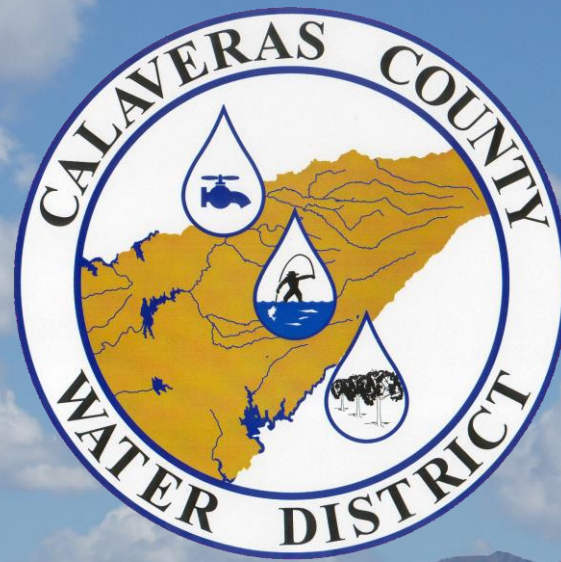


April 16, 2018



Calaveras County Water District

Proposed Rate Adjustments

Your Elected Board of Directors



From left: Division 4 Director Russ Thomas, Division 5 Director Jeff Davidson, Division 1 Director Scott Ratterman, Division 2 Director Terry Strange and Division 3 Director Bertha Underhill



Water Is Life
And Safety



65 Full-Time Staff Members



District Overview

Sphere of Influence includes all of Calaveras County

- 1,000 square miles

CCWD serves nearly half of the county's 44,000 residents

Water Customers

- 13,000 (567 in West Point/Wilseyville)

Sewer Customers

- 4,800 (193 in West Point/Wilseyville)

West Point/Wilseyville System Overview

Water treatment and distribution system

- One treatment plant, max of 1 million gallons per day
- 8 pumps, 3 water storage tanks
- 20 miles of pipeline (29 customers/mile)
- Maintained by 2 staff members

Wastewater collection & treatment system

- Two treatment plants, up to 58,000 gallons/day for West Point
- 10 miles of pipeline, one lift station
- 1 treatment plant operator



CCWD Water and Sewer Rates

Bimonthly Rate History

Operations	R&R	Operations	R&R
2001-02: Water \$44 (flat for 6 years)		Sewer \$90	
2008: Water \$51		Sewer \$99	
2009: Water \$58		Sewer \$108	
2010: Water \$65		Sewer \$117	
2011: Water \$72		Sewer \$126	
2012: Water \$79		Sewer \$135	
2013: Water \$79 + (\$19.76)		Sewer \$135 + (\$20.26)	
2014: Water \$79 + (\$34.56)		Sewer \$135 + (\$37.32)	
2016: \$10 water and \$7 sewer increases cancelled by Board			

Rate Structure

Your rate = **Operations and Maintenance (O&M)** +
Capital Renovation and Replacement (Capital R&R)

2013-14 rate increases fund Capital R&R that makes critical infrastructure improvements across county, including your community

A third planned **9% water increase and 4.5% sewer increase** was eliminated by the Board of Directors in 2016

As of March 2018, **\$80 million** in Capital R&R projects were identified

Capital Projects In Your Community



West Point/Wilseyville Wastewater Consolidation Project



Cost: \$4.5 million

Pipeline Replacement

2,000 feet of new 12" water line on Winton Road



Bummerville Water Storage Tank



Cost of pipe
& tank:
\$1.3 million

West Point Water Treatment Plant Clear Wells & Water Main

Cost of 2 clear wells and
7,600 feet of 8" water
main: \$1.15 million





Wilson Dam Repair

In-house cost: \$15,000

A photograph of a small dam or diversion structure in a river. The water is flowing over the structure, creating white foam and rapids. The surrounding area is lush with green trees and foliage. The text is overlaid on the right side of the image.

Cost: \$100,000
FEMA funds

Middle Fork Diversion Repair



Why Are Rate
Changes Needed?

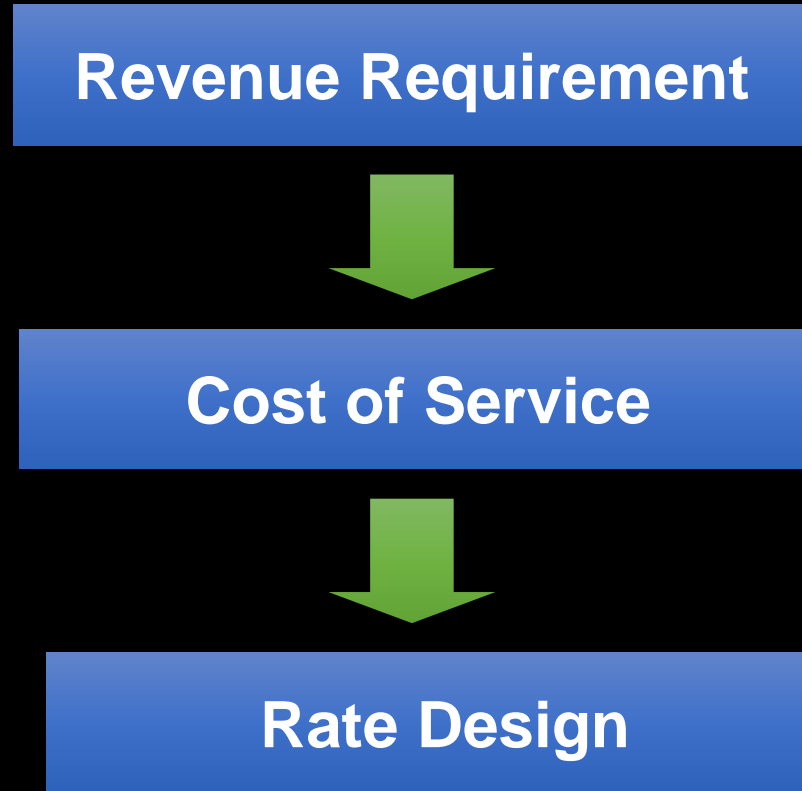
Structural Deficits Identified

Auditor found shortfalls in FY 2015-16 and 2016-17 sewer fund

HDR Engineering performed a financial analysis and cost of service study for fiscal years 2018-19 through 2022-23

The financial analysis confirmed significant budget shortfalls in the water and sewer funds

Rate Setting Process



Rates are re-evaluated every 5 years

Combined Funding Gap

Funding Gap	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Water	(716,442)	(693,127)	(919,980)	(1,155,108)	(1,401,797)
Sewer	(684,977)	(779,869)	(905,765)	(1,036,640)	(1,174,917)
TOTAL	(1,401,419)	(1,472,996)	(1,825,745)	(2,191,748)	(2,576,714)

The District has spent down its reserves to balance the budget. Not a sustainable solution.

Staff made internal cuts to reduce deficit by 30% each year



Proposed Water Rates

Water Rate Design

Three customer classes:

- Residential
- Non-residential (commercial)
- Irrigation / landscape

Base rate **no longer includes** 1,000 cf (7,480 gallons of water)

Four tiers for residential customer water use

Single tier for non-residential and irrigation/landscape

Proposed Residential Base Rate

Meter	Proposed Bi-Monthly Water Base Rates					
Size	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
5/8"*	\$113.56	\$112.28	\$114.23	\$116.22	\$118.26	\$120.35
		(0.1%)	1.7%	1.8%	1.8%	1.9%

Proposed Water Rates Thru 2022-23

	Current Rates	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Bi-Monthly Base Rate 5/8"	\$113.56	\$112.28	\$114.23	\$116.22	\$118.26	\$120.35
Residential Consumption Charges (\$ per 100 cf or 748 gallons)						
Tier 1, (0 – 1,000 cf)	\$0.00	\$1.09	\$1.11	\$1.13	\$1.15	\$1.17
Tier 2, (1,001 – 6,000 cf)	1.44	1.14	1.16	1.18	1.20	1.22
Tier 3, (6,001 – 12,000 cf)	1.80	1.56	1.59	1.62	1.65	1.68
Tier 4, (12,001 cf and Over)	2.30	1.77	1.80	1.83	1.86	1.90

FY 2018-19 Bi-Monthly Water Bill Comparison

Bi-Monthly Water Bill Comparison - Residential					
Consumption (cubic feet)	Current Rate	Proposed Base Rate	Water Use Charge	Total Bill	Dollar Change
500	\$113.56	\$112.28	\$5.45	\$117.73	\$4.17
1,000	\$113.56	\$112.28	\$10.90	\$123.18	\$9.62
1,200	\$116.44	\$112.28	\$13.18	\$125.46	\$9.02
1,500	\$120.76	\$112.28	\$16.60	\$128.88	\$8.12
2,000	\$127.96	\$112.28	\$22.30	\$134.58	\$6.62
2,500	\$135.16	\$112.28	\$28.00	\$140.28	\$5.12
3,000	\$142.36	\$112.28	\$33.70	\$145.98	\$3.62

Proposed Non-Residential

Base rate same as residential

Bi-Monthly Water Consumption - Non-Residential						
Water Use (cf)	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
0 - 1,000	Included					
1,001 - 6,000	\$ 1.44	\$ 1.47	\$ 1.49	\$ 1.52	\$ 1.55	\$ 1.57
6,001 - 12,000	\$ 1.80					
Over 12,000	\$ 2.30					

2.0% 1.9% 1.9% 1.3%

Includes: Commercial, multi-family, institutional

Proposed Irrigation/Landscape

Base rate same as residential

Bi-Monthly Water Consumption - Irrigation/Landscape

Water Use (cf)	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
0 - 1,000	Included					
1,001 - 6,000	\$ 1.44	\$ 1.78	\$ 1.81	\$ 1.84	\$ 1.87	\$ 1.91
6,001 - 12,000	\$ 1.80					
Over 12,000	\$ 2.30					

1.7%

1.6%

1.6%

2.1%

Water Shortage Rates

Proposed Water Shortage Rates (per 100 cf)						
Stage / Target	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Advisory Stage 1	\$ -	\$ 0.15	\$ 0.15	\$ 0.16	\$ 0.16	\$ 0.17
Alert Stage 2	\$ -	\$ 0.20	\$ 0.21	\$ 0.22	\$ 0.23	\$ 0.24
Moderate Stage 3	\$ -	\$ 0.35	\$ 0.36	\$ 0.37	\$ 0.38	\$ 0.39
Critical Stage 4	\$ -	\$ 0.80	\$ 0.82	\$ 0.84	\$ 0.86	\$ 0.88
Emergency Stage 4	\$ -	\$ 1.29	\$ 1.32	\$ 1.35	\$ 1.38	\$ 1.41

The average customer uses (1,200 CF or 9,000 gallons)
and would pay \$1.80 per bill under Stage 1



Proposed Wastewater Rates

Residential Wastewater Rates

Proposed Bi-Monthly Wastewater Rates - Residential

Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
\$172.32	\$179.91	\$187.23	\$194.78	\$202.58	\$210.63

4.4%

4.1%

4.0%

4.0%

4.0%

Non-Residential Wastewater Rates

Proposed Bi-Monthly Wastewater Rates - Non-Residential

Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
\$172.32	\$176.25	\$183.38	\$190.74	\$198.33	\$206.18

2.3%

4.0%

4.0%

4.0%

4.0%

Includes: commercial, multi-family, institutional

Next Steps

May 23:

Public hearing at 1 p.m. at
120 Toma Court, San Andreas

Protest letters must be received, not postmarked, by close of public hearing (emails & faxes not accepted).

CCWD Board of Directors will vote on proposed rate increase

July 15:

If approved, the new rates will take effect

More Information

Go to: www.ccwd.org/rates

Go to: www.facebook.com/calaveraswaterdistrict

Contact CCWD Customer Service

Main line: (209) 754-3543

Email: customerservice@ccwd.org

Average Bi-Monthly Customer Water Use

9,000 gallon tank



Water Cost Comparison



\$0.99/gallon



\$0.15 cents/bottle
\$1.20/gallon



CCWD Water
\$0.014/gallon