



## Notice of Public Hearing on Proposed Water, Wastewater & Recycled Water Rate Increases



**Date: November 16, 2022**

**Time: 9:00 am**



### JOIN US IN PERSON

Fallbrook Public Utility District  
990 E. Mission Rd., Fallbrook, CA



### JOIN US VIA ZOOM

<https://bit.ly/3qEI80e>



### JOIN US VIA PHONE

Dial: (669) 444-9171

Meeting ID: 826 6289 5501

Passcode: 720961

Dear Property Owner or Customer of Record,

The Fallbrook Public Utility District (FPUD) is proposing to gradually phase in water, wastewater, and recycled water rate increases over the next five years to support operating and maintenance needs and provide adequate funding for capital improvements that will support safe and reliable service. The rates shown in this notice are the proposed maximum rates to be authorized. Each year, as it has in the past, FPUD will review the District's current financial position to determine the necessary rate increase.

FPUD's utilities are self-supporting and rely on service charge revenues to meet annual funding needs. As such, water, wastewater and recycled water rates need to be set at levels adequate to fund each utility's costs of providing service. The proposed rate increases are phased in over the next five years, with the first rate increases scheduled to become effective for service provided on and after January 1, 2023. The proposed rates are based on a recently updated Water, Wastewater and Recycled Water Rate Study, developed by an independent utility rate consultant, and reflect substantial input from District staff and the District's Fiscal Policy & Insurance Committee.

Members of the public are currently invited to attend the Public Hearing virtually or in person. If FPUD determines to hold the Public Hearing only virtually due to a state of emergency or public health concern pursuant to AB 361 or other applicable law, information will be posted on our website as soon as possible and included in the meeting agenda.

## Moving Forward to Secure Low-Cost Water Supplies

Over the past decade, FPUD has had substantial increases in the cost of wholesale water supply imported from the San Diego County Water Authority (SDCWA). In an effort to keep water rates as low as possible, FPUD has engaged in major efforts to secure lower-cost water supplies for our customers. Recent accomplishments include:

- Local water is now flowing from Fallbrook taps! After seven decades of legal and bureaucratic hurdles, the Santa Margarita River Conjunctive Use Project (SMRCUP) is now complete. It provides FPUD with its own local water supply, reducing reliance on imported water, and improving water reliability. We obtained a low-interest rate loan from California's State Revolving Fund to help finance the project. It provides a significant portion of our water and reduces our need to buy expensive imported water that increases in cost every year.
- Expanded our recycled water distribution system to increase our capacity to deliver highly treated recycled water produced at our Water Reclamation Plant for landscaping and irrigation.
- FPUD is also engaged in efforts to detach from the San Diego County Water Authority to buy lower-cost water and save customers money (see next page).

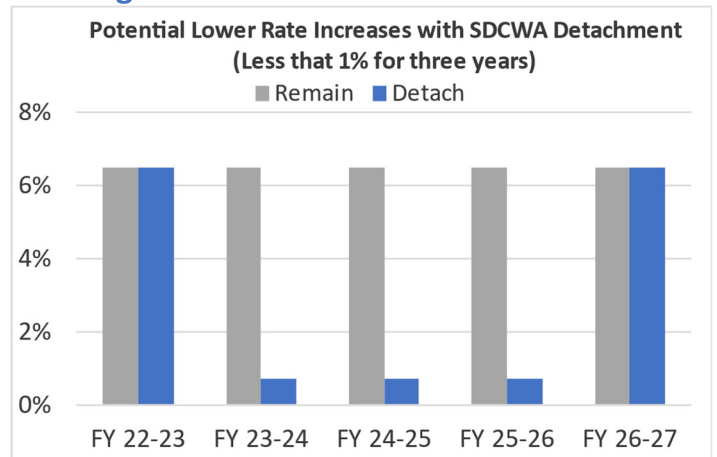


*Our state-of-the-art treatment plant has been up and running since November 2021.*

## We're working to save millions of dollars by switching water wholesalers

We're working with Rainbow Municipal Water District to detach from the San Diego County Water Authority and instead buy imported water at a lower cost from Eastern Municipal Water District. The savings to FPUD are currently estimated at \$3 million per year.

We've held three town hall meetings on how the process works, drawing large crowds of more than 130 people at each event. Our detachment must first be approved by the Local Agency Formation Commission, or LAFCO. LAFCO is reviewing our applications to detach and will likely make a decision later this year. If our application is approved, FPUD voters would have the final say in a future election held in the District's service area.



*Based on current financial projections and with no detachment exit fee imposed by LAFCO, FPUD anticipates that it will be able to pass through detachment savings to customers via lower overall rate increases. The chart above shows the proposed maximum rate revenue increases without detachment (gray) and potential and estimated reduction after detachment from SDCWA (blue), based on currently available information.*



*FPUD is working to rehabilitate and replace old pipelines and other aging facilities.*

## Proactively replacing aging pipelines to prevent breaks and reduce costly emergency repairs

FPUD has over 350 miles of water and sewer pipelines. Some of our buried pipelines are over 80 years old. When the pipes become weak, damaged or are simply old, they are in danger of breaking and resulting in water leaks that can cause property damage and are expensive to fix. Our staff is strategically identifying pipelines most in need of repair or replacement and performing scheduled shutdowns on the pipes that need it most.

## Community Input & Written Protest Procedures

Customers, property owners, and community members are invited to attend the Public Hearing to provide input. Customers and property owners may also submit written protests against the proposed rate increases. Pursuant to California law, protests must be submitted in writing and must a) identify the affected property or properties, such as by service address or Assessor's Parcel Number, b) include the name and original signature of the customer or property owner submitting the protest, and c) indicate opposition to the proposed water, wastewater and/or recycled water rate increases. Protests or comments submitted by e-mail, fax or other electronic means are not counted as written protests. The proposed rates cannot be adopted if written protests are received from a majority (more than 50%) of affected parcels with one protest counted per parcel. Written protests can be mailed or hand delivered to: Fallbrook Public Utility District, 990 E. Mission Rd., Fallbrook, CA 92028. Hand delivered protests may be delivered to the District's office or deposited in the drop box located in the District's parking lot, or may be hand-delivered to the Board Secretary at the Public Hearing. Written protests must be received by the Board Secretary before the close of the Public Hearing on November 16, 2022.

As a public utility, FPUD does not profit from charges for water, wastewater or recycled water services. Pursuant to California law, all funds collected are used to pay for the costs of operating, maintaining our utilities, and investing in our infrastructure. We understand that rate increases place additional burden on our customers, particularly people on fixed incomes, and we plan to re-evaluate our finances and rates each year to ensure rates continue to recover the costs of providing service without unnecessary increases.



*FPUD turned 100 years old on June 5, 2022 and is now using local water from the Santa Margarita River.*

## Proposed Maximum Water Rates

FPUD is proposing to phase in a series of annual water rate increases over the next five years with the maximum allowable increases as shown on the table below. Water rate increases are needed to support water system operating expenses, pay for increasing costs of wholesale water supply, provide adequate funding for maintenance of facilities and equipment, meet annual debt service funding requirements, keep up with cost inflation, and help ensure continued compliance with regulatory requirements. The proposed water rates also help support high-priority capital improvements to FPUD’s aging water system infrastructure to support safe and reliable service. FPUD’s water rates include a number of components including:

- **Fixed Monthly Service Charges:** These charges are levied independently of water use and are based on the size of each customer’s water meter.
- **Volumetric Charges:** As proposed, Residential volumetric charges are billed in 2 Tiers, with a lower rate for the first 5,000 gallons of water use in Tier 1, and all additional water use billed at the Tier 2 rate. Commercial, Government and Irrigation customers are billed a uniform rate for all water use. Agricultural customers are billed as shown below with lower rates for customers who qualify for SDCWA’s Special Ag Water Program. Water volumetric charges are billed in units of 1,000 gallons (Kgal).
- In addition, FPUD will also continue to levy Capital Improvement Charges, Pass-Through Charges for SDCWA Infrastructure Access Charges, Standby Charges, and Private Fire Service Charges as described later in this notice.

Proposed Maximum Water Rates						
	Current Water Rates*	Proposed Maximum Rates Effective On or After				
		January 1 2023	January 1 2024	January 1 2025	January 1 2026	January 1 2027
<b>Monthly Fixed Service Charges</b>						
<i>Billed based on meter size.</i>						
3/4"	\$57.91	\$60.60	\$64.54	\$68.74	\$73.21	\$77.97
1"	88.65	96.51	102.78	109.46	116.57	124.15
1-1/2"	165.42	185.46	197.51	210.35	224.02	238.58
2"	257.59	292.64	311.66	331.92	353.49	376.47
3"	503.36	578.82	616.44	656.51	699.18	744.63
4"	779.84	900.36	958.88	1,021.21	1,087.59	1,158.28
6"	1,547.83	1,793.16	1,909.72	2,033.85	2,166.05	2,306.84
<b>Volumetric Charges</b>						
<i>Billed based on metered water use as measured in units of 1,000 gallons (\$/Kgal).</i>						
<b>Residential: Domestic (D), Large Lot Domestic (LD) &amp; Multi Unit (M)</b>						
Tier 1 : 0-5 Kgal	\$7.17	\$7.31	\$7.79	\$8.30	\$8.84	\$9.41
Tier 2: >5 Kgal	6-30 Kgal: 7.27 >30 Kgal: 8.86	8.06	8.58	9.14	9.73	10.36
<b>Commercial (C)</b>	\$7.38	\$7.72	\$8.22	\$8.75	\$9.32	\$9.93
<b>Government (G)</b>	7.26	7.72	8.22	8.75	9.32	9.93
<b>Irrigation Only (I)</b>	7.39	7.72	8.22	8.75	9.32	9.93
<b>Agriculture SAWR (AS)</b>	\$5.31	\$5.63	\$6.00	\$6.39	\$6.81	\$7.25
<b>Commercial Ag (CA)</b>	6.15	6.38	6.79	7.23	7.70	8.20
<b>Agriculture Domestic (AT)</b>						
Tier 1 : 0-5 Kgal	\$7.17	\$7.31	\$7.79	\$8.30	\$8.84	\$9.41
Tier 2: 6-17 Kgal	6.15	6.38	6.79	7.23	7.70	8.20
Tier 3: >17 Kgal	5.31	5.63	6.00	6.39	6.81	7.25
<b>Commercial Domestic Ag (CB)</b>						
Tier 1 : 0-5 Kgal	\$7.17	\$7.31	\$7.79	\$8.30	\$8.84	\$9.41
Tier 2: >5 Kgal	6.15	6.38	6.79	7.23	7.70	8.20
<b>Pumping Charges</b> (Deluz & Toyon Service Areas)	\$0.88	\$0.72	\$0.77	\$0.82	\$0.87	\$0.93

\* Current Monthly Fixed Service Charges shown also include current MWD Readiness-to-Serve (RTS) Charges. RTS Charges will be included in the proposed Monthly Fixed Service Charges starting January 1, 2023. Residential Volumetric Charges are currently billed in 3 Tiers, but will transition to 2 Tiers starting January 1, 2023. During water shortages, volumetric rates with the exception of SAWR, are subject to water shortage emergency surcharges shown later in this notice.

## Proposed Maximum Water Rates (continued)

Proposed maximum allowable water service charges are shown on the following table. The proposed charges will be reviewed and adopted each year and reflect the cost of service associated with each type of charge.

- Water Capital Improvement Charges (CIC):** These charges are billed based on meter size and help recover costs for repairing, replacing and upgrading FPU’s aging water system to support safe and reliable operations. These charges may also help recover costs for debt service issued to fund water system improvements. Charges effective January 1, 2023 are shown below. FPU is proposing to authorize automatic annual adjustments to these charges on January 1, 2024, and each January 1 thereafter through and including January 1, 2027, based on the annual change in the Engineering News-Record Construction Cost Index for Los Angeles through February of the preceding year, plus 3%, subject to a maximum annual adjustment of 10%.
- SDCWA Infrastructure Access Charges (IAC):** These charges are a direct pass-through of charges levied by SDCWA. Charges effective January 1, 2023 are shown below. FPU is proposing to authorize automatic annual adjustments to these charges on any date through and including December 31, 2027, based on the actual charges levied by SDCWA, subject to a maximum annual adjustment of 10%.
- Monthly Fire Service Charges:** These charges are only levied on customers with private fire service connections and are billed based on the size of each customer’s fire service connection.
- Monthly Standby Fixed Service Charges:** These charges are only levied on customers with inactive, standby service and are billed based on water meter size. Under the proposed rates, standby customers will also pay the same Water Capital Improvement Charges as all other water customers.

Proposed Maximum Other Water Service Charges						
	Current Charges	Proposed Maximum Charges Effective On or After				
		January 1 2023	January 1 2024	January 1 2025	January 1 2026	January 1 2027
<b>Water Capital Improvement Charges (CIC)</b>						
<i>Monthly charge billed based on meter size to all active water service accounts.</i>						
3/4"	\$10.10	\$11.11	Water CIC Charges will be adjusted each January 1 based on the annual change in the Engineering News-Record Construction Cost Index for Los Angeles through February of the preceding year, plus 3%, subject to a maximum adjustment of 10% per year.			
1"	16.82	18.50				
1-1/2"	33.66	37.03				
2"	53.84	59.22				
3"	107.68	118.45				
4"	168.25	185.08				
6"	336.50	370.15				
<b>SDCWA Infrastructure Access Charges (IAC)</b>						
<i>Monthly charge billed based on meter size to all active water service accounts.</i>						
3/4"	\$4.00	\$4.24	SDCWA IAC Charges will be adjusted each January 1 based on the IAC charges adopted by SDCWA in future years, subject to a maximum adjustment of 10% per year.			
1"	6.69	7.08				
1-1/2"	13.33	14.12				
2"	21.34	22.60				
3"	42.75	45.24				
4"	66.79	70.68				
6"	133.53	141.32				
<b>Monthly Fire Service Charges</b>						
<i>Billed based on service size to customers with private fire service connections.</i>						
2"	\$12.25	\$7.66	\$8.16	\$8.69	\$9.25	\$9.85
3"	13.06	8.90	9.48	10.10	10.76	11.46
4"	14.47	11.03	11.75	12.51	13.32	14.19
6"	19.50	18.70	19.92	21.21	22.59	24.06
8"	28.18	31.92	33.99	36.20	38.55	41.06
<b>Monthly Standby Fixed Service Charges</b>						
<i>Billed based on meter size to customers with inactive, standby service.</i>						
3/4"	\$25.22	\$17.44	\$18.57	\$19.78	\$21.07	\$22.44
1"	34.15	24.43	26.02	27.71	29.51	31.43
1-1/2"	56.46	41.75	44.46	47.35	50.43	53.71
2"	83.23	62.61	66.68	71.01	75.63	80.55
3"	154.65	118.30	125.99	134.18	142.90	152.19
4"	235.00	180.88	192.64	205.16	218.50	232.70
6"	458.16	354.65	377.70	402.25	428.40	456.25

## Proposed Maximum Recycled Water Rates

FPUD is proposing to phase in a series of recycled water rate increases over the next five years with the maximum allowable rates as shown in the table below. Recycled water rate increases are needed to support recycled water system operating expenses, provide adequate funding for maintenance of equipment, meet annual debt-service funding requirements, help ensure continued compliance with regulatory requirements, and fund capital improvements to FPUD’s recycled water system. Recycled water rates include two components:

- **Fixed Monthly Service Charges:** These charges are levied independently of recycled water use and are based on the size of each customer’s recycled water meter.
- **Volumetric Charges:** Wastewater volumetric charges are billed per 1,000 gallons (Kgal) of metered use as shown on the table below.



*We’ve expanded our recycled water distribution system to provide highly treated recycled water to more customers within our service area. Our goal is to reduce the need for imported water to improve local supply reliability and save money.*

Proposed Maximum Recycled Water Rates						
	Current Recycled Water Rates	Proposed Maximum Rates Effective On or After				
		January 1 2023	January 1 2024	January 1 2025	January 1 2026	January 1 2027
<b>Monthly Fixed Service Charges</b>						
<i>Billed based on meter size.</i>						
3/4"	\$25.22	\$25.85	\$26.50	\$27.16	\$27.84	\$28.53
1"	34.15	35.14	36.02	36.92	37.84	38.79
1-1/2"	56.46	58.15	59.60	61.09	62.62	64.19
2"	83.23	85.88	88.03	90.23	92.48	94.80
3"	154.65	159.91	163.91	168.01	172.21	176.51
4"	235.00	243.09	249.17	255.40	261.78	268.33
6"	458.16	474.06	485.91	498.06	510.51	523.27
<b>Volumetric Charges</b>						
<i>Billed based on metered water use as measured in units of 1,000 gallons (\$/Kgal).</i>						
<b>Recycled Water Sales</b>	\$6.13	\$6.29	\$6.45	\$6.61	\$6.77	\$6.94

Note: Charges to customers who receive recycled water service pursuant to contracts with FPUD will continue to be based on the specific terms detailed in each contract.

## Proposed Maximum Wastewater Rates

FPUD is proposing to phase in a series of annual wastewater rate increases over the next five years with the maximum allowable rates as shown on the table below. Wastewater rate increases are needed to support wastewater system operating expenses, provide adequate funding for maintenance of facilities and equipment, meet annual debt service funding requirements, and help ensure continued compliance with regulatory requirements. The proposed wastewater rates also help support high-priority capital improvements to FPUD’s aging sewer collection system pipelines, sewer lift stations, and the District’s Water Reclamation Plant to support safe and reliable service. FPUD’s wastewater rates include a number of components including:

- **Fixed Monthly Wastewater Charges:** These charges are billed based on the number of Equivalent Dwelling Units (EDUs) assigned to each account. An EDU is a single family household. Each EDU represents the wastewater demand and associated system capacity needed for serving a typical single family home or equivalent. EDUs are assigned to each account based on estimated wastewater flow and strength/density of flow as detailed in Article 11, Section 11.7 of the District’s Administrative Code, available at our offices or website: [www.fpud.com](http://www.fpud.com). No changes to the District’s Schedule of EDUs are proposed other than a revision to the EDU assignment for Standby Customers. Schools are billed monthly charges based on the number of students and staff.

## Proposed Maximum Wastewater Rates (continued)

- Volumetric Charges:** Proposed volumetric charges for Residential / Domestic customers are billed based on average monthly winter water use from December through February, multiplied by a return-to-sewer factor of 80% (based on an updated analysis of wastewater treatment plant flows) to determine billable flow which will help ensure that wastewater rates only pay for estimated discharge into the sewer system and exclude water used for outdoor landscape irrigation (subject to a maximum billed flow of 16 Kgal). Commercial / Government customers pay rates that vary based on customer class and wastewater strength with bills based on metered water use in each billing period multiplied by a return-to-sewer factor of 90%. Wastewater volumetric charges are billed per 1,000 gallons (Kgal) of estimated wastewater discharge.
- Wastewater Capital Improvement Charges (CIC):** These charges are billed based on the number of EDUs assigned to each account and help recover costs for repairing, replacing and upgrading FPUD's aging wastewater system to support safe and reliable operations. These charges may also help recover costs for debt service issued to fund wastewater system improvements. Wastewater CIC Charges effective January 1, 2023, are shown below. FPUD is proposing to authorize automatic annual adjustments to the Wastewater CIC Charges on January 1, 2024, and each January 1 thereafter through and including January 1, 2027, based on the annual change in the Engineering News-Record Construction Cost Index for Los Angeles through February of the preceding year, subject to a maximum annual adjustment of 10%.

Proposed wastewater charges for each customer class are based on an updated cost-of-service analysis designed to ensure that all customers continue to pay their proportionate share of the District's costs of providing wastewater service. Proposed Residential wastewater rates account for a gradual five-year transition to more revenue recovery from Fixed Wastewater Charges coupled with a reduction in volumetric charges. This transition is designed to reflect the District's current cost of providing wastewater service while still providing customers significant control over their wastewater bills.

Proposed Maximum Wastewater Rates						
	Current Wastewater Rates	Proposed Maximum Rates Effective On or After				
		January 1 2023	January 1 2024	January 1 2025	January 1 2026	January 1 2027
<b>Residential / Domestic</b>						
<i>Includes Single Family (D), Single Family Large Lot (LD), Multi Family (M), Ag Domestic (AT), Commercial Ag (CB)</i>						
Monthly Fixed Service Charges (\$/EDU)	\$11.08	\$18.88	\$26.68	\$34.48	\$42.28	\$50.08
Volumetric Charges (\$/Kgal)	11.28	10.22	9.16	8.10	7.04	5.98
<b>Commercial / Government</b>						
Monthly Fixed Service Charge (\$/EDU)	\$11.08	\$12.14	\$12.75	\$13.39	\$14.06	\$14.76
<b>Volumetric Charges</b>						
Comm - Low Strength (C_L)	\$11.20	\$11.09	\$11.64	\$12.22	\$12.83	\$13.47
Comm - Medium Strength (C_M)	13.81	13.82	14.51	15.24	16.00	16.80
Comm- High Strength (C_H)	17.22	17.66	18.54	19.47	20.44	21.46
Government (G)	11.20	11.09	11.64	12.22	12.83	13.47
<b>Schools</b>						
<i>Monthly charge based on number of students and staff</i>						
Elementary Students (\$ per student)	\$1.37	\$1.39	\$1.46	\$1.53	\$1.61	\$1.69
Junior High Students (\$ per student)	2.00	2.08	2.18	2.29	2.40	2.52
School Staff (\$ per staff)	2.00	2.08	2.18	2.29	2.40	2.52
<b>Wastewater Capital Improvement Charges (CIC)</b>						
<i>Monthly charge per Equivalent Dwelling Unit (EDU) billed to all active wastewater accounts.</i>						
Monthly Wastewater CIC Charges	\$11.68	\$12.66	Wastewater CIC Charges will be adjusted each January 1 based on the annual change in the Engineering News-Record Construction Cost Index for Los Angeles through February of the preceding year, subject to a maximum adjustment of 10% per year.			

The following table shows a Schedule of Equivalent Dwelling Unit (EDUs). EDUs are assigned to each account based on estimated wastewater flow and strength as detailed in Article 11, Section 11.7 of FPUD’s Administrative Code. Other than a revision to the EDU assignment for Standby Customers, no changes to the schedule are proposed.

Schedule of Equivalent Dwelling Units (EDUs)		
Class	Description	EDUs
Class 1	Single Family Residence	
	Single family residence	1.00
	Mobile home on individual parcel	1.00
Class 2	Apartment/Condominium/Attached Cottage-Mobile Home	
	Per detached cottage with bathroom and kitchen on a parcel with a single family residence	0.80
	Per mobile home on a parcel with a single family residence	0.80
	Per apartment unit	0.80
	Per condominium/duplex unit	0.80
	Accessory Dwelling Unit (As defined by State Government Code.)	0.40
Class 3	Mobile Home Park	
	Per separate mobile home space	0.80
	Motel/Hotel with no restaurant	
Class 4	Per motel/hotel with kitchen unit	0.80
Class 41	Per motel/hotel without kitchen unit	0.50
	A Separate Business, Retail Shop With Office, Or Packing House Equipped With Restroom Facilities, Or Not So Equipped But Located In A Building Or Complex With Common Restroom	
Class 5	First 3500 square feet (exterior building area) facilities	1.33
Class 55	Per additional 1000 square feet (exterior building area)	0.38
	Automotive Service Station	
Class 6	4 pumps or less	2.00
Class 61	More than 4 pumps	3.00
Class 62	Per recreational vehicle holding tank disposal station	1.00
Class 7	Church, Fraternal Lodge Or Similar Auditorium	
	Per 200 seating capacity	1.00
Class 8	Bakery	
	Per 3500 square feet (exterior building area)	1.00
Class 9	Theater	
	Per 150 seating capacity	1.33
Class 10	Hospital	
	Per bed	0.65
Class 11	Convalescent or Boarding Home	
	Per bed	0.30
Class 13	Elementary School / Daycare Per 60 Students	1.00
	Junior High School Per 40 Students	1.00
Class 17	High School Per 30 Students	1.00
Class 14	Mortuary	1.00
Class 21	Car Wash with water recovery system and public restroom	2.00
Class 23	Self Service Laundry	2.00
	Restaurants	
Class 24	Restaurant Under 2500 Square feet	3.00
Class 25	Restaurant 2501-7000 Square feet	4.00
Class 26	Restaurant Over 7000 Square feet	5.00
	Grocery Stores	
Class 32	Grocery Stores Under 2500 feet	3.00
Class 33	Grocery Stores 2501-7000 Square feet	4.00
Class 34	Grocery Stores Over 7000 Square feet	5.00
Class 88	Standby	0.70

Users whose use is not classified in the above table are considered “unclassified users.” District staff shall determine the number of equivalent dwelling units for which a permit shall be issued to an unclassified user, including but not limited to commercial and industrial users, based upon the estimated volume of wastewater to be discharged therefrom into the District’s sewer system. An unclassified user that is also an Industrial User may be required to obtain a Special Use Permit pursuant to Section 2.9 of FPUD’s Administrative Code.



For information on rebates and water conservation, visit us at [www.fpud.com/conservation](http://www.fpud.com/conservation). Our staff is available to help.

You can monitor your usage online, in real time. Our “smart meters” let you track your water use and set up leak alerts to help you catch leaks long before your bill arrives. You can get a text or an email letting you know if your water use spiked higher than usual. Or, you can log in and check how you’re doing throughout the month. It’s FREE. All you have to do is create an account: <https://fpud.watersmart.com/index.php/welcome>

## FPUD is in a Drought Level 2 Water Shortage Watch

Current drought conditions throughout the western United States are stressing regional water supplies. While regional investments in storage and supply sources have secured water supplies in the short term, continued drought conditions may lead to regional water shortages in the coming year. In March, Governor Newsom signed Executive Order N-10-22 declaring a regional drought emergency and called on Californians to voluntarily reduce water use by 20%. In response, FPUD’s board of directors declared a Drought Level 2 which encourages voluntary conservation, including:

- Avoid washing sidewalks, roadways and other hardscape with a hose.
- Use a positive shutoff nozzle when hand-watering landscapes or washing a car.
- Eliminate runoff from irrigation and reduce irrigation during cooler weather. Avoid watering after measurable rain.
- Check water systems for leaks and make repairs promptly.
- Limit spray irrigation to run between 6pm and 10am.

## Proposed Maximum Water Shortage Emergency Surcharges

FPUD is proposing to authorize a series of Water Shortage Emergency Surcharges that could be implemented to support financial stability and help ensure adequate funding for water utility operations during periods of water shortages and reduced water sales. As proposed, these rates would be temporary surcharges, billed based on metered water use, that would be levied in addition to FPUD’s regular water rates during water shortage emergencies. The proposed rates correspond with the Water Shortage Response Levels identified in FPUD’s Urban Water Management Plan. No surcharges are proposed for Level 1 and Level 2 water shortages. FPUD is currently in a Drought Level 2, due to drought conditions throughout the western United States that are stressing regional water supplies.

The proposed water shortage emergency surcharges set forth in the table below represent the maximum rate that the District may charge in each year. However, the actual rate may be lower, and will be calculated based on the maximum surcharge percentage applied to each adopted rate. For example, a commercial water customer, in 2023, at a Level 3 Water Shortage Watch, will pay a water shortage emergency surcharge of \$1.54 per Kgal (\$7.72 x 20% = \$1.54).

Proposed Maximum Water Shortage Emergency Surcharges						
	Level 1 Water Shortage Notice	Level 2 Water Shortage Watch	Level 3 Water Shortage Alert	Level 4 Water Shortage Warning	Level 5 Critical Condition	Level 6 Emergency Condition
<b>Water Reduction Target</b>	Up to 10%	Up to 20%	Up to 30%	Up to 40%	Up to 50%	> 50%
<b>Maximum Surcharge %</b>	<b>5.0%</b>	<b>12.0%</b>	<b>20.0%</b>	<b>32.0%</b>	<b>49.0%</b>	<b>74.0%</b>
<b>Proposed Maximum Surcharges (Surcharge % x Residential Tier 2) Effective on or After</b>	<i>Surcharges billed based on metered water use as measured in units of 1,000 gallons (\$/Kgal).</i>					
January 1, 2023	\$0.40	\$0.97	\$1.61	\$2.58	\$3.95	\$5.96
January 1, 2024	0.43	1.03	1.72	2.75	4.20	6.35
January 1, 2025	0.46	1.10	1.83	2.92	4.48	6.76
January 1, 2026	0.49	1.17	1.95	3.11	4.77	7.20
January 1, 2027	0.52	1.24	2.07	3.32	5.08	7.67

## Additional Information

Pursuant to California Government Code 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fees. This statute of limitations applies to the water and wastewater service charges proposed in the notice and future changes to water and wastewater rates and charges.

FPUD is committed to operating as cost-effectively as possible while providing safe and reliable service! For questions or more information about FPUD or the proposed rates, please contact us at [noelle@fpud.com](mailto:noelle@fpud.com) or visit us at [www.fpud.com](http://www.fpud.com).