



FACT SHEET RE PROPOSED WATER RATES

The proposed new rates in Measure A-09 will pay for water system operations, which include getting water from Nacimiento, a new water treatment plant, and essential water system upgrades. These essential water system upgrades include water mains, storage tanks, wells, and other system repairs, replacements, and improvements over time.

The Council adopted the proposed rates to:

- Secure a reliable and high quality water supply
- Construct a water treatment plant to further improve water quality
- Keep waterlines, pumps, storage tanks, and wells in good condition over time
- Staff for the appropriate level of system maintenance

The proposed water rates and fees will mean:

- Nacimiento deliveries to alleviate summertime water shortages
- Reduced stress on the groundwater basin
- Diversify the City's water supply portfolio, enhancing water system reliability
- Noticeably softer water
- Replacement of worn-out pumps, tanks, and pipes on a prudent maintenance schedule
- Better quality wastewater to help with future recycling efforts

Water Rate Facts

- Paso Robles' *new* water rate is still lower than those in San Luis Obispo, Morro Bay, Pismo Beach, Nipomo, Cambria, Oceano, and Grover Beach.
- Connection fees for new homes are also increasing from \$12,000 now to \$23,500 by 2014 so that new development pays its fair share of the needed improvements.
- Phase 1 of the treatment plant will be completed next year – for the benefit of existing customers -- and will treat one-half of the City's Nacimiento water entitlement, year-round. It enables the City to meet peak summer demand for its citizens. Spreading out treatment plant and other improvements over 17 years means that new development will pay for its fair share of improvements.
- Measure A-09 was adopted in FULL COMPLIANCE with all Prop 218 requirements. There was no majority protest. However, a special election is required because a referendum petition was filed.
- The estimated annual revenue under the current rates is approximately \$6.35 million. Bond obligations combined with labor and other operational costs is estimated to be \$9.9 million. Current water rates are not enough. If Measure A-09 is not approved, the City will have to cut services to make up the shortfall in the water fund.
- Only a small minority of customers protested the rate increases. The proposed rate was adopted after more than two years of public hearings and community input. The overwhelming majority of the public believe that people should pay for the water they use. Measure A-09 makes sure they will. *Examples on the following page.*

For example, various users will pay:

<u>Household Usage</u>	<u>Current Rate</u>	<u>Year 1 of the New Rate</u>	<u>Year 5 of the New Rate</u>
10 Units	\$31.20	\$34.20	\$43.45
19 Units (average user)	\$43.08	\$49.95	\$68.20
30 Units	\$57.60	\$69.20	\$98.45
60 Units (commercial user)	\$97.20	\$123.00	\$183.00

Note:

1 Unit = 748 gallons

Measure A-09 adds a reduced life-line rate for the first 5 units used monthly for all residential use.