



A STATE OF
CALIFORNIA
PUBLIC AGENCY

QUAIL VALLEY WATER DISTRICT

BOARD OF DIRECTORS

Mike Biglay
Enrique Lopez
James Sweany
Catherine Tate
Scott Woehrer

NOTICE OF PUBLIC HEARING

To: Property Owner of Record; Tenant in Possession of Property; and All Parcels Within the Quail Valley Water District that Receive Water Service

From: Quail Valley Water District

Date: August 7, 2023

Notice is Hereby Given that on the **28th day of October, 2023 at 9:00 AM in the District office located at 24750 Sand Canyon Road, Tehachapi, CA 93561**, the Quail Valley Water District (“District”) will conduct a public hearing on the proposal to adjust and increase its water rates, charges, and other fees. At said time, the District will hear and consider all objections and protests, if any, to said adjustments.

The monthly water rate is comprised of a Service Charge (fixed charge based on meter size), and a Water Consumption Rate (variable charge based on water consumption) (collectively “water service charges”). The District’s water service charges are designed to recover the cost of service based on long-term operating and capital funding requirements. The proposed rates are based upon the revenues needed to meet projected operating expenses including water treatment costs, electricity, alternate water supply, capital improvement projects, and debt service.

To account for continuing increases in the costs of water system operations and providing water services, the District is proposing changes to the current charges for water service. The proposed charges will consist of a fixed meter rate based on the size of meter (Service Charge) and a tiered, variable charge based on water consumption (Water Consumption Rate) which will be charged for every 100 cubic feet (“HCF”) of water received. The proposed tiered rate is designed to promote water conservation and to equitably apportion the costs necessary to develop additional water supplies to meet increasing demand. The Service Charge and Water Consumption Rate are detailed in the rate schedules included herein.

The proposed changes and suggested increases are based upon the findings of the water rate study completed by Reve Environmental, an independent engineering consultant. This study will be available at the District Office thirty (30) days before the public hearing at 24750 Sand Canyon Road, Tehachapi, CA 93561, Tuesday through Thursday from 8:30 a.m. to 12:30 p.m. This study recommended that the District make the proposed changes to ensure adjustments necessary to keep up with the expenses in providing quality water services and to comply with regulations governing the treatment of water and maintenance of infrastructure. If you have any questions regarding the information provided in this notice, or the rates applicable to your property, please contact Randy Hardenbrook, Quail Valley Water District General Manager, at (661) 822-1923 or randy@qvwd.org.

All interested parties may attend and be heard by the Board of the District at the time and place indicated above. If unable to attend, you may file a written protest prior to the hearing with the District at 24750 Sand Canyon Road, Tehachapi, CA 93561. Include the address or the property's Assessor's Tax Number for each property for which a protest or other response is being made. Only one protest per property will be counted.

Table 3 provides a comparison of the current and proposed rates for Fiscal Year 2023 through 2028.

Water Rate Schedule	Current Rates ¹	Proposed Rates				
		FY2023/24	FY2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		30.00%	10.00%	10.00%	10.00%	10.00%
<i>Fixed Service Charge</i>						
Monthly Service Charge by Meter Size:						
5/8" X 3/4"	\$ 103.36	\$ 134.37	\$ 147.80	\$ 162.59	\$ 178.84	\$ 202.63
3/4"	\$ 103.36	\$ 134.37	\$ 147.80	\$ 162.59	\$ 178.84	\$ 202.63
1"	\$ 139.76	\$ 181.69	\$ 199.86	\$ 219.84	\$ 241.83	\$ 273.99
<i>Commodity Charges for All Water Customers</i>						
Rate Per Unit² of Water Consumed		30.00%	10.00%	10.00%	10.00%	10.00%
Residential Block³ Rates						
Block 1: 0-12	\$ 6.64	\$ 8.63	\$ 9.50	\$ 10.44	\$ 11.49	\$ 12.64
Block 2: 12-24	\$ 6.64	\$ 10.36	\$ 11.39	\$ 12.53	\$ 13.79	\$ 15.17
Block 3: 24-36	\$ 6.64	\$ 15.54	\$ 17.09	\$ 18.80	\$ 20.68	\$ 22.75
Block 4: All usage above 36	\$ 6.64	\$ 34.53	\$ 37.98	\$ 41.78	\$ 45.96	\$ 50.55

¹ Current rate structure is a uniform rate structure

² One unit of water is 100 cubic feet or 748 gallons

³ It is recommended to replace the current uniform rate structure with an ascending block water rate structure to encourage water conservation.

Table 4 shows a comparison of monthly bills for residential customers under current and proposed rates at varying levels of water consumption.

Residential Bill Comparison-Current vs. New Rates							
Monthly Water Consumption (HCF)	Number of Monthly Bills per Bin	Current Rates	New Rates, Meter Size 5/8" X 3/4" and 3/4"				
			FY2023/24	FY2024/25	FY 2025/26	FY 2026/27	FY 2027/28
2	21%	\$116.64	\$151.63	\$166.80	\$183.47	\$201.82	\$227.91
4	20%	\$129.92	\$168.90	\$185.79	\$204.36	\$224.80	\$253.18
6	21%	\$143.20	\$186.16	\$204.78	\$225.25	\$247.78	\$278.46
8	11%	\$156.48	\$203.42	\$223.77	\$246.14	\$270.76	\$303.73
10	9%	\$169.76	\$220.69	\$242.76	\$267.03	\$293.74	\$329.01
12	6%	\$183.04	\$237.95	\$261.75	\$287.92	\$316.71	\$354.29