

Westport County Water District

*P.O. Box 55
Westport, CA. 95488*

NOTICE OF PASSAGE OF THE WESTPORT COUNTY WATER DISTRICT'S 5-YEAR BUDGET AND RATE SCHEDULE FOR YEARS 2024-2028

Dear Westport County Water District Customers,

January 22, 2024

We are providing this notice to let you know that, following the public hearings held on December 7, 2023 and January 11, 2024, the WCWD Board of Directors on January 11, 2024, unanimously approved the 5-year budget and rate schedule it had proposed on September 20 and October 23, 2023. The new rates will be effective on March 1, 2024. Commencing with the March 1, 2024 invoice, the monthly rates for combined water and sewer service, currently \$214 for residential customers and \$336 for commercial customers, will be as follows for the next 5 years:

	Residential	Commercial	% Increase
2024	\$225	\$353	5%
2025	\$236	\$371	5%
2026	\$245	\$386	4%
2027	\$255	\$401	4%
2028	\$265	\$417	4%

Also commencing with the March 1, 2024 invoice, the fee for water use in excess of the monthly allotment (6,000 gallons for residential customers and 12,000 gallons for commercial customers) will increase from \$.006 per gallon to \$.01 per gallon.

As rate payers ourselves, the WCWD Board is aware of the effect of rate increases on household budgets. We did not want to raise our rates at all but felt we had to do so to meet our rising expenses. As Board members, we have a fiduciary responsibility to run and maintain the quality of our water and sewer systems, because the health and welfare of those who live within the district are dependent on the health and welfare of those systems.

Our rates reflect the true cost of operating and maintaining the WCWD water and sewer systems. As part of our analysis in preparing our 5-year budget,

the Board and WCWD staff studied the WCWD's historical expenses and revenues over the years 2016-2023. We determined that the WCWD's revenues barely covered its expenses, and in one year (2021) the district actually operated in the red by over \$11,000. We determined that the WCWD's expenses had risen substantially from 2016 to 2023, and that extraordinarily high U.S. inflation between 2022-2023 (8.7%) had accelerated the issue, particularly because the Board had elected not to raise rates at all between 2021 and 2022 during the pandemic, even though it had been authorized to raise rates in those years under the prior 5-year budget enacted in 2017.

In addition to examining rising costs, the Board was also mindful of various financial needs that will have to be addressed in the near future. The District has never established an emergency fund to cover surprise expenses and catastrophic events. With aging equipment – most of our system has not been replaced or upgraded since it was first installed in 1978 – our maintenance costs have gone up substantially and the need to prepare for emergency repairs and maintenance is only going to continue to increase. The District has not provided cost of living raises to any of its employees since before the last budget was enacted in 2017. (Board members are unpaid volunteers.)

We want you to know too that the WCWD has worked very hard in the past year to generate additional income streams for the District to enable us to keep our rates as low as possible. We took the steps necessary to ensure that Westport qualified as an economically "Disadvantaged Community" under California regulations, making us eligible for grant funding (rather than interest-bearing loans) to update and replace our 45-year-old equipment and infrastructure. This means that the WCWD can undertake significant capital improvement projects without cost to the District or its customers. We also established eligibility under a new state-sponsored program to enable qualified customers who are delinquent in paying their water/sewer bills to come current.

We encourage all interested parties, both within the Water District and in the larger community, to attend WCWD Board meetings. Regular meetings are held on the second Thursday of each month at 7 pm, at the Westport Firehouse and/or via zoom. Our next meeting will be on February 8, 2024. We welcome your attendance!

With thanks,

Board of Directors Westport County Water District

Lee Tepper (Chairman)
Gary Weiss
Carla Thomas