

UNION

Public Utility District

Proudly providing safe and reliable water to our community since 1946.

Proposition 218 Notification

NOTICE OF PUBLIC HEARING REGARDING DOMESTIC WATER RATE ADJUSTMENTS

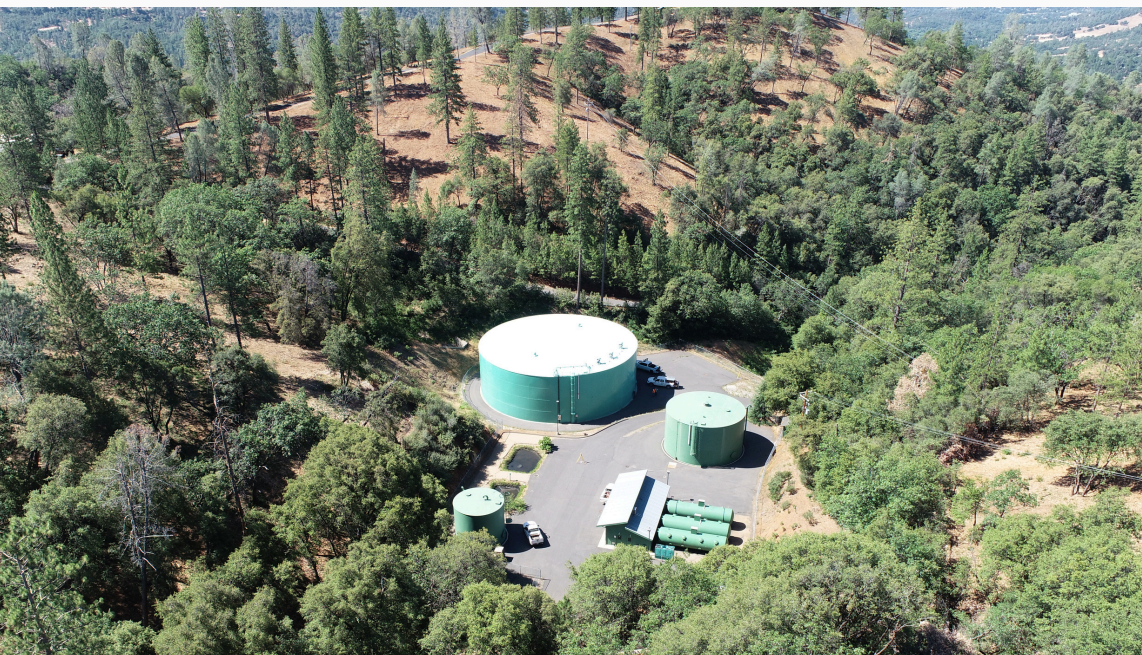
The Union Public Utility District Board of Directors will hold a Public Hearing on December 11, 2024, at 6:00 p.m. (or shortly thereafter) at the District's Maintenance Building, located at 988 Sheep Ranch Rd, Murphys, CA. The purpose of the hearing is to consider adjustments to water rates for both Domestic and Raw Water customers.

This notice is being sent to all affected property owners in accordance with California Constitution Article XIII D, Section 6 (Proposition 218), which requires that a notice be mailed at least 45 days before the Public Hearing. Proposition 218 also outlines a protest process for those who wish to oppose the proposed rates.

BASIS FOR THE RATE ADJUSTMENTS: The proposed rates were developed through a comprehensive water rate study to meet legal requirements and ensure a fair distribution of costs across all customer types. As part of UPUD's commitment to fiscal responsibility and long-term financial planning, the District hired an independent rate consultant, NBS, to conduct the 2024 Rate Study. This study evaluated revenues and costs over the next five years and serves as a guide for setting maximum rates for both Domestic and Irrigation systems, as well as for different customer categories.

WHEN WOULD NEW RATES BECOME EFFECTIVE? If approved, the initial rate adjustment will take effect starting January 1, 2025, with subsequent annual adjustments occurring every January 1 for a five-year period.

Pursuant to Government Code section 53759, you are hereby notified that there is a 120-day statute of limitations for challenging the water rates, which begins on the date that the resolution adopting the water rates is adopted.



WORKSHOP



988 Sheep Ranch Rd,
Murphys, CA



November 14, 2024



6:00 pm

PUBLIC HEARING



988 Sheep Ranch Rd,
Murphys, CA



December 11, 2024



6:00 pm



Purpose of the Rate Study

YOUR DOLLARS AT WORK

Investing in capital infrastructure and routine maintenance is essential to keeping our water systems functioning properly. Water rates pay for regular operating expenses, the rehabilitation of aging infrastructure, and new capital improvements that meet current standards. Proposed upgrades are outlined in UPUD's Capital Improvement Program (CIP). In addition, the 2024 Rate Study will determine the revenue necessary for:

- Daily **operations and maintenance** including labor costs and administration.
- Enhance our water systems effectiveness in supporting **fire suppression** efforts in our community.
- A rate design that promotes **revenue stability**.
- Maintaining **adequate reserve levels** to ensure continuity in operations.
- Compliance with State and Federal **regulatory requirements** related to operations of our systems.
- Complying with the legal **requirements of Prop 218** to ensure the cost of providing service is properly allocated amongst user classifications.

UTICA WATER & POWER AUTHORITY

Utica Water & Power Authority (UWPA) was created in 1996 as a Joint Powers Authority to hold our water rights and deliver surface water from the North Fork Stanislaus River to UPUD and the City of Angels (COA). The UWPA is asking both the UPUD and the City of Angels to increase their contributions by 10% each year for the next five fiscal years to cover annual costs. Currently, our District collects \$370,000 annually from customers. This rate study proposes a monthly UWPA fee for Accessory Dwelling Units (ADUs) in addition to all other customers to help offset per-customer costs as the fee increases over the next five years.

CHANGES TO FIXED CHARGES

The District is proposing to adjust the fixed charges for both Domestic and Raw water rate structures to better align with current costs of service and to take into account maximum flow for each meter size.



FINANCIAL ASSISTANCE FOR LOW-INCOME CUSTOMERS

We understand that times are tough, and rising costs in our daily lives make it even more challenging to pay utility bills. In response, the District has launched the Domestic Residential Opportunity Program (DROP). This program utilizes non-rate revenue, to provide financial relief to residential customers. Qualified customers can enroll in DROP and receive a credit on their monthly water bill. Spaces are still available for this fiscal year. For more information on how to apply, visit our website at upudwater.org or call 209-728-3651.



Learn more
about DROP



Proposed vs Current Domestic Water Rates

The water rate structure is based on a cost-of-service analysis that includes fixed costs to cover non-consumption related expenses such as customer service and billing, operation and maintenance of the water system, and public fire protection that benefit all our customers. This fixed cost, also called a base rate, is the same every month, regardless of consumption. The base rate a customer pays is determined by the size of the water meter. Variable costs, which are a function of the quantity of water consumed, are included in the consumption rate.

Domestic Water Rates	Current	January 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
Monthly Fixed Charges (\$/month)						
PROPOSED						
5/8" or 3/4"	\$62.86	\$67.98	\$74.78	\$81.51	\$86.40	\$91.58
1"	\$94.15	\$110.81	\$121.89	\$132.86	\$140.83	\$149.28
1.5"	\$172.39	\$217.88	\$239.66	\$261.23	\$276.91	\$293.52
2"	\$266.28	\$346.36	\$381.00	\$415.29	\$440.20	\$466.62
3"	\$485.34	\$688.98	\$757.88	\$826.09	\$875.66	\$928.20
4"	\$798.28	\$1,074.43	\$1,181.88	\$1,288.25	\$1,365.54	\$1,447.47
6"	\$1,580.65	\$2,145.13	\$2,359.64	\$2,572.01	\$2,726.33	\$2,889.91
CURRENTLY SCHEDULED						
5/8" or 3/4"	\$62.86	\$69.15	\$76.07	\$83.68	NA	NA
1"	\$94.15	\$103.57	\$113.93	\$125.32	NA	NA
1.5"	\$172.39	\$189.63	\$208.59	\$229.45	NA	NA
2"	\$266.28	\$292.91	\$322.20	\$354.42	NA	NA
3"	\$485.34	\$533.87	\$587.26	\$645.99	NA	NA
4"	\$798.28	\$878.11	\$965.92	\$1,062.51	NA	NA
6"	\$1,580.65	\$1,738.72	\$1,912.59	\$2,103.85	NA	NA
Water Usage Charges (in \$/HCF (748 gallons))						
PROPOSED	\$1.04	\$2.00	\$2.20	\$2.39	\$2.54	\$2.69
CURRENTLY SCHEDULED	\$1.04	\$1.14	\$1.25	\$1.38	NA	NA
UPWA Fee (\$/mo)						
PROPOSED - All Customers, Per Accessory Dwelling Unit or additional parcel	\$18.00	\$16.20	\$17.47	\$18.85	\$20.32	\$21.92
CURRENT - All Customers only, not charged to Accessory Dwelling Units or additional parcel	\$18.00	\$18.00	\$18.00	\$18.00	NA	NA
Customer Service Charge (\$/mo/dwelling unit)						
PROPOSED Customer Service Charge - Per Each Additional Dwelling Unit or Parcel	N/A	\$3.74	\$4.11	\$4.48	\$4.75	\$5.04

Domestic Emergency Response Charges

The District is obligated to meet its annual net revenue requirements regardless of whether consumption levels decline due to State mandated conservation or other unexpected events (e.g., natural disasters, wildfire, catastrophic infrastructure failure, etc.). To this end, emergency responses rates are intended to maintain the necessary level of revenues. The table below shows the proposed maximum emergency response charge (\$/HCF) that could be enacted by the District Board of Directors in the event of an emergency scenario by mandate shortage level and calendar year for domestic water customers. Details regarding the calculation of the emergency response rates can be found in the rate study.

Domestic Emergency Response Charges (\$/HCF)					
Conservation Goal	2025	2026	2027	2028	2029
< 10%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Up to 20%	\$0.22	\$0.24	\$0.27	\$0.28	\$0.30
Up to 30%	\$0.50	\$0.55	\$0.60	\$0.63	\$0.67
Up to 40%	\$0.86	\$0.94	\$1.03	\$1.09	\$1.15
Up to 50%	\$1.33	\$1.46	\$1.60	\$1.69	\$1.79
> 50%	\$2.00	\$2.20	\$2.39	\$2.54	\$2.69





A Message from the General Manager

As someone deeply rooted in Calaveras County, I am honored to lead the Union Public Utility District, where we are committed to maintaining safe, reliable water systems for all. We work diligently to ensure our District remains fiscally responsible while prioritizing the health and well-being of our community.

We are incredibly fortunate to have water rights to some of the most pristine water in the world, and it is vital that we all invest in our water infrastructure - not just for our current needs, but for future generations. Investing in aging infrastructure is essential for water reliability, while increasing our system's capacity to respond to fire emergencies. To support our residents, we've created a financial assistance program to help low-income households with their water bills.

We are also investing in the future of our community by educating our children. Programs like "Trout in the Classroom" at Michelson Elementary and facility tours for schools and organizations such as the Girl Scouts, are teaching the next generation the value of our water.

Together, we can ensure a sustainable and healthy water future for all.

Sincerely,

Jessica Self

General Manager, Union Public Utility District

Protest Procedure

NOTE: If the District receives a majority protest, the current rate schedule will remain in effect. The current rates, established in 2022, include three more years of scheduled 10% annual increases.

As the owner or ratepayer of a parcel subject to the proposed rate adjustments, you may submit a written protest against these changes. If a majority of affected owners or customers of record submit written protests prior to the end of the hearing, the Board will not approve the proposed rates. Only one written protest per identified parcel will be counted.

You have the right to withdraw a previously submitted protest before the conclusion of the Public Hearing. The District will count all complete written protests received by the District's Main Office by 4:00 p.m. on December 11, 2024, or submitted in person at the Public Hearing before it concludes. Protests submitted after the hearing will not be counted. Written protests will not be accepted by email or fax, and verbal protests will not be counted.

A written protest must include the following information: **(1) Your full name (2) The parcel's address or assessor's parcel number, (3) Whether you are the owner or the person receiving the service subject to the fee, (4) A statement opposing the proposed rate increases, (5) Your original signature.** Protests may be submitted by mail or in person to:

Union Public Utility District
Attn: Domestic Water Rate Protest
339 Main Street
Murphys, CA 95247

At the Public Hearing, the Board of Directors will review all written protests and listen to oral comments about the proposed rate adjustments. However, oral comments alone will not count as formal protests unless they are submitted with a written protest. At the end of the hearing, the Board will decide whether to adopt the resolution authorizing the rate adjustments for water service as outlined.



Union Public Utility District | upudwater.org