



Understanding your water rates

The Pico Water District Board of Directors remains committed to providing safe and reliable water service at reasonable rates. A recent cost of service review determined current revenue is not sufficient to cover the costs of providing water to customers. An independent financial consultant recommends rate adjustments to improve treatment to meet evolving health and safety standards, make critical equipment upgrades and maintain long-term financial stability for Pico Water District.

Revenue challenges



Replacement of aging infrastructure and undersized mainlines



Drilling of new wells to ensure the water supply meets current and future demands



New treatment system to remove per-and poly-fluoroalkyl substances (PFAS)



Rising operating costs



Long-term financial stability



Proposed new rates

Pico Water District will consider a five-year schedule of water rates and charges. If approved, the new rates will go into effect on February 14, 2021, and would increase on February 14 in 2022, 2023, 2024 and 2025.

How to Participate

Pico Water District will hold a public hearing on **December 16, 2020, at 6:00 p.m.**

In accordance with the current State of Emergency for COVID-19 and the Governor's Executive Orders that temporarily suspend requirements of the Brown Act, teleconferencing will be used during the Public Hearing. Members of the public are invited to participate utilizing the following information:

JOIN THE LIVE ZOOM MEETING: <https://us02web.zoom.us/j/87906688334?pwd=N2dvekRLK2p4ZzFCMTkzQm1EL0RxZz09>

MEETING ID: 879 0668 8334

PASSCODE: 244481

Or listen in using this information and dialing **(669) 900-9128**

For more information about the hearing or how to file a protest, please visit www.PicoWaterDistrict.net or contact the District office at (562) 692-3756.

JOIN US AT A COMMUNITY MEETING



Do you have questions about this proposed rate adjustment? Learn more during a virtual community meeting on **November 19, 2020, at 6:00 p.m.** People can participate by using the same Zoom meeting ID, Passcode and/or phone number listed for the public hearing.

ONLINE BILL ESTIMATOR TOOL



Would you like to see how the proposed rate adjustments would impact you? A simple online tool can help! Visit www.picowaterdistrict.billestimator.com and enter your water meter size and water use based on your latest bill to generate an estimate of what your bill would look like under the proposed new rates.

More information about these proposed changes can be found online at www.picowaterdistrict.net.

How water bills are calculated



Pico Water District bills have two components: **Monthly Fixed Charges** and the **Volumetric Rate**. The Monthly Fixed Charges are based on water meter size and cover costs such as account servicing expenses, debt payments, most general and administrative costs and a portion of maintenance expenses. The Volumetric Rate is based on how much water passes through a customer's meter. This covers the costs of water treatment and distribution, maintenance, conservation programs a portion of general and administrative costs and for water to replenish groundwater supplies. Currently, the Volumetric Rate is broken into three tiers that are based on how much water is used.

Under the proposed rate adjustment, both the Monthly Fixed Charges and Volumetric Rate would change. Additionally, the Volumetric Rate tiers would be eliminated and there would be one set charge regardless of how much water a customer receives.

Volumetric Rates (All Customers)	Existing	Proposed Rates – All CCF*					
		Existing Tier Structure	2020	Effective Feb 14, 2021	Effective Feb 14, 2022	Effective Feb 14, 2023	Effective Feb 14, 2024
Tier 1 (0-8 CCF*)	\$1.30		\$1.88	\$2.00	\$2.12	\$2.25	\$2.39
Tier 2 (9-12 CCF*)	\$1.60		n/a	n/a	n/a	n/a	n/a
Tier 3 (13+CCF*)	\$2.15		n/a	n/a	n/a	n/a	n/a

Monthly Fixed Charges (All Customers)	Existing	Proposed Charges					
		Meter Size	2020	Effective Feb 14, 2021	Effective Feb 14, 2022	Effective Feb 14, 2023	Effective Feb 14, 2024
FIXED WATER SERVICE CHARGES							
Single Family Residential			\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
5/8"	\$15.29		\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
1"	\$21.05		\$35.90	\$38.06	\$40.35	\$42.78	\$45.35
1 1/2"	\$38.22		\$68.70	\$72.83	\$77.20	\$81.84	\$86.76
2"	\$61.16		\$108.07	\$114.56	\$121.44	\$128.73	\$136.46
3"	\$152.91		\$199.94	\$211.94	\$224.66	\$238.14	\$252.43
4"	\$382.26		\$331.17	\$351.05	\$372.12	\$394.45	\$418.12
6"	\$764.53		\$659.25	\$698.81	\$740.74	\$785.19	\$832.31
FIXED PRIVATE FIRE CHARGES							
1 1/2"	\$16.41		\$13.12	\$13.91	\$14.75	\$15.64	\$16.58
2"	\$16.41		\$21.00	\$22.26	\$23.60	\$25.02	\$26.53
4"	\$45.54		\$39.37	\$41.74	\$44.25	\$46.91	\$49.73
6"	\$68.86		\$65.62	\$69.56	\$73.74	\$78.17	\$82.87
8"	\$84.12		\$131.23	\$139.11	\$147.46	\$156.31	\$165.69
10"	\$106.70		\$301.84	\$319.96	\$339.16	\$359.51	\$381.09

*One hundred cubic feet of water

Future pass-through adjustments

Since Pico Water District obtains 100% of its water supply from groundwater, the District is required by law to contribute to groundwater replenishment efforts. These rates are based on the current fee schedule approved by the Water Replenishment District of Southern California (WRD). If WRD makes any rate adjustments, those additional charges would be passed along to Pico Water District customers through adjustments to the Variable Rate. Prior to initiating any pass-through adjustment, the District will notify all customers at least 30 days prior to implementation.



? **QUESTIONS?** For more information or assistance understanding the proposed new rates, please contact Mark Grajeda, General Manager, at (562) 692-3756.