



**Notice of Protest Hearing to
Consider Increases in Water and Sewer Rates**

Monday, August 17, 2009, at 6:30 p.m.
Council Chambers, 3660 D Street, La Verne CA 91750

This notice has been sent to all property owners and/or customers who currently receive water and/or sewer utility service(s) from the City of La Verne. The hearing before the La Verne City Council will cover proposed rate increases for water and sewer utility services. If adopted, the proposed rate increases would become effective for all bills prepared after October 1, 2009. This notice also describes how to file a protest against the proposed rate increases.

Factors Considered for Rate Increases: Approximately 75% of the water used in the City of La Verne service area must be purchased from wholesale suppliers. That water is imported from the Colorado River and Northern California, and its cost has risen dramatically due to low snow pack in the Sierras, multi-year drought conditions, and judicial rulings that have drastically reduced the pumping of water from Northern California through the Bay Delta. Water rates are calculated based on the cost of the water, the pumping costs required to bring the water to a customer's service address, labor costs, water quality testing, materials costs, emergency fire flow, and other operating expenses associated with maintaining the water system. Sewer rates are calculated based on the cost of system maintenance, the cost of implementing environmental regulations, labor costs, materials costs and other operating expenses associated with maintaining the sewer system. All revenue derived from the proposed rates and charges will be used exclusively to recover costs associated with providing water and sewer service, to fund the required capital improvement program, and develop alternative water sources to minimize future water shortage impacts on City of La Verne customers.

It should also be noted that the proposal would also eliminate the Miramar assessment. The Miramar assessment was established as a thirty-year charge to pay for the capital costs of building the Miramar Treatment Plant. Through careful financial management, the City has been able to pay off this debt three years early making it unnecessary to continue collecting this assessment. The average single-family residence currently pays \$6.40 bimonthly. Effective with the new rates, this fee will be eliminated partially offsetting the increases to the water charges for most customers.

Proposed Water Rate Increases:

Minimum Service Charge

Meter Size	Current Bi-monthly Meter Rate	Proposed Bi-monthly Meter Rate	CHANGE
5/8-inch	\$16.00	\$26.00	\$10.00
3/4-inch	\$17.60	\$28.60	\$11.00
1-inch	\$22.40	\$36.40	\$14.00
1 1/2-inch	\$28.80	\$46.80	\$18.00
2-inch	\$46.40	\$75.40	\$29.00
3-inch	\$176.00	\$286.00	\$110.00
4-inch	\$224.00	\$364.00	\$140.00
6-inch	\$336.00	\$546.00	\$210.00
8-inch	\$464.00	\$754.00	\$290.00
10-inch	\$640.00	\$1,040.00	\$400.00
12-inch	\$832.00	\$1,352.00	\$520.00

Miramar Service Charge

Meter Size	Current Bi-monthly Meter Rate	Proposed Bi-monthly Meter Rate	CHANGE
5/8-inch	\$6.40	\$0.00	-\$6.40
3/4-inch	\$6.40	\$0.00	-\$6.40
1-inch	\$6.40	\$0.00	-\$6.40
1 1/2-inch	\$30.00	\$0.00	-\$30.00
2-inch	\$48.00	\$0.00	-\$48.00
3-inch	\$75.00	\$0.00	-\$75.00
4-inch	\$150.00	\$0.00	-\$150.00
6-inch	\$360.00	\$0.00	-\$360.00
8-inch	\$450.00	\$0.00	-\$450.00
10-inch	\$600.00	\$0.00	-\$600.00
12-inch	\$750.00	\$0.00	-\$750.00

Minimum Service Charge for Private Fire Service

Meter Size	Current Bi-monthly Meter Rate	Proposed Bi-monthly Meter Rate	CHANGE
2-inch	\$13.30	\$33.25	\$19.95
3-inch	\$18.65	\$46.63	\$27.98
4-inch	\$29.30	\$73.25	\$43.95
6-inch	\$37.30	\$93.25	\$55.95
8-inch	\$47.90	\$119.75	\$71.85
10-inch	\$58.60	\$146.50	\$87.90
12-inch	\$69.20	\$173.00	\$103.80

Miramar Service Charge for Private Fire Service

Meter Size	Current Bi-monthly Meter Rate	Proposed Bi-monthly Meter Rate	CHANGE
2-inch	\$24.00	\$0.00	-\$24.00
3-inch	\$37.50	\$0.00	-\$37.50
4-inch	\$75.00	\$0.00	-\$75.00
6-inch	\$100.00	\$0.00	-\$100.00
8-inch	\$100.00	\$0.00	-\$100.00
10-inch	\$100.00	\$0.00	-\$100.00
12-inch	\$100.00	\$0.00	-\$100.00

Water Consumption Charges

Elevation Zone	Current Water Rate (per 1,000 gallons)	Proposed Water Rate (per 1,000 gallons)	CHANGE
Zone 1	\$2.38	\$2.69	\$0.31
Zone 2	\$2.46	\$2.79	\$0.33
Zone 3	\$2.57	\$2.98	\$0.41
Zone 4	\$2.66	\$3.19	\$0.53
Zone 5	\$2.76	\$3.30	\$0.54
Zone 6	\$2.88	\$3.54	\$0.66

The water consumption charge is the amount each customer pays per 1,000 gallons of water used. The varying rates relate to pressure zones based on elevation. Each zone north of Zone 1 incurs additional pumping charges for the cost of pumping the water up to the various elevations. The basic water consumption charge in Zone 1 includes the cost of imported water and accounts for 79% or \$2.12 of the \$2.69 water rate. Should the cost of imported water increase at any time during 2009-2014, the water rate will be adjusted to reflect a direct pass-through of the increase.

Added Unit Charges for Multiple Unit Developments

ADDED Units	Current Added Unit Charge	Proposed Added Unit Charge	CHANGE
Added Unit	\$5.00	\$8.00	\$3.00
Miramar Added Unit	\$1.50	\$0.00	-\$1.50

*Conservation is a way of life in Southern California.
For more information about water conservation, please
log onto the city's website at www.ci.la-verne.ca.us
and click on the conservation link.*

In times of drought or emergency water shortage, the City Council may declare mandatory water use restrictions. During times of mandatory water use restrictions, surcharges for consumption over the prescribed allocation may be imposed. Conservation penalties have been in effect since the water conservation ordinance was first adopted in 1991. The City is given an allocation on imported water from our wholesale provider. Any water purchased over that amount is subject to significant penalties. The revenue from these conservation penalties is intended to pay for the penalties the City incurs purchasing water over our allocation.

Residential Conservation Penalties

Level A	No Surcharge
Level B	\$0.18 per 1,000 gallons
Level C	\$0.60 per 1,000 gallons
Level D	\$0.98 per 1,000 gallons
Level E	\$2.61 per 1,000 gallons

Multi-family Residential Conservation Penalties

(including condominiums, townhouses, apartments, and mobile home parks):

Level A	No Surcharge
Level B	\$0.98 per 1,000 gallons
Level C	\$2.61 per 1,000 gallons

Conservation Penalties for all Remaining Rate Classes

(including all nonresidential, commercial, industrial, public authority, churches, etc.)

Level A	No Surcharge
Level B	\$0.98 per 1,000 gallons
Level C	\$2.61 per 1,000 gallons

Irrigation and Agriculture Conservation Penalties

Level A	No Surcharge
Level B	\$0.98 per 1,000 gallons
Level C	\$2.61 per 1,000 gallons

Proposed Sewer Rate Increase:

	Current Sewer Rate	Proposed Sewer Rate	CHANGE
Bi-monthly	\$9.84	\$16.00	\$6.16
Per 1,000 gallons*	\$0.15	\$0.18	\$0.03

*commercial/industrial/institutional customers only

If you are the property owner or customer of record for a parcel or parcels subject to the proposed rate changes, you may submit a written protest against each type of proposed rate increase to the City Clerk at or before the time set for the public hearing. You must file a separate written protest for each type of utility rate (water and/or sewer) that you are protesting. If written protests are filed by a majority of the affected property owners, the applicable proposed rate increases will not be imposed.

Written protests regarding the proposed rate change(s) may be mailed to: City of La Verne, City Clerk, 3660 D Street, La Verne, CA 91750. Written protests may also be personally delivered to the City Clerk at this address. To be valid, a protest must be in writing and received by the City Clerk at or before the time of the protest hearing.

You may obtain information on the amount to be charged for services to your parcel by contacting the City of La Verne customer service office between the hours of 8:00 a.m. to 6:00 p.m., Monday through Thursday, at (909) 596-8744. You may also get more information and calculate a sample water bill at www.ci.la-verne.ca.us.

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City of La Verne
Water Division
3660 D Street
La Verne, CA 91750