

## CITY OF CORCORAN

### NOTICE OF PUBLIC HEARING REGARDING PROPOSED MODIFICATION IN WATER RATES (To comply with Proposition 218, California Constitution Article XIII D, Section 6, the City of Corcoran gives the following notice)

The Corcoran City Council will hold a public hearing to consider proposed modification and increases to water charges for water service furnished by the City, and to hear and consider objections and protests to the proposed modifications and the Report described below.

**HEARING DATE:** Tuesday, September 27, 2016, at or after 5:30 pm

**HEARING LOCATION:** City of Corcoran City Council Chambers, 1015 Chittenden Ave, Corcoran, CA 93212

**WATER RATE STUDY REPORT:** A report by IGService, dated July 6, 2016, describing details of the water rate modifications and increases and the method used to calculate the rate modifications and increases (the "Report") has been prepared, and the contents of the report submitted to the Council. The Report is on file at Corcoran City Hall, 832 Whitley Avenue, and can also be found on the City of Corcoran website.

**AMOUNT OF PROPOSED WATER RATE MODIFICATIONS FOR YOU:** The amounts of water rates (existing and proposed) are on the reverse side of this Notice as Exhibit "A".

**REASON FOR THE PROPOSED MODIFICATION OF WATER RATES:** The proposed modification of Corcoran's water rates accomplish two purposes: 1) Fixed and usage rates are adjusted such that customer charges are consistent with the cost of services provided. 2) Overall revenue is increased over four years beginning October 1, 2016, as shown in Exhibit A. Single- and multi-family costs for metered service decrease at the outset whereas the cost to other customer classes increases. The reason for the overall increase in revenue is to provide adequate operating cash to cover expenses as a result of lower water sales from the drought, and also to cover increasing operating costs. The revenue from the modified rates and charges will not be more than the funds required for the City to provide adequate water service to you and other City water customers.

**BASIS FOR PROPOSED MODIFICATIONS OF WATER RATES:** A description of how the modifications were calculated can be found in the Report on file at Corcoran City Hall and on the City of Corcoran website.

**PROCEDURE FOR HEARING AND DETERMINING MAJORITY PROTEST:** At the time stated above, the Council will hear and consider all objections and protests, if any, to the proposed water rate modifications and other matters described in the Report. The Council may continue the hearing from time to time. At the close of the hearing, if **written protests** against the proposed modified water rates are presented and not withdrawn by a majority of the record owners of the parcels that would be subject to the modified water rates, the City may not impose the modified water rates; instead, water rates would continue at their existing, previously-approved amounts. If, at the close of the protest hearing, there is no majority protest as described above, the Council may approve the water rate modifications, as proposed or as changed by the Council, to be effective commencing October 1, 2016.

**PRESERVING THE RIGHT TO CHALLENGE:** Any person who wants to preserve the opportunity to file a lawsuit challenging the proposed water rate modifications, if imposed, or other matters described in the Report **must file a written protest** with the Council, stating the specific grounds of the protest. Any grounds not stated in a **written protest** filed with the Council before the close of the protest hearing on September 27, 2016, will be deemed waived and may not be raised in any subsequent lawsuit.

**ADDITIONAL INFORMATION:** For additional inquiry about the proposed water rate proceeding, contact Soledad Ruiz-Nuñez, Finance Director, at 559-992-2151 x268, or by email, [soledad.ruiz-nunez@cityofcorcoran.org](mailto:soledad.ruiz-nunez@cityofcorcoran.org).

**HOW TO PROTEST THE PROPOSED RATE INCREASES:** All owners and tenants of property receiving City water, and interested persons are invited to attend the Public Hearing noticed above. Written protests must be received (*not postmarked*) by the City Clerk before or during the public hearing. Any protest submitted by e-mail or other electronic means will not be accepted.

The protest must be signed by the property owner(s) or tenant(s) and must include the assessor's parcel number(s) or street address(es) of all property(ies) serviced. Only one written protest per identified parcel or property will be counted for purposes of determining whether there is a majority protest.

## EXHIBIT A

### City of Corcoran Water Rates and Charges

#### Proposed Water Rates

Increases	Present Rates <sup>2</sup>	Reset <sup>1</sup>	3%	3%	2%
<b>Volumetric Rates (\$/HCF)</b>					
All Single-Family	\$1.20	\$1.56	\$1.61	\$1.66	\$1.69
Multi-Family	\$1.20	\$1.90	\$1.96	\$2.02	\$2.06
Small Commercial	\$1.20	\$1.09	\$1.12	\$1.15	\$1.17
Lg Commercial, Food Processing, Hydrants	\$1.20	\$1.97	\$2.03	\$2.09	\$2.13
CDC - Substance Abuse Treatment	\$1.20	\$1.30	\$1.34	\$1.38	\$1.41
CDC - Corcoran State Prison	\$1.20	\$1.23	\$1.27	\$1.31	\$1.34
<b>Fixed Monthly Charges for Metered Customers (\$/Mo)</b>					
All Single Family	\$44.90	\$25.00	\$26.00	\$27.00	\$28.00
Up to 1.5"	\$44.90	\$35.00	\$36.00	\$37.00	\$38.00
2", 2.5", & Hydrant	\$44.90	\$112.00	\$115.00	\$118.00	\$120.00
3"	\$44.90	\$210.00	\$216.00	\$222.00	\$226.00
4"	\$44.90	\$350.00	\$361.00	\$372.00	\$379.00
6"	\$44.90	\$700.00	\$721.00	\$743.00	\$758.00
8"	\$44.90	\$1,120.00	\$1,154.00	\$1,189.00	\$1,213.00
10"	\$44.90	\$1,610.00	\$1,658.00	\$1,708.00	\$1,742.00
CDC - Substance Abuse Treatment	\$44.90	\$17,500.00	\$18,025.00	\$18,566.00	\$18,937.00
CDC - Corcoran State Prison	\$44.90	\$25,000.00	\$25,750.00	\$26,523.00	\$27,053.00
<b>Flat Monthly Charges for Unmetered Customers (\$/Mo)</b>					
Single-Family up to 41 ft in width or 4,000 sq. ft.	\$44.90	\$44.90	\$46.00	\$47.00	\$48.00
Single-Family 41 to 50 ft in width, or 4,001 to 5,000 sq. ft.	\$50.76	\$50.76	\$52.00	\$54.00	\$55.00
Single-Family above 51 ft in width, or above 5,000 sq ft. Per added ft width or 100 sq. ft. area	\$1.05	\$1.05	\$1.08	\$1.11	\$1.13
Multi-Family, per housing unit	\$44.90	\$33.00	\$34.00	\$35.00	\$36.00
Churches	\$34.74	\$50.00	\$52.00	\$54.00	\$55.00
Corcoran Schools	\$9,436.45	\$11,300.00	\$11,639.00	\$11,988.00	\$12,228.00
<b>Notes:</b>					

1. October 1, 2016 rate changes vary by rate class. Single family and multi family are a reduction. However, the system average revenue increase, after considering the 8% increase effective February 1, 2016, is an additional 8%.

2. For present rates, the fixed monthly cost includes 600 cubic feet of water per dwelling unit. Proposed rates do not include water volume in fixed monthly cost.