



**NOTICE OF PUBLIC HEARING:
PROPOSED INCREASES TO WATER RATES**

Hearing Date: May 24, 2022 | 10:00 a.m.

**Board of Supervisors' Hearing Room, Hall of Administration, Ventura County
Government Center, 800 South Victoria Avenue, Ventura, CA 93009-1920**

Please take notice the Ventura County Waterworks District No. 19 (District) will hold a public hearing on the following proposed increases on the date, at the time and location listed above.

▪ VENTURA COUNTY WATERWORKS DISTRICT NO. 19 (Somis)

The District provides water to the community of Somis. In 2021, 0.30% of the water was imported water from the State Water Project, delivered through the Metropolitan Water District of Southern California and Calleguas Municipal Water District, and the remaining 99.7% of the water was groundwater from local wells. All revenue generated from your monthly water bills is used to meet costs such as purchasing imported water, electricity, chemicals, maintenance of the water distribution infrastructure, and salaries and benefits for District staff – all of which are needed to bring water to your community. Revenues are not used for other general governmental purposes.

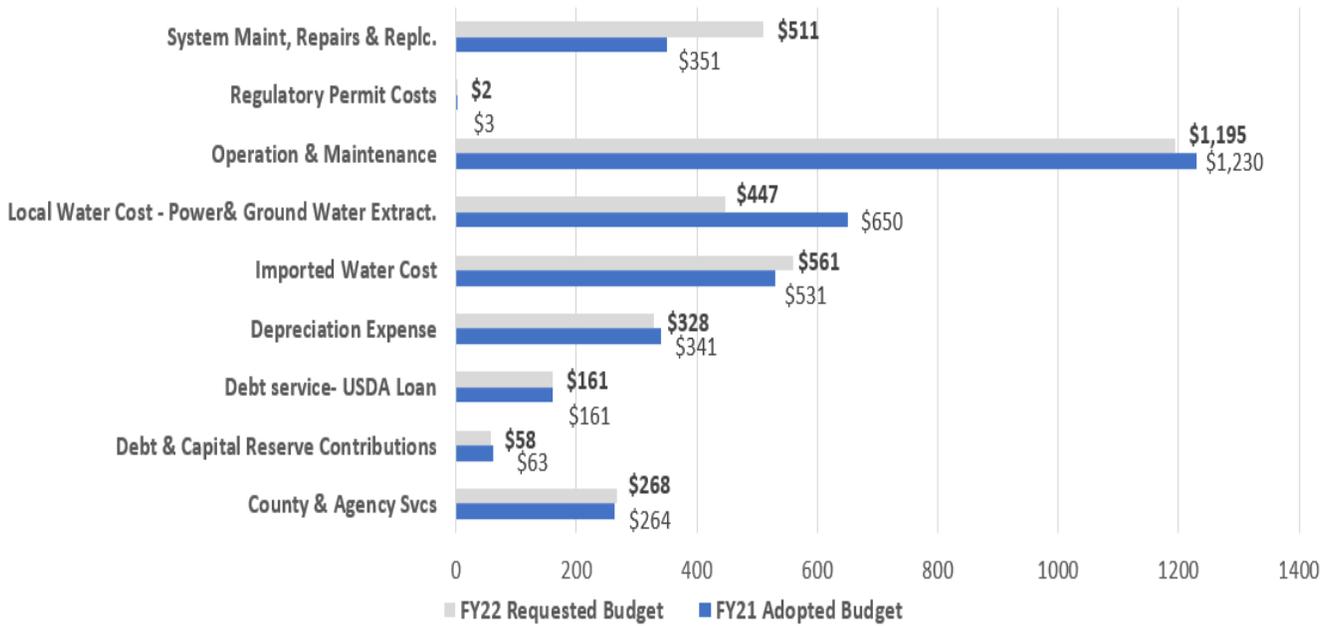
▪ WHY ARE RATE ADJUSTMENTS REQUIRED?

Our rates are based on the actual cost to provide water and sewer service to our customers and developed during the budget process. The rates must recover the cost of purchasing and producing water, maintaining, and improving the systems. The principal factors for the rate increases include:

- ❖ Increased cost of imported water of 3.5% for calendar year 2022
- ❖ Estimated increase in the cost of power up to 4% for calendar year 2022
- ❖ Estimated increase in the cost of labor of 3.5% for fiscal year 2022
- ❖ Estimated increase in the cost of materials up to 3% for fiscal year 2022
- ❖ Balcom Canyon reservoir repair & recoating in fiscal year 2023 (rate funded)
- ❖ Well #4 pump replacement in fiscal year 2023 (rate funded)
- ❖ Pipeline replacement Highway 118 in fiscal year 2023-24
- ❖ Bradley station Greentree reservoir in fiscal year 2024-2025 (debt funded)

**Water and Sanitation Department, 6767 Spring Road, P.O. Box 250, Moorpark CA
93020-0250 | Phone: (805) 378-3000 & Email: WSCS@ventura.org**

WHAT DO THE WATER RATES PAY FOR?



WHAT ARE THE CURRENT AND PROPOSED WATER RATES?

Effective beginning on the next regularly scheduled meter reading and billing cycle on or after July 1, 2022. The proposed rates will be no higher than shown.

Water Commodity Rates			
Residential		Current Rates	Proposed Rates
28-day Billing Cycle			
Tier 1	0 – 9.33 HCF*	\$2.35	\$2.41
Tier 2	9.34 – 28.93 HCF	\$2.86	\$2.93
Tier 3	> 28.94 HCF	\$3.78	\$3.87
35-day Billing Cycle			
Tier 1	0 – 11.67 HCF	\$2.35	\$2.41
Tier 2	11.68 – 36.17 HCF	\$2.86	\$2.93
Tier 3	> 36.18 HCF	\$3.78	\$3.87
Other Classes			
Residential Multi Family		\$3.25	\$3.33
Commercial		\$3.23	\$3.31
Agricultural		\$3.02 (\$1,315.51/AF*)	\$3.10 (\$1,350.36/AF)
Industrial		\$5.35	\$5.48
Institutional		\$3.49	\$3.58
Temporary Construction		\$5.57	\$5.71
Lift Charges		\$0.23	\$0.24

* HCF = Hundred Cubic Feet (748 Gallons); *AF = Acre Feet (435.60 HCF)

Monthly Service Charges – Meters		
Meter Size	Current Rates	Proposed Rates
3/4-inch	\$20.18	\$22.68
1-inch	\$30.88	\$31.65
1 1/2-inch	\$57.61	\$59.05
2-inch	\$89.69	\$91.93
3-inch	\$191.28	\$196.06
4-inch	\$340.99	\$349.51
6-inch	\$699.22	\$716.70
Monthly Service Charges - Fire Line		
Meter Size	Current Rates	Proposed Rates
2-inch	\$9.38	\$9.61
3-inch	\$19.35	\$19.83
4-inch	\$36.55	\$37.46
6-inch	\$98.28	\$100.74
8-inch	\$204.75	\$209.87
<i>NOTE: Water used through private fire services will be charged at the temporary construction water rate</i>		

▪ HOW MUCH WILL MY BILL CHANGE?

To assist you in determining the impact of the proposed rates, a bill calculator is available at <https://www.vcpbublicworks.org/wsd/ratesandcharges/>

▪ HOW DO YOU PARTICIPATE?

If you wish to oppose the proposed rate increases you must submit a written protest by mail prior to the public hearing to the following address: Attn: WWD19 Rate Protest, P.O. Box 250, Moorpark, CA 93020-0250. To view the Board agenda and learn how you can participate at the hearing if the Hall of Administration is closed due to the COVID-19 pandemic, please visit <http://www.ventura.org/meetings-and-broadcasts> the Thursday prior to the public hearing date. Protests must contain the following information: (1) the property’s Assessor’s Parcel Number and address; (2) whether you are the owner of record of the property or are a tenant/leaseholder (if you are a property owner but did not own the property as of the last tax roll on July 1, 2021, include confirmation of your property ownership); (3) a statement that you are protesting the rate increases; and (4) your name (printed), date, and original signature. The District will not count written protests received after the conclusion of the public hearing. Any verbal protests unaccompanied by a written protest or protests delivered by facsimile (fax) protests will not be counted. If you choose to submit your protest by regular mail, please allow enough time for the mail to be delivered to the District prior to the public hearing. The District is not responsible for U.S. Postal Service delays. Only one protest per property will be counted (even if multiple meters are located on the property). If you own multiple properties affected by the proposed increases, you should submit separate protests for each affected parcel, as the protest threshold is based upon a majority of the total number of parcels. Once opened, protests are disclosable public records.

Per newly enacted section 53759 of the Government Code, effective January 1, 2022, there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge from the effective date or of the date of the final passage, adoption, or approval of the ordinance, resolution or motion, whichever is later.

Report from your Citizens Advisory Committee to District 19 Rate Payers

April 2022

Lynette Buchanan-Roth David Hutter Kathy Janowski Kirby Thomas Diana Enos

We have your backs

Your Citizens Advisory Committee (CAC) of Ventura County Waterworks District 19 recognizes that there has never been a more important moment to preserve and protect the essence of our exemplary community. Each CAC member resides within District 19 and enjoys the enviable environment of our beautiful rural area; all of us grateful to be living here. Though District 19 serves a tiny population within its boundaries, its agriculture and open spaces benefit the well-being of the greater Ventura County community — safeguarding the health, the environment, and the climate of all.

The majority of your Committee members are also small farmers, growing avocados, citrus, berries, and other specialty crops. We, like most Las Posas Valley farmers, are good stewards of the land: decades ago adopting efficient irrigation practices and employing soil conservation methods far ahead of the curve.

Many District 19 farmers depend solely on its water to irrigate their crops. Those of us that do, suffer the pain of the high agricultural water rates (\$1,316/AF). It requires us to subsidize our own farms, working second (or third) jobs or drawing on personal savings to cover farm expenses. So, small farmers, we understand and support you. We encourage you to join us at our CAC meetings where your questions, opinions, and suggestions can be heard.

Stabilizing District 19

Through much work and outside the box thinking, real progress has been made this year toward stabilizing our District. There is, however, more work to do. Our present Director of Waterworks, Joe Pope, continues to listen patiently and work with us. *District 19 is in good financial shape without raising rates for the past 2 1/2 years. Our bottom line is positive.*

Progress: 2021 to date

- Ventura County Waterworks has a **new, energized staff** assembled by Director Pope. We are pleased.
- The new Deputy Director of Operations and Maintenance, Scott Meckstroth is listening, too. At our request, he is providing CAC with a Quarterly Report of each repair and maintenance job performed on our extensive infrastructure, including the cost of the repair and amount billed to the District. It provides us with an accurate, up-to-date picture of the ongoing expenses for maintenance of an aging D19 infrastructure.
- The maintenance and repair costs, a large expense, have been lower this past year, indicating a more efficient O&M department.
- Purchase of expensive imported water from Calleguas MWD has been virtually eliminated. The 2022 wholesale Calleguas water rate **exceeds** the final rate for water delivered to your meter. If only imported water was used, our water rates could easily soar to over \$2000/AF.

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- This year, District 19 is sourcing nearly all water from the Las Posas Valley Basin under our FCGMA pumping allocation, wisely pacing its use to remain under our allocation and avoid punitive surcharge rates. Smart. It is a major savings to the District.
- We received approval for a line of credit from Ventura County financial planning committee. Director Pope and CAC's financial wizard, Kathy Janowski, spent many hours examining the financial statements for District 19. They developed a creative plan to make our atypical District sustainable (and able to pay our debts) without a perpetual water rate increase. Director Pope courageously presented this plan to a somewhat irritated Financial Planning Committee, skeptical of financials that don't include a rate increase. We are pleased at the outcome: the Credit Line was approved and the Waterworks District 19 community was duly noticed.
- With the Credit Line funds in hand, the Well 2 Fe and Mn Filtering Project has moved from its stalled shovel-ready state to under-construction. The groundbreaking ceremony was held on July 14, 2021. Soon our residents will be free of the brown water, aesthetically displeasing and staining our plumbing and laundry, caused by the otherwise harmless iron and manganese present in our ground water.

What needs attention

At present we are pleased that District 19's income statement shows a positive balance, particularly after **no rate** increase for more than 2 years. However, we are aware that our Cash Reserve fund is insufficient to meet emergency needs and to compensate for swings in revenue unique to our District:

There are two overriding risks to our rural District:

1) Our revenue depends in large part, on the weather.

The District's income is derived principally from water sales to agricultural and residential customers. Agricultural rate payers contribute more than 50% of this revenue stream. The actual revenue collected from agricultural irrigation use depends each year on the weather, most importantly, the annual rainfall. We all know how unpredictable that is. During dry episodes, irrigation water usage is high, and the District's revenues increase substantially. In wet years, this source of revenue can drop significantly, as farmers stop irrigating. The result can be unnerving; a negative cash flow.

2) Unanticipated and costly repairs to our Wells.

It is critical to keep our Wells operational and repaired quickly, when an unexpected problem occurs. Some repairs can be shockingly expensive. The alternative is to purchase water from Calleguas whose cost is around 300% higher than the cost of pumping groundwater.

*To offset these risks, CAC recommends a 2.5% rate increase to build our Cash Reserve.
We urge you to support the proposed modest rate increase.*