

**CITY OF SAN JUAN BAUTISTA
NOTICE OF PUBLIC HEARING ON PROPOSED WATER RATES**

Este informe contiene información muy importante sobre la necesidad de aumentar sus tarifas de alcantarillado y sus derechos a protestar. Traducción al español disponible en el sitio web de la ciudad, o llame al Ayuntamiento para hablar con alguien que lo entienda bien.

July 19, 2022 at 6:00 PM
City Council Chambers
San Juan Bautista City Hall
311 Second Street
San Juan Bautista, CA 95045

Members of the Public *can* attend the July 19, 2022 Council Meeting in person at City Hall

Access is also available via Zoom (Meeting ID: 846 8135 7450)
or by calling (669) 900-6833 (Webinar ID 846 8135 7450; press *6 to speak)

<https://us02web.zoom.us/j/84681357450>

You are receiving this notice because you are shown on our records as a customer of the City's water service. The City of San Juan Bautista funds water service by charging its customers a water rate on their monthly municipal utility bill. Water rates collected by the City can only be used to fund water service, and cannot be used by the City for any other purpose.

As you may be aware, the City currently uses groundwater as the supply for the water system. The City owns three wells (one of which is currently shut down due to water quality concerns) that pump water from underground sources to be used by the City. Unfortunately, this groundwater does not meet current environmental standards. When the potable ground water enters the City's sewer system, the City cannot treat this water sufficiently at its sewer treatment plant. This has caused the City to be in violation of the permit that allows the City to discharge treated effluent from its sewer plant. The City has entered into an Administrative Order on Consent with the United States Environmental Protection Agency that requires that the City take steps to remedy its permit violation.

One of the steps that the City will be taking is to transition from supplying water customers solely with groundwater to supplying customers with a blend of groundwater and treated surface (river) water purchased from the San Benito County Water District ("SBCWD"). This transition will increase the City's costs of providing water service, because the City will have to (i) fund the construction of a connection between the City's water system and SBCWD's West Hills Treatment Plant, (ii) the City will have to pay SBCWD to "buy-in" to the West Hills Treatment

Plant, (iii) the City will have to pay a share of the operations and maintenance costs of the Plant, and (iv) the City will have to purchase treated water from SBCWD.

Unfortunately, the City's current water rates are not sufficient to fund these new costs. The City is currently applying for a number of federal and state loans and grants to assist with construction costs for the connection to the SBCWD system; however, the City cannot qualify for these loans and grants unless it has a stream of ratepayer revenue that will fund its operating, maintenance, and debt service costs once the transition to the new water source is in place. Therefore, the City Council has proposed a water rate increase.

The Proposed Rates

The City is proposing a five-year schedule of rate increases for water service. The proposed rates were designed by the City's consultant, Bartle Wells Associates, to ensure that each water customer pays a rate that does not exceed the City's anticipated costs of providing that customer with water service. As is currently the case, each water customer will pay both a fixed monthly charge and a "volumetric" charge for each 1,000 gallons of metered water use. The consultant's "Water Rate Study Report" can be found online at: https://www.san-juan-bautista.ca.us/alert_detail.php.

Water Rates	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
<i>Proposed Implementation Date</i>	<i>Aug. 1, 2022</i>	<i>Jul. 1 2023</i>	<i>Jul. 1 2024</i>	<i>Jul. 1 2025</i>	<i>Jul. 1 2026</i>	
Volumetric Rate \$/1000 gallons	\$6.35	\$7.05	\$8.04	\$9.17	\$9.63	\$10.12
Monthly Base Rate	\$55.76	\$65.91	\$75.15	\$85.68	\$89.97	\$94.47

These rates will also be subject to the pass through adjustments described at the end of this notice.

The Hearing

On July 19, 2022 at 6:00 PM, in the City Council Chambers located at 311 Second Street San Juan Bautista, CA 95045, the San Juan Bautista City Council will hold a public hearing on the proposed schedule of rates. Subject to changes in the public health situation, the City anticipates that the hearing will be open for in-person public participation and attendance at the Council Chambers. However, due to the ongoing COVID-19 emergency, members of the public will also be able to remotely attend the meeting electronically via Zoom. Use webinar ID 46-813-7450 on zoom.us, on a Zoon App or by calling (669) 900-6833.¹

¹ You can also Click this link to join Zoom Meeting: <https://us02web.zoom.us/j/84681357450>