



NOTICE OF PUBLIC HEARING

To Consider Rimforest Water Rates Corrections

OWNER OR CUSTOMER OF RECORD

Notice is hereby given that the Board of Directors (“Board”) of the Lake Arrowhead Community Services District (“LACSD” or “District”) will conduct a public hearing on January 12, 2016 at 5:30 PM, in the Blue Jay Board Room, 27307 State Highway 189, Suite 104, Blue Jay, CA 92317, at a regularly held meeting, to consider adopting corrections to the rates for its water service fees in Rimforest.

REASONS FOR THE PROPOSED RATE CORRECTIONS

In October, 2014, LACSD began providing water service to the community of Rimforest. The rates for Rimforest had been previously set by the City of Big Bear Lake, Department of Water and Power (“BBL DWP”) through July, 2017. LACSD is not making any changes to those rates but is correcting a misprint from a previous notice. The printed fixed monthly rate for the residential 1” meter with fire suppression was switched with the 1 ½” meter rate. This correction only affects 4 customers in Rimforest. All other rates are unaffected and are not proposed to be revised at this time.

BBL DWP performed an in-depth analysis of revenue requirements necessary to cover the costs to: (1) operate and maintain the water system; (2) provide adequate funding to meet debt obligations and the associated covenants; and (3) provide funding for required capital improvements. Further details regarding the bases and reasons for the adopted rates are available at BBL DWP’s office located at 41972 Garstin Drive, Big Bear Lake, CA 92315 and may be reviewed there by any interested person. They are also available on BBL DWP’s website at www.bbldwp.com.

Water System Projects

Revenues from water service fees pay for repairing, replacing and upgrading current infrastructure and for delivering water. LACSD recently completed the replacement of all the water meters in Rimforest and the rehabilitation of the water tank. Future projects include further repairs to the water tank and improvements to the access road.

PROPOSED WATER RATE INCREASES

The rates for the District’s water service fees within Rimforest have two components: (1) a fixed monthly charge; and (2) a variable volumetric (water consumption-based) charge. The rates for the fixed monthly charge are established on the basis of the size of the meter at the property receiving water service and are calculated to recover a significant portion of the District’s fixed costs, such as water facilities repairs and replacements, meter reading, billing, and customer service. The volumetric charge consists of a uniform rate per billing unit and is based upon the costs to deliver water to Rimforest customers, including the costs of purchasing water from the Crestline-Lake Arrowhead Water Agency (“CLAWA”), and other fixed costs which are not recovered through the fixed monthly charge. One unit of water equals one hundred cubic feet (“CCF”) or approximately 748 gallons. Together, all these components are calculated to recover the proportionate cost of providing water service attributable to parcels within Rimforest. The current and corrected rates are set forth in the table below.

These rates set forth in the table below represent the maximum rates for the year. The rates for the fixed monthly charge for the one inch and one and one half inch meters highlighted in the table below are the only rates proposed to be revised as a result of the corrections discussed above. All other rates within the Rimforest service area that were previously approved by the Board of Directors, and set forth in the table below, shall remain in effect. The board may determine to adopt rates at a lesser amount but not higher. **These corrected rates are approved to go into effect automatically for services provided on or after February 1, 2016, July 1, 2016 and July 1, 2017, respectively, with no additional required action or notice.**



NOTICE OF PUBLIC HEARING

To Consider Rimforest Water Rates Corrections

Rimforest

Monthly Fixed Fee (\$/Month)		Corrected	Corrected	Corrected
Meter Size	Current	Feb 1, 2016	Jul 1, 2016	Jul 1, 2017
3/4" or smaller	\$ 47.80	\$ 47.80	\$ 48.75	\$ 49.73
1" Res w/Fire Meter	\$ 109.83	\$ 54.48	\$ 55.57	\$ 56.69
1"	\$ 87.17	\$ 87.17	\$ 88.92	\$ 90.70
1 1/2"	\$ 54.48	\$ 109.83	\$ 112.03	\$ 114.27
2"	\$ 140.90	\$ 140.90	\$ 143.72	\$ 146.60
3"	\$ 233.04	\$ 233.04	\$ 237.70	\$ 242.46
4"	\$ 309.43	\$ 309.43	\$ 315.62	\$ 321.93
6"	\$ 509.78	\$ 509.78	\$ 519.97	\$ 530.37
4" Fire Meter	\$ 10.50	\$ 10.50	\$ 10.71	\$ 10.92
6" Fire Meter	\$ 15.75	\$ 15.75	\$ 16.07	\$ 16.39
8" Fire Meter	\$ 21.01	\$ 21.01	\$ 21.43	\$ 21.85

Rimforest Volume Charge (\$/CCF)

\$ per Billing Unit ¹		Corrected	Corrected	Corrected
Description	Current	Feb 1, 2016	Jul 1, 2016	Jul 1, 2017
Volume Fee	\$ 2.36	\$ 2.36	\$ 2.41	\$ 2.46
CLAWA Pass Thru ²	\$ 2.64	\$ 2.64	\$ 2.64	\$ 2.64

¹One Billing Unit is One Hundred Cubic Feet or 748 gallons.

²These fees are subject to change (excludes dedicated fire suppression meters)

PUBLIC HEARING

Any record owner of a parcel upon which the Rimforest water service charges are proposed to be imposed or any tenant directly responsible for the payment of Rimforest water service fees (i.e., a customer of record who is not a property owner) may submit a written protest to the proposed corrections to the rates for the District's Rimforest water service fees; provided, however, only one protest will be counted per identified parcel. Each protest must: (1) be in writing; (2) state whether the protest is submitted in opposition to the rate corrections to the Rimforest water service fees; (3) provide the location of the identified parcel (by service address or assessor's parcel number); and (4) include the name and signature of the person submitting the written protest. Written protests may be submitted by mail to: Board of Directors, Lake Arrowhead Community Services District, P.O. Box 700, Lake Arrowhead, CA 92352. Written protests may also be submitted in person at the District's office at 27307 State Highway 189, Blue Jay, CA 92317 or at the public hearing (see date, time and location above). All written protests must be received prior to the conclusion of the public input portion of the Public Hearing. Any protest submitted via e-mail or other electronic means will not be accepted as a formal written protest. Please identify on the front of the envelope for any protest, whether mailed or submitted in person, Attn: Public Hearing on the Proposed Correction to Rimforest Water Rates.

The Board of Directors has reviewed the current Rimforest water rate structures and determined that rate corrections are necessary to recover sufficient revenues to operate and maintain the District's water system in Rimforest. The proposed rate structure for the Rimforest water service fees will provide revenues that (1) recover costs reasonably borne in providing the services; (2) are equitable to all customer classes; and (3) are proportionate to the cost of the service attributable to the parcels within each customer class.

The Board will consider all written protests submitted and hear and consider all public comments made at the public hearing. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. At the conclusion of the public hearing, the Board of Directors will determine whether to adopt the proposed rate corrections to the Rimforest water service fees. If, after the close of the public hearing, written protests against any of the proposed rate corrections as outlined above are not presented by a majority of the record owners of the identified parcels upon which they are proposed to be imposed and customers of record, the Board of Directors will be authorized to impose the rate corrections. If adopted, the corrections for the Rimforest water service fees are proposed to be effective for services provided on or after February 1, 2016, July 1, 2016 and July 1, 2017. For more information please visit lakearrowheadcsd.com.