

Ponderosa Community Services District

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56287 Aspen Dr, Springville, CA 93265... (559) 542-0913

www.ponderosacsd.com

February 26, 2018

NOTICE OF PUBLIC HEARING CONCERNING PONDEROSA COMMUNITY SERVICES DISTRICT BOARD'S PROPOSED INCREASE IN ANNUAL FLAT RATE AND BASE TIER RATES FOR METERED WATER USE

Dear Property owner/Occupant:

Please take notice that, in accordance with the rules and procedures established under Article XIID of the Constitution of the State of California, the Ponderosa Community Services District (the "District") will hold a public hearing on an increase in the current annual flat/base tier water rates service and reorganize the tier structure for metered water use as follows:

Date: Saturday April 14, 2018
Time: 1:00 p.m.
Place: Ponderosa Community Services District building
56827 ASPEN DR
Springville, California 93265

Thank you for your communications on this important issue. The board values input from the community.

The Board proposes:

- **Increasing water rates \$16.67 per month per water connection.** This equates to an increase of \$200.00 to the current annual flat/base tier for the 2018-2019 fiscal year.
- Additionally, water rates will **continue to increase by 5% for the following four years.** This equates to \$48, \$50, \$53, \$56 to the flat/base rate per fiscal year, respectively.
- **25% of the cumulative increases will be designated to the capital improvement fund each fiscal year**
- The tiered rate structure for metered usage would remain in effect (*Please see Attachment 1, Current and Proposed water rate schedule on the reverse side of this notice*).

By fiscal year 2022-2023, nearly all properties will be metered, and base tier water rates will be \$1174.00 per year, this equates to an average of \$97.83 per month per water service.

The increase in water rates is necessary to

- **offset the District's increasing costs of providing safe and reliable water service, and**
- **to fund the District's capital improvement account**

Funds from this account pay for capital improvements such as: water meters, replacement of water main lines and replacement of storage tanks at the Holby well site. At the start of each new fiscal year, \$12,000.00 is transferred from general revenues into the Capital Improvement Reserves; these reserves have been exhausted each fiscal year for the past 3 years.

Historically, the Capital Improvement fund received income from Facility Development Fees that were collected with applications for new water service. Unfortunately, with the exception of one new connection in 2017, our community has not had any new construction since 2009, and therefore no incoming revenues to replenish the capital improvement fund.

The proposed increase was deduced through consultation with our auditor, Dennis Hylton CPA, after an analysis of the District's current and projected income and expenses, to ensure that future water fees will allow the District to adequately meet its financial obligations. The Board also used the above information to determine that the proposed increase will be reasonably related to the costs associated with continuing to provide safe and reliable water service for the District.

Property owners or occupants opposing the proposed fee increase may submit written protests to the District at the address provided. All written protests must be submitted prior to the close of the above-noticed public hearing; otherwise they will not be considered. Each protest must identify the affected property (by assessor's parcel number or street address) and include the signature of the recorded property owner or water customer. Email protests cannot be accepted.

Although oral comments at the public hearing will not qualify as a formal protest unless accompanied by writing, the District welcomes any input from the community during the public hearing on the proposed fees. If a majority of all property owners/customers, of the affected parcels, submit timely written protests, the District shall not impose the fee. Only one written protest vote per parcel shall be counted. Please direct all questions regarding the public hearing to the Board Secretary, Jennifer Robertson, at the District address provided above, by email to secretary@ponderosacsd.com, or by phone 559 539-5023.

We want to hear from you! Please send mail to

Ponderosa CSD

Attn: Board of Directors

56287 Aspen Dr,

Springville, CA 93265

Or email to

secretary@ponderosacsd.com

On behalf of the Board of Directors

Respectfully,



J. Robertson/Board Secretary