

## WHY HAVE I RECEIVED THIS NOTICE?

You have received this notice to inform you that EOCWD's Board of Directors is considering changes to and increases in its water rates. The District is providing this information to ensure the public is aware of this issue and the opportunities that exist for them to raise questions, share concerns, seek clarification, and provide input that can help the Board of Directors as it deliberates and determines the appropriate course of action.

EOCWD is committed to providing safe, reliable, and affordable drinking water to the community. The rates charged for water service are developed to treat all customers fairly, reflect the true cost to provide that service and to protect EOCWD's financial stability and its ability to provide the same level of service in the future.

## THIS NOTICE IS TO:

- Inform you about the proposed water rate increases
- Share how you can participate in the process
- Invite you to attend the public hearing at which time the proposed rate changes will be considered.

## ABOUT THE DISTRICT

EOCWD was founded in 1961 under the principles of local community service and fiscal discipline, which it maintains to this day. EOCWD prides itself on providing high-quality, reliable wholesale and retail water to you and your neighbors at a fair price.

The rates that are charged reflects the true cost of providing water service to the community and ensuring the District's long-term financial stability and maintaining the same level of reliable service that our customers have received for the past 62 years.

## HOW ARE WATER BUDGETS CALCULATED?

Each customer is allocated a reasonable amount of water based on that customer's particular needs. This allocation is referred to as a "water budget." EOCWD's residential water budgets are comprised of a fixed indoor and outdoor budget. The indoor budget ensures enough water to meet the indoor needs of four people (55 gallons per person, per day). If more than four people reside at a home, the indoor water budget can be easily increased by up to four additional people.

Outdoor water budgets are calculated based on the landscape irrigation area and weather data (evapotranspiration).

## WHY IS EOCWD PROPOSING RATE INCREASES?

EOCWD is a public agency whose rate setting is regulated by state law. The District may only charge its customers for the costs associated with providing water service. It cannot charge rates that result in a profit. EOCWD considers the following factors when determining its water rates:



Fair treatment  
of all customers



Reflecting the true  
cost of service



Protecting the District's financial stability  
and its ability to provide high-level service

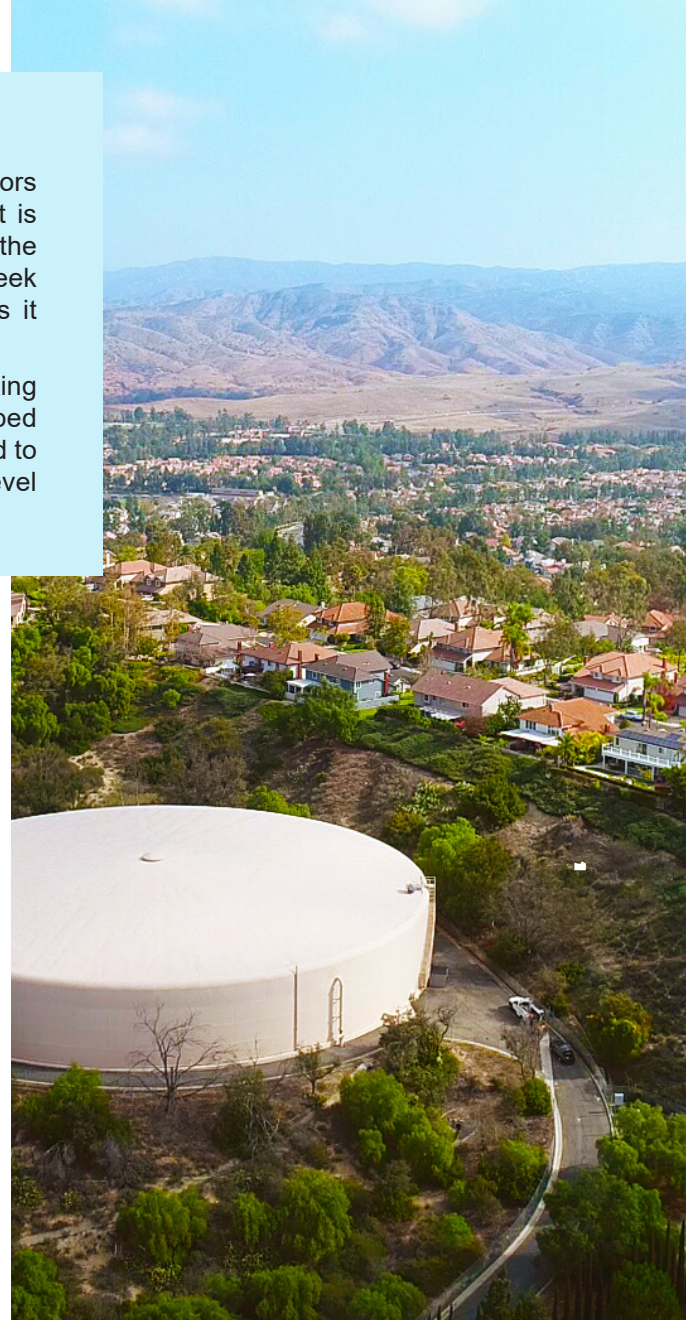


We invite you to review this information and contact us at 714-538-5815 or [admin@eocwd.com](mailto:admin@eocwd.com) with questions, comments or concerns.



185 North McPherson Road  
Orange, CA 92869-3720

INDICIA



# NOTICE OF PUBLIC HEARING

# AND PROTEST PROCEEDINGS

## IMPORTANT INFORMATION ABOUT YOUR RATES

The East Orange County Water District (EOCWD) Board of Directors will conduct a public hearing to consider a proposed schedule of increases and changes to the rates and charges for domestic water service provided to residential and commercial customers. If approved by the EOCWD Board of Directors, the increase would take effect on July 1, 2023, with subsequent increases proposed annually over the next four years.

The public hearing will be conducted at the time, date and location specified in this notice. All members of the public are invited to attend the public hearing.

This notice is being sent to all record owners of property upon which the proposed charges will be imposed and any tenants who are directly liable for the payment of such charges (i.e. customers of record who are not property owners).

If you have additional questions or want more information about the proposed rate increase, please contact 714-538-5815 during regular business hours, or email us at [admin@eocwd.com](mailto:admin@eocwd.com).

There is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge.

### DATE

April 27, 2023

### TIME

5:00 p.m.

### LOCATION

Clifton C. Miller  
Community Center  
300 Centennial Way  
Tustin, CA 92780

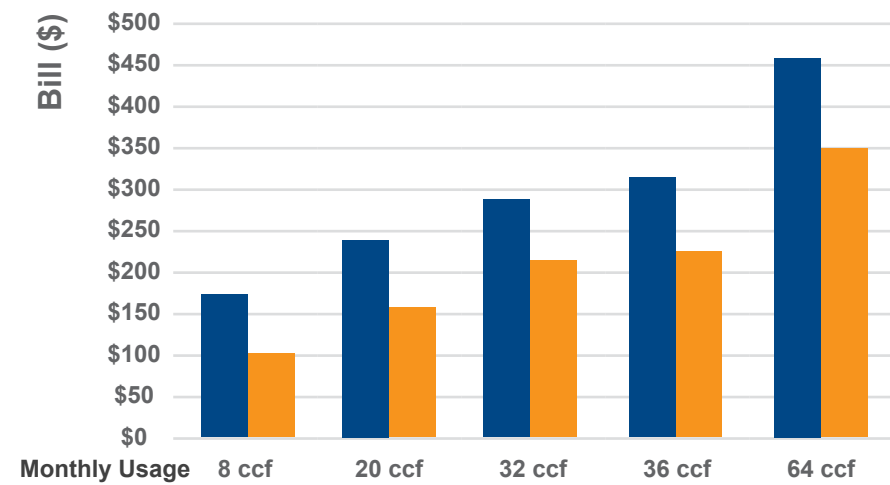
# UNDERSTANDING THE RATE INCREASE

## HOW WILL THIS IMPACT ME?

The chart below provides an example of how a typical single-family residence (SFR) water bill might look like.

### FY 2024 Sample SFR Bi-Monthly Bill (Typical 3/4" Meter)

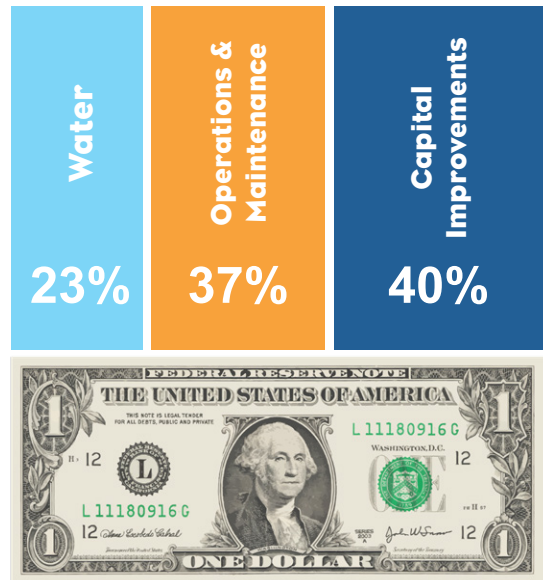
Excluding capital charge in proposed bill because it will be collected via property taxes



	8 ccf	20 ccf	32 ccf	36 ccf	64 ccf
<b>Current Bi-Mo Bill</b>	\$ 173.10	\$ 233.94	\$294.78	\$315.06	\$457.02
<b>Proposed Bi-Mo Bill</b>	\$101.12	\$154.47	\$207.81	\$225.59	\$350.07
<b>% Impact</b>	-41.6%	-34.0%	-29.5%	-28.4%	-23.4%
<b>\$ Impact</b>	(\$71.98)	(\$79.47)	(\$86.97)	(\$89.47)	(\$106.95)

## HOW IS MY MONEY SPENT?

EOCWD is a fiscally conservative steward of its customers' ratepayer dollars and believes its customers should not only understand how their money is already being invested but also why the proposed rate increases are necessary and what the new revenue will fund moving forward. The graphic below shows how each dollar generated by the proposed rate increase would address rising costs of providing you with safe, clean and reliable water.



Your water bill is comprised of two types of rates (charges) – fixed and volumetric. The fixed rate service charge does not vary from month to month. The volumetric commodity rate reflects the amount of water you use in a billing period.

### FIXED RATE:

Monthly Service Fee and Monthly Capital Fee

### WHAT IT PAYS FOR:

**Operation & Maintenance Costs:** A portion of the costs to operate and maintain the domestic water system are allocated to the fixed rate as well as all overhead costs.

**Capital Fee:** These fees pay for improvement and/or replacement of capital facilities; they are fixed because they do not vary depending upon the amount of water used.

### VOLUMETRIC COMMODITY RATE:

Water Charge

### WHAT IT PAYS FOR:

These charges pay for the water and electricity used to deliver the water; they also pay for a portion of the cost to operate and maintain the domestic water system.

**Operation & Maintenance Costs:** The remainder of the costs to operate and maintain the domestic water system used to deliver water to your home or business are allocated to the volumetric rate.

## PROPOSED FIXED AND VOLUMETRIC COMMODITY RATES INCREASE BREAKDOWN

5-year Schedule	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Effective Month	Current	Jul 2023	Jul 2024	Jul 2025	Jul 2026	Jul 2027
Proposed Revenue Adjustments			7.5%	7.5%	7.5%	7.5%
Monthly Service Fees (Fixed)						
5/8"	\$22.50	\$32.78	\$35.24	\$37.88	\$40.72	\$43.77
3/4"	\$33.75	\$32.78	\$35.24	\$37.88	\$40.72	\$43.77
1"	\$56.24	\$48.68	\$52.33	\$56.26	\$60.48	\$65.01
1 1/2"	\$112.46	\$88.43	\$95.07	\$102.20	\$109.86	\$118.10
2"	\$179.92	\$136.14	\$146.35	\$157.33	\$169.13	\$181.81
3"	\$393.56	\$287.21	\$308.75	\$331.90	\$356.80	\$383.56
Commodity Rates						
Commodity Rates (\$/ccf)	\$5.07	\$4.45	\$4.78	\$5.14	\$5.52	\$5.94

## HOW CAN I PARTICIPATE?

East Orange County Water District welcomes your input as its Board of Directors considers the changes explained in this notice. If you have questions or comments, you can:

**Visit, call, or go online** – Rate Study information related to the proposed rate increases are available for review at the EOCWD Office located at 185 N. McPherson Road, Orange, CA 92869-3720. You may also obtain information by calling the District at (714) 538-5815 or online at [www.eocwd.com/ratechange](http://www.eocwd.com/ratechange).

**Write** – Any record owners of a parcel upon which the proposed charges will be imposed and tenants directly liable for the payment of the proposed charges have the right to submit a formal written protest to the proposed rates, but only one protest may be counted per parcel. Written protests may be mailed or hand delivered to:

East Orange County Water District, Attention: General Manager,  
185 N. McPherson Road, Orange, CA 92869-3720

Written protests may also be submitted at the public hearing being held at Clifton C. Miller Community Center, 300 Centennial Way, Tustin, CA 92780 on Thursday, April 27, 2023 at 5:00 p.m. Written protests must be physically received prior to the close of the public input portion of the public hearing. Protests to the proposed rates must include your name, signature, and street address, parcel number, or account number. **Protests submitted by email or other electronic means DO NOT count as formal written protests.**

**Attend a public meeting/hearing** – The public hearing will take place on Thursday, April 27, 2023 beginning at 5:00 p.m. at the Clifton C. Miller Community Center, 300 Centennial Way, Tustin, CA 92780. At the conclusion of the public hearing, the Board of Directors will consider the adoption of the proposed rate increases. At the public hearing, all members of the public will have an opportunity to speak, but verbal comments alone do not qualify as a formal protest.

5-year Schedule	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Effective Month	Current	Jul 2023	Jul 2024	Jul 2025	Jul 2026	Jul 2027
Proposed Revenue Adjustments			7.5%	7.5%	7.5%	7.5%
Monthly Capital Fees will be collected via the property tax roll						
5/8"	\$32.52	\$51.59	\$55.46	\$59.62	\$64.09	\$68.89
3/4"	\$32.52	\$51.59	\$55.46	\$59.62	\$64.09	\$68.89
1"	\$32.52	\$85.98	\$92.43	\$99.36	\$106.81	\$114.82
1 1/2"	\$32.52	\$171.96	\$184.86	\$198.72	\$213.63	\$229.65
2"	\$32.52	\$275.14	\$295.77	\$317.96	\$341.80	\$367.44
3"	\$32.52	\$601.86	\$647.00	\$695.53	\$747.69	\$803.77

## PUBLIC HEARING PROCESS

At the time of the public hearing, the Board of Directors will hear and consider all written protests and public comments. After the hearing, if a majority of the property owners of the impacted parcels or tenants directly liable for the payment of the charges submit written protests in opposition to the proposed rate increases, the increases will not be imposed. If a majority protest is not received, the EOCWD Board of Directors may adopt the proposed changes, though they are not obligated to. If adopted, the proposed rates will become effective July 1, 2023, and subsequent increases would be proposed for 2024, 2025, 2026 and 2027.