



City of Clovis
City Clerk's Office
1033 Fifth Street
Clovis, CA 93612

NOTICE OF PUBLIC HEARING
April 11, 2016 AT 6:00PM
ON PROPOSED WATER RATE ADJUSTMENTS

Pursuant to Article 13D of the California Constitution (Proposition 218), the City Council will hold a Public Hearing on the proposed water rates on **Monday, April 11, 2016 beginning at 6:00 p.m.** in the City of Clovis Council Chambers located at 1033 Fifth Street Clovis, CA 93612. For more information go to www.cityofclovis.com or call (559) 324-2190.

What are the proposed water rates?

The City of Clovis is proposing to adjust the water rates it charges its customers. The attached table shows the current rates and the proposed rates. There are two schedules of rates proposed; one is for normal water conditions and one for drought or water shortage conditions. The proposed Normal Rates would be in effect during normal water supply years and when the City is not required to reduce water use. The proposed Drought Rates would be effective when the City is short of water and/or is required to significantly reduce water use. Due to the State's current water conservation mandates, the proposed Drought Rates would be in effect if they are approved. The proposed rates are scheduled to be effective July 1, 2016. Beginning on July 1, 2017, an annual 3% increase will be implemented on all rates if necessary to adjust for the tendency of costs to increase over time.

How will this affect my bills?

Both of the proposed water rate schedules are designed to generate approximately the same amount of revenue as the current rates do in a normal year and the average water bill will change very little. However, individual customers' bills will change under the new rates depending on how much water they use; some will go up and some will go down. Generally, winter bills and lower water users' bills will go up, and summer bills and higher water users' bills will go down. Commercial water bills would generally go down, but these also would vary based on size of meter and how much water they use.

Why is a rate change needed?

The rate changes are necessary to better align the rates and charges with the costs of serving residential, commercial and recycled water customers. Additionally there is a need to adjust rates due to drought conditions and to more fairly recover costs from customers. A complete study on the rates was prepared and is available at www.cityofclovis.com or call (559) 324-2190

What if I oppose the proposed rate changes?

Any property owner or customer of record may submit a written protest for the proposed increases; provided, however, that only one protest will be counted per identified parcel. If protests are filed on behalf of a majority of the parcels subject to the rates and charges at issue prior to the close of the April 11, 2016 public hearing, the City cannot adopt the proposed water rate adjustment.

If you want to protest the water rate adjustments, you may by providing a written protest that:

- 1) States that the identified property owner or customer is in opposition to the proposed water rate change;
- 2) Provides the location of the identified parcel (by assessor's parcel number or street address); and
- 3) Includes the name and signature of the property owner or customer submitting the protest.

Written protests may be submitted by mail to the City Clerk, City of Clovis, 1033 Fifth Street, Clovis, CA 93612 or in person at the same address; or at the public hearing on April 11, 2016 at 6 pm at City Hall, so long as they are received prior to the conclusion of the public hearing. Any protest submitted via e-mail or other electronic means will not be accepted. Identify on the front of the envelope for any protest, whether mailed or submitted in person to the City Clerk, that the enclosed letter is for the Public Hearing on the Proposed Water Rates and Charges.

Current and Proposed Water Rates

	Current	Proposed Normal Rates	Proposed Drought Rates
Residential Metered			
Dwelling Unit Charge Bimonthly	\$16.80	\$21.22	\$21.22
Water Use			
Current			
Tier 1 (0-10) (\$/kgal)	\$0.00		
Tier 2 (10-35) (\$/kgal)	\$1.71		
Tier 3 (35-70) (\$/kgal)	\$2.14		
Tier 4 (70+) (\$/kgal)	\$2.57		
Proposed			
Tier 1 (0-23) (\$/kgal)		\$0.86	\$1.04
Tier 2 (23-40) (\$/kgal)		\$1.45	\$2.10
Tier 3 (40+) (\$/kgal)		\$1.78	\$2.66
Residential Tarpey Unmetered			
Minimum Charge (63kgal) Bimonthly	\$100.20	\$106.58	\$132.70
Lots over 17,500 sq ft Bimonthly per 7,500 sf	\$4.66	\$5.12	\$5.12
Water Services >1" per ¼" Bimonthly	\$4.66	\$5.12	\$5.12
Water-cooled AC per ton capacity bimonthly	\$17.70	\$19.46	\$19.46
Cooling towers per ton/hp bimonthly	\$2.80	\$3.08	\$3.08
Heat pumps per ton/hp bimonthly	\$23.30	\$25.60	\$25.60
Average Use Over 63 kgal bimonthly (\$/kgal)	\$1.73	\$1.78	\$2.49
Commercial (Potable) Bimonthly			
1" or smaller	\$16.80	\$17.10	\$17.10
1 1/2"	\$28.32	\$22.74	\$22.74
2"	\$42.16	\$31.40	\$31.40
3"	\$79.06	\$62.18	\$62.18
4"	\$120.62	\$156.42	\$156.42
6"	\$466.66	\$623.90	\$623.90
8"	\$812.70	\$1,105.96	\$1,105.96
10"	\$1,274.12	\$1,732.64	\$1,732.64
Commercial Water Use			
Current			
Tier 1 (0-10)	\$0.00		
Tier 2 (10+)	\$1.47		
Proposed			
Tier 1 (0-23) (\$/kgal)		\$0.86	\$1.04
Tier 2 (23+) (\$/kgal)		\$1.17	\$1.40
Recycled Water Bimonthly			
1" or smaller	\$16.80	\$17.10	\$17.10
1 1/2"	\$28.32	\$22.74	\$22.74
2"	\$42.16	\$31.40	\$31.40
3"	\$79.06	\$62.18	\$62.18
4"	\$120.62	\$156.42	\$156.42
6"	\$466.66	\$623.90	\$623.90
8"	\$812.70	\$1,105.96	\$1,105.96
10"	\$1,274.12	\$1,732.64	\$1,732.64
Recycled Water Use (\$/kgal)			
Current			
Tier 1 (0-10)	\$0.00		
Tier 2 (10+)	\$0.74		
Proposed			
All use		\$0.53	\$0.56
Construction Water Bimonthly	\$91.58	\$132.70	\$132.70
Standby Charge	\$120.62	\$156.42	\$156.42
Hydrant Meter (same as 3" Commercial)			
Meter Testing Fee	\$60.00	\$84.00	\$84.00
After Hours Turn On Fee	\$125.00	\$174.00	\$174.00
Same Day Turn-On For Water Shutoffs Fee	\$50.00	\$60.00	\$60.00
Residential Service Deposit	\$100.00	\$150.00	\$150.00
Kgal – thousand gallons			

The proposed water rates and charges shown at left shall be adjusted July 1, 2017 and annually each July 1 thereafter by three percent (3%). Prior to June 30 of each year beginning in 2017, the Public Utilities Director shall evaluate the water fund balance and if adequate without the annual adjustment or with a lesser adjustment or with a rate rebate, shall recommend to the City Council a suspension or reduction of the rate adjustment or rate rebate for the next fiscal year.