations and maintenance; (2) repair of water system facilities; (3) acquisition of materials and supplies; (4) labor and administration; (5) capital improvements; and (6) maintenance of adequate cash reserves.

A recent financial analysis determined that the District's rates are not adequate to cover its costs of service. The deficit is partly the result of the District not raising rates for the past seven years. The deficit is especially acute during "critical" water years, when the District serves less water, and must pump groundwater wells to meet demand. In order to meet the District's fixed costs and continue to provide reliable service to its customers, the District must generate additional revenue through increased water rates and charges.

The Technical Memorandum and supporting data prepared by NBS consultants demonstrating the need to increase rates ("Rate Study") is publicly available on the District's website at: <https://ccidwater.org/water-rate-cost-of-service-study/>

**Amount of Proposed Water Rates**

The proposed rates in Table 1 below indicate an upper limit the District may charge for water. The existing maximum rates established by the Board of Directors for both Critical and Non-Critical years are: Tier 1-\$17; Tier 2-\$40 and Tier 3-\$95. Although the District may choose to charge the maximum rates, we have historically charged below the limit as the budget allows. For example, in 2020 the Board of Directors was authorized to charge \$17/AF and elected to only charge \$13/AF for Tier 1 water.

The Proposed new critical year and non-critical year water rates are set forth in Table 1 below:

	Projected Critical Year				
	2021	2022	2023	2024	2025
Tier 1	\$28	\$29	\$30	\$31	\$32
Tier 2	\$65	\$68	\$70	\$72	\$74
Tier 3	\$104	\$108	\$111	\$115	\$118
	Projected Non-Critical Year				
	2021	2022	2023	2024	2025
Tier 1	\$17	\$19	\$19	\$20	\$21
Tier 2	\$56	\$59	\$61	\$63	\$65
Tier 3	\$102	\$106	\$110	\$113	\$116

Table 1 Rate Study Proposed Water Rates

“Critical Year” water rates would be charged when the CCID Board of Directors determines it is likely the Bureau of Reclamation will declare a “Critical Water Year” under the Second Amended Exchange Contract. “Non-Critical Year” water rates would be charged in all years when the Board of Directors determines a Critical Water Year is unlikely to occur. The five-year projected rate increases are based on inflation adjustments set forth in the Rate Study.

THE RATES SHOWN IN TABLE 1 WOULD BE THE MAXIMUM ALLOWABLE RATES AND WOULD ONLY BE USED BY THE BOARD IF REQUIRED FOR BUDGETARY PURPOSES. THE BOARD MAY DECIDE TO CHARGE LESS THAN THESE RATES IN ANY GIVEN YEAR AS HAS BEEN DONE HISTORICALLY.

**Protest Procedures**

Any affected customer may submit a written protest to the proposed water rates; provided, however, only one written protest per parcel filed by an owner or tenant of the parcel will be counted.

Each protest must:

- (1) be in writing;
- (2) state that the identified property owner/customer opposes the proposed water rates;
- (3) identify the property for which the protest is made (by assessor’s parcel number); and
- (4) include the name and signature of the property owner/customer.

**Protests submitted by e-mail, facsimile or other electronic means *WILL NOT BE COUNTED.*** Written protests may be submitted by mail to: **Central California Irrigation District, 1335 West I Street, Los Banos, California, 93635,** or hand delivered to the District’s Main Office.

Written Protests must be received prior to the close of the Public Hearing on May 12, 2021 to be tabulated. A sample Protest form is provided as the last page of these materials.

During the public hearing, the Board will hear a brief staff presentation and public comments. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. After receiving all protests, the Board will close the public hearing and count all written protests.

If written protests against the proposed rates are presented by a majority of parcels that would be subject to the proposed increase, the Board will not impose the increase. Should the Board receive written protests from less than a majority of affected parcels, then the Board may adopt the proposed water rates.



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**CENTRAL CALIFORNIA IRRIGATION DISTRICT**

Protest to Proposed Water Rates

**No action is necessary if you choose not to "protest" the proposed water rates.**

**If a customer does wish to "protest" you must complete this entire form for the protest to constitute a valid protest. Only one written "protest" per parcel, submitted by an owner or tenant of the parcel shall be counted in calculating a majority protest.**

Property Owner or Tenant Name: \_\_\_\_\_

Assessor's Parcel Number: \_\_\_\_\_  
\_\_\_\_\_

*(Please attach a separate sheet identifying any additional APN's for which you wish to register a protest)*

Property Owner or Tenant protests proposed rates or charges on behalf of all parcels identified in this protest.....*(Check box if choosing to protest)*

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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