

IMPORTANT INFORMATION ABOUT PROPOSED NEW WATER RATES

NOTICE OF PUBLIC HEARING ON PROPOSED WATER RATES

Notice is hereby given that the Helix Water District (the "District") will conduct a Public Hearing on Wednesday, August 17, 2011, at 2:00 p.m. in the Boardroom at its Administration Office at 7811 University Avenue, La Mesa, CA 91942, to consider the adoption of proposed water rate changes.

This legal notice contains information regarding adjustments to water rates charged for providing water service to all parcels of land within the boundaries of the District. The water rate adjustments being considered apply to water services provided beginning in September and October, and will first appear on customers' bills beginning November 2011. The District bills water service bi-monthly (every two months) for water used during the two months prior to the billing date. A water bill dated November 1 is for water used during September and October.

The District's water rate increase this year is primarily due to wholesale water purchase costs, which are expected to increase by 16.5% over the next year. The District's Operating Budget for Fiscal Year 2011-12 is increasing by 4.4%. The District has reduced staff by about 10% over the last two years to offset rising costs. Abundant local water runoff from winter rains has contributed significantly in reducing water purchase costs and lowering the proposed rate increase. Important Note: The District receives no property taxes to offset the water costs.

The District's proposed rate structure has two components: (1) **Fixed Meter Charge** (Table 1) determined by the meter size and calculated to recover a portion of the District's fixed costs of operating, maintaining, and delivering water; and (2) **Commodity Rate** (Table 2) determined by the amount of water used based on the customer classifications.

The proposed rates for the **Commodity Rate** (Table 2) are based on the following customer classifications as defined in the District's Policies and Procedures Manual (available for review at the District's Administration Office or at: www.hwd.com/about/policies.pdf).

Domestic Class (single-family residential customer) will continue to have a three tier rate structure imposing higher rates per unit of water as the level of consumption increases. The average Domestic Class customer's bi-monthly bill of 24 units will increase by approximately 5.9% or \$6.46 (Tables 3 & 4).

Government, Commercial, Multi-Family Classes (Tables 2 & 4) will continue to have a single tier.

Irrigation Class (Tables 2 & 4) will be billed based on water budgets assigned by square footage of irrigated area and plant type. This class will have three tiers. The first tier will fully recover the cost of service to the Irrigation Class. Irrigation Class rates for tiers 2 and 3 will be billed as conservation charges (Table 2). (For details, see: www.hwd.com/conserves/budgets.htm) Domestic Class customers with an irrigation meter installed prior to June 3, 2009, pay the Domestic Class rate for the irrigation meter water usage after September 1, 2011.

Water-Bill Estimator: To find the increase in an individual bill, see the water-bill estimator at www.hwd.com/estimator/

Table #1

Bi-Monthly Meter Charge			
Meter Size	Current	Proposed	Increase
5/8"	\$40.10	\$40.10	0
3/4"	\$40.10	\$40.10	0
1"	\$78.44	\$78.44	0
1 1/2"	\$149.42	\$149.42	0
2"	\$234.60	\$234.60	0
3"	\$433.36	\$433.36	0
4"	\$717.30	\$717.30	0
6"	\$1,427.15	\$1,427.15	0
8"	\$2,278.96	\$2,278.96	0

Table #2

Commodity Rate				
Tier	Units*	Current Cost Per Unit	Proposed Cost Per Unit	Increased Cost Per Unit
Domestic Class Commodity Rate				
1	0 - 10	\$2.36	\$2.74	\$0.38
2	11 - 30	\$3.28	\$3.47	\$0.19
3	31+	\$4.36	\$4.65	\$0.29
Government, Commercial, Multi-Family Classes Commodity Rate				
	All Use	\$3.28	\$3.47	\$0.19
Irrigation Class Commodity Rate				
1	100% of Budget	\$3.28	\$3.47	\$0.19
2	100-120% of Budget	\$4.92	\$5.21	\$0.29
3	120% + of Budget	\$6.56	\$6.94	\$0.38

*1 unit = 100 cubic feet (HCF) = 748 gallons

The District will accept written comments or protests prior to conclusion of the Public Hearing. Any property owner or any tenant directly responsible for the payment of water service fees (i.e., a customer of record) may submit a written protest to the proposed rate increases; however, only one protest will be counted per identified parcel. Any written protest must: (1) state that the identified property owner or customer of record is opposed to the proposed water rate increases; (2) provide the location of the identified parcel (by assessor's parcel number or street address); and (3) include the name and signature of the property owner or customer of record submitting the protest. Written protests may be submitted by U.S. mail or in person to the Board Secretary, 7811 University Avenue, La Mesa, CA 91942, or at the Public Hearing provided they are received prior to the conclusion of the public comment portion of the Public Hearing. Any protest submitted via e-mail or other electronic means will not be accepted as a qualified formal protest. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the Board Secretary, Attn: Public Hearing on Proposed Water Rate Increases.

The Board of Directors will hear and consider all written and oral protests to the proposed changes to the rate structure and rate increases at the Public Hearing. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. Upon the conclusion of the Public Hearing, the Board of Directors will consider adoption of the rate increases to the District's water service fees as described herein. If a majority of the affected property owners file written protests, the proposed rate structure and increases will be reconsidered.

If you have any questions regarding this notice, please contact the District at (619) 466-0585 or visit our website at www.hwd.com.

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Table #3

Example of an Average Domestic Class Bi-Monthly Water Bill			
<i>(3/4" meter consuming 24 units of water for a 2-month period)*</i>			
	Current	Proposed	Increase
Fixed Base Charge	\$40.10	\$40.10	0
Commodity Rate			
First 10 Units	23.60	27.40	3.80
Next 14 Units	45.92	48.58	2.66
Total Bi-Monthly Bill	\$109.62	\$116.08	\$6.46

* Additional information on costs for different levels of water use is available on the web at: www.hwd.com/estimator/

** 1 unit = 100 cubic feet (HCF) = 748 gallons

If you have questions about the proposed water rates and water supply levels, please call (619) 466-0585.

Para información en Español, llámenos al (619) 466-0585.

Table #4

Helix Water District - Sample Bill Calculations FY 2011-12							
Domestic Class							
Proposed FY 2011-12							
Use HCF	Commodity Rate	Commodity Charge	Meter Charge	Total Bill	Change \$	Change %	
5	\$2.74	\$13.70	\$40.10	\$53.80	\$1.90	3.7%	
10		\$27.40	\$40.10	\$67.50	\$3.80	6.0%	
15	\$3.47	\$44.75	\$40.10	\$84.85	\$4.75	5.9%	
24		\$75.98	\$40.10	\$116.08	\$6.46	5.9%	
30		\$96.80	\$40.10	\$136.90	\$7.60	5.9%	
35	\$4.65	\$120.05	\$40.10	\$160.15	\$9.05	6.0%	
50		\$189.80	\$40.10	\$229.90	\$13.40	6.2%	
100		\$422.30	\$40.10	\$462.40	\$27.90	6.4%	
200		\$887.30	\$40.10	\$927.40	\$56.90	6.5%	
250		\$1,119.80	\$40.10	\$1,159.90	\$71.40	6.6%	
Multi-Family, Commercial and Government Class							
Proposed FY 2011-12							
Use HCF	Commodity Rate	Commodity Charge	Meter Charge	Total Bill	Change \$	Change %	
60	\$3.47	\$208.20	\$78.44	\$286.64	\$11.40	4%	
Irrigation Class							
Proposed FY 2011-12							
Use HCF	% of Budget	Commodity Rate	Commodity Charge	Meter Charge	Total Bill	Change \$	Change %
60	41%	\$3.47	\$208.20	\$234.60	\$442.80	\$11.40	3%
160	108%	\$5.21	\$576.08	\$234.60	\$810.68	\$31.60	4%
180	122%	\$6.94	\$683.74	\$234.60	\$918.34	\$37.58	4%

Helix Water District
7811 University Ave.
La Mesa, CA 91942

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**Notice of Public Hearing
on Water Rate Increases**

Wednesday, August 17, 2011
2:00 p.m.

Helix Water District Boardroom
7811 University Avenue
La Mesa, CA 91942



Helix Water District

Setting Standards of Excellence in Public Service

For More Information,
please call (619) 466-0585
Or visit our website: www.hwd.com