



Notice of Public Hearing on Proposed Water Rate Adjustments Beginning in 2024

Thank you for your continued support of the Citrus Heights Water District (CHWD or District). The District is committed to balancing current needs for safe and reliable water with long term investments to ensure reliability and price stability of our water supply.

We demonstrate our commitment to you with responsive customer service, capital improvements, infrastructure maintenance, water efficiency programs, and advocacy on your behalf with regional, state, and federal interests. **Through careful planning and timely investments, the District continues to keep customers' water bills below average for our region.**

The District continues to take proactive steps to prevent large and unexpected expenses by prioritizing infrastructure and operational investments. Just like households and businesses, the District has been impacted by inflation and supply chain shortages. As such, the District will request a rate adjustment for 2024. Gradual rate adjustments ensure that the District can balance short-term demands and long-term needs as well as help avoid infrastructure failures and the huge costs to overcome them.

Public Hearing: Tuesday, November 14, 2023 at 6:00 p.m.

Hearing Location: Citrus Heights Community Center, East Flex Room A-D - 6300 Fountain Square Drive, Citrus Heights, California

The Citrus Heights Water District Board of Directors will hold a Public Hearing on Tuesday, November 14, 2023, at 6:00 p.m. to consider the adoption of rate adjustments as described in detail in this notice.

Did You Know?

CHWD is funded by customers, for customers. As an independent irrigation district, separate from the City of Citrus Heights, the District does not receive any taxpayer funds. Close to 97% of CHWD's revenue is funded from charges billed to customers for the cost of services provided, and this revenue is being invested into infrastructure, operations, and services needed to ensure a continuous delivery of safe, clean, and reliable water.

Why Have I Received This Notice?

The District is committed to providing timely information through direct mail, videos, website content, newsletter updates, bill inserts, community meetings, and media outreach.

This notice was developed to provide you with key information about the District's Capital Improvement Projects, the cost of delivering safe water, and why rate adjustments are necessary.



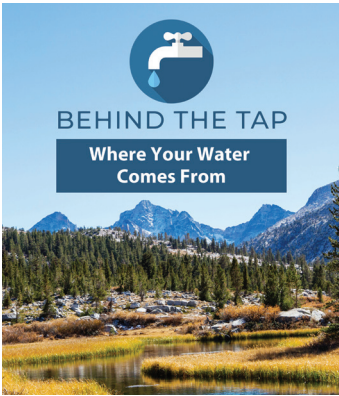
Where Does Your Water Come From?

CHWD provides water to approximately 70,000 customers in portions of Citrus Heights, Fair Oaks, Orangevale, Carmichael, and Roseville, California.

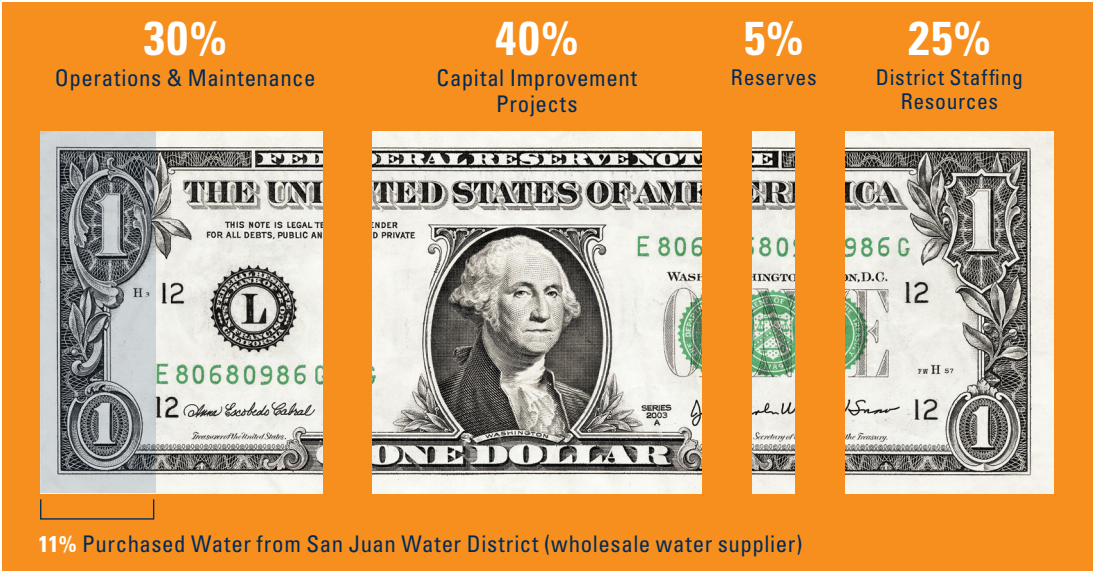
The District’s service area consists of 12.8-square-miles with over 20,000 service connections.

More than half of the water CHWD serves its customers originates in the Sierra Nevada Mountains before it reaches our customers' faucets. Water from the American River flows into Folsom Lake before it is treated by San Juan Water District, CHWD's wholesale water provider. Then, treated water travels through miles of pipeline operated and maintained by CHWD to your property.

To supplement surface water from Folsom Lake, CHWD also owns and operates four active groundwater wells and two reserve wells. Two additional groundwater wells are in development to ensure water reliability to our customers.



The Cost of Delivering Safe Water



The District’s 2024 annual budget continues to prioritize Capital Improvement Projects, with 40% invested into the water system to maintain infrastructure, increase capacity, and ensure reliable delivery of water to our customers.

Operations and maintenance costs are 30% of CHWD’s expenses, including San Juan Water District wholesale costs, which are 11% of CHWD’s total budget.

To ensure long term reliability, CHWD’s contribution to its designated reserves is 5% for 2024, and the remaining 25% of expenses fund the District’s staffing resources.

Increased Water Purchase Rates from San Juan Water District (SJWD)

CHWD purchases treated surface water through SJWD, CHWD's wholesale water provider.

Decisions made by SJWD’s Board of Directors on wholesale water rates directly impact CHWD’s customers. CHWD will continue to advocate for our customers, and we encourage all CHWD customers to attend SJWD board meetings and make your voices heard. Find out more at sjwd.org/board-meetings.

Did You Know?

CHWD rates, even with the proposed adjustment, are **below the regional average**.

CHWD received **\$3.1M** in Federal and State **grants** to help build two new wells.

One unit of water on your bill is equal to **748 gallons**.
The proposed cost for that is **\$1.53**.

1 unit on your bill =
5-hour shower



OR

10 full baths



Summary of Rates

Below is a summary of proposed changes to the bi-monthly customer service charges and usage charges for water consumption.

TYPE OF CHARGE	APPLIED BASIS OR FREQUENCY	2023 ADOPTED	2024 PROPOSED
Charges for Metered Rate Customer Accounts			
Service Charge, Domestic, Commercial & Irrigation Meters			
3/4-inch meter	bi-monthly, per meter	\$ 60.35	\$ 56.56
1-inch meter	bi-monthly, per meter	\$ 94.69	\$ 103.83
1½-inch meter	bi-monthly, per meter	\$ 151.92	\$ 182.60
2-inch meter	bi-monthly, per meter	\$ 220.60	\$ 277.13
3-inch meter	bi-monthly, per meter	\$ 438.07	\$ 576.48
4-inch meter	bi-monthly, per meter	\$ 758.81	\$ 1,017.62
Service Charge, Combination Meters			
Low flow bypass meter	bi-monthly, per meter	\$ 0.00	\$ 0.00
4-inch meter	bi-monthly, per meter	\$ 220.60	\$ 277.13
6-inch meter	bi-monthly, per meter	\$ 438.07	\$ 576.48
8-inch meter	bi-monthly, per meter	\$ 758.55	\$ 1,017.62
10-inch meter	bi-monthly, per meter	\$ 2,441.10	\$ 3,333.60
Usage Charges for Water Consumed (1 unit = 100 cubic feet = 748 gallons)			
Domestic, Commercial, Irrigation & Combination Meter			
All meter sizes	per unit	\$ 1.43	\$ 1.53

The Water Main Replacement Dedicated Charge was initiated in January 2022 and is not proposed to change. For more information about the Water Main Replacement Dedicated Charge and Project 2030 Water Main Replacement Program, scan the QR code or visit chwd.org/project2030.



CHWD's Priority Projects

PROJECT 2030

WATER MAIN REPLACEMENT



Our water is only as reliable as the pipes that deliver it to our customers. Today, CHWD operates and maintains over 250 miles of pipeline. The District's service area urbanized mostly between 1960-1985 with water mains largely installed by private developers. The pipelines that were installed during this period are near the end of their expected lifespan and CHWD must plan now to replace them.

Just because water mains are underground does not make them any less important. The life span of a water main is approximately 70 years. CHWD must substantially increase its annual replacement of aging water mains above its current annual level of \$2 million per year to nearly \$8 million per year beginning in 2030 and beyond for many decades to ensure long term water reliability.

To help prioritize water main replacements, CHWD is conducting field inspections of the District's transmission (large diameter) water mains. This condition assessment process is a proactive and planned approach which will identify which water mains to replace first.

To learn more about Project 2030, **scan the QR code or visit chwd.org/project2030**.



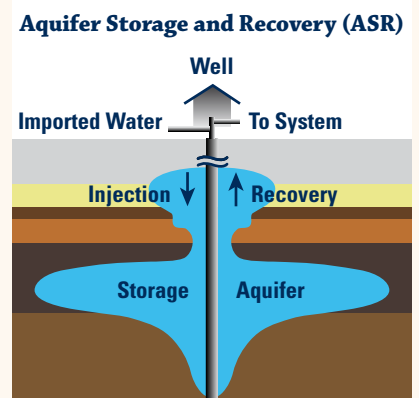
Groundwater

Expansion & Reinvestment

Groundwater is an important component of CHWD's water supply during a normal year, and even more during drought periods.

The District has four active wells and two wells in reserve, and is planning to develop two additional wells to better meet the demands of our customers. The new wells will be the first wells equipped with Aquifer Storage and Recovery (ASR) technology that allows excess surface water in wet years to be injected into the ground and stored, and later extracted in dry periods to meet the water supply needs of CHWD's customers.

Through our commitment to advocate on your behalf with regional, State, and Federal interests, CHWD has secured \$3.1 million in Federal and State grant funding for its groundwater expansion program. These high-capacity groundwater wells will be capable of delivering more than 1,000 gallons of drinking water per minute each. There are very few opportunities for non-ratepayer funding, and CHWD continues to be aggressive in identifying and applying for grants and other non-ratepayer funding opportunities.



METER REPLACEMENT PROGRAM

ACCURACY + EFFICIENCY + TECHNOLOGY

The District became fully metered in December 2006 and began metered billing in January 2008 as a result of Federal and State regulations. CHWD's first generation of meters will soon approach the end of their lifespan.

Under CHWD's leadership, a group of 12 local agencies completed a study to review new meter technologies and determine the best path forward for water meter testing and replacements. CHWD completed a pilot program to test out new technology, and is working toward developing a meter testing program to better inform future meter purchasing decisions. CHWD is continuing its work with regional partners to strategically plan cost-effective purchases and contracts.

The new generation of meters is anticipated to provide real-time measurements of water usage, allow on-demand tracking, and easier detection of small leaks to improve water efficiency. CHWD will keep customers informed as this project moves forward. Stay tuned!

Water Efficiency Resources

The District offers a variety of rebates and programs to help CHWD's customers use water efficiently.

Ultra-Low Flush (ULF) Toilet Rebate



CHWD offers a \$75 rebate on a new ULF toilet from CHWD's water efficiency program.

Pressure Reducing Valve (PRV) Rebate



Rebates are available if you install a PRV on your service connection and pass the on-site inspection by a CHWD representative.

High-Efficiency Clothes Washer Rebate



CHWD now offers a \$50 rebate for an Energy Star washer and a \$75 rebate for a washer on the EPA's "Most Efficient" list.



For information on rebates, visit chwd.org/rebates.

How To Protest The Proposed Rate Adjustments

All property owners receiving CHWD water service and customers of record are invited to attend the Public Hearing on Tuesday, November 14, 2023, at 6:00 p.m. at the Citrus Heights Community Center, East Flex Room A-D, 6300 Fountain Square Drive, Citrus Heights, California to comment on the proposed rate adjustments that would take effect on January 1, 2024. Proposition 218 allows property owners or customers to file a written protest before or during the Public Hearing. Only one written protest per identified parcel or property will be counted to determine whether there is a majority protest. If written protests are presented by a majority of the affected parcels, a rate adjustment will not be approved. Protests must be received in writing prior to the close of the Public Hearing to be considered. Electronic delivery of protests by fax or e-mail will not be accepted.

The written protest must be signed by a property owner(s) or customer(s), and must include a description of the affected property, including address and/or Assessor's Parcel Number.

Written protests can be mailed to:

District Secretary | Citrus Heights Water District
P.O. Box 286, Citrus Heights, CA 95611-0286

Written protests may also be hand-delivered to CHWD officials or staff at the District Administration Office by 5:30 p.m. on Tuesday, November 14, 2023, or until the close of the Public Hearing on the night of the Board of Directors meeting, Tuesday, November 14, 2023, at 6:00 p.m. at the Citrus Heights Community Center, East Flex Room A-D, 6300 Fountain Square Drive, Citrus Heights, California. Pursuant to California Government Code 53759, challenges to any new, increased, or extended fees or charges are subject to a 120-day statute of limitations.

The CHWD Administration Office is located at 6230 Sylvan Road, Citrus Heights, CA 95610. Office hours are Monday through Thursday, 8:00 a.m. to 5:30 p.m. For the latest information from CHWD about the proposed rate adjustments, visit chwd.org/rates.



6230 Sylvan Road
Citrus Heights, CA
95610-5610



Postal Customer and Water Consumer in Citrus Heights Water District

CITRUS HEIGHTS WATER DISTRICT

Delivering Today & Planning for the Future

Key Successes in the Past Year:

- 315 water service connections installed or replaced
- 3,531 feet of water mains installed or replaced
- 50 water valves and 17 fire hydrants installed or replaced
- 47 water meters installed or replaced
- Hosted 100+ people at FREE WaterSmart classes
- Completed 43 FREE irrigation audits and installed 36 FREE smart controllers



Sign up for CHWD news direct to your inbox at chwd.org/join or connect with us on social media.



Facebook

@citrusheightswaterdistrict



Nextdoor

Citrus Heights Water District



YouTube

Citrus Heights Water District



@CHWaterDistrict



Instagram

@citrusheightswaterdistrict