



Del Paso Manor Water District
1817 Maryal Drive, Suite 300
Sacramento, California 95864

NOTICE OF POLICY 3240 ESTABLISHING A PROCEDURE FOR RATEPAYER OBJECTIONS TO PROPOSED WATER RATES

On December 19, 2022 the Del Paso Manor Water District ("DPMWD") Board of Directors ("Board") adopted Policy 3240, establishing a procedure for ratepayer objections to proposed water rates, ("Policy 3240") which took effect on January 18, 2023. The purpose of this notice is to make ratepayers aware of Policy 3240, to explain what the ordinance does, and to inform ratepayers about how they can participate in Policy 3240's objection process.

A hard copy of the ordinance is available for viewing during business hours at Del Paso Manor Water District, located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864.

Information on the proposed water rates can be found on the District's website at <https://www.delpasomanorwd.org/2023-rate-study>

Purpose of Policy 3240:

The purpose of Policy 3240 is to provide a meaningful opportunity for a ratepayer to make and resolve an objection to a proposed water rate before resorting to litigation after the new rate is approved. This ordinance is intended to create an exhaustion of administrative remedies procedure in order for ratepayers to bring an objection regarding a proposed water rate to the District board of directors' attention during the rate consideration process, and to provide an opportunity for the District to address or resolve the objection(s) before the District Board of Directors makes a final decision on whether to adopt a proposed water rate.

Policy 3240 requires a rate challenger to exhaust his or her administrative remedies by complying with the ordinance prior to filing any lawsuit alleging that the District's new water service rates violate Proposition 218 or other applicable law.

Overview of Exhaustion Procedure Created By Policy 3240:

The exhaustion procedure includes the following chronological steps and will run concurrently with the Proposition 218 process governing water rate changes proposed for fiscal years 2023-24 through 2027-28:

1. District board directs staff to send notice of the start of the exhaustion procedure to record owners or customers of record.

Notice was sent on or about August 1, 2023.

2. Ratepayers have no less than 40 calendar days to submit to the District written objections to the proposed rate.

Written objections must be submitted to the District by September 11, 2023 in accordance with the procedures detailed below.

3. District staff will review timely submitted written objections and draft a written response to the written objections. District staff will then present its findings and written responses to the District board for review.

The District board will determine whether action is needed in response to the written objections and staff responses or findings.

4. A summary of written objections and staff response will be presented prior to the start of a Proposition 218 protest hearing and prior to a final determination by the District board regarding whether to approve the proposed water rate.

District staff will present a summary of findings and written responses at a special District board meeting on September 13, 2023.

The purpose of this notice is to comply with step one (above) and to notify District ratepayers about the start of the exhaustion procedure for the District's rate change initiated by public release of the new rate study at the District's July 17, 2023 Board of Directors meeting.

How Ratepayers Can Submit Written Objections:

Ratepayers can submit a written objection to the proposed water rates by complying with the following process. **The deadline for a ratepayer to submit a written objection is September 11, 2023.**

Ratepayers who wish to submit an objection regarding the proposed water rate must do so in writing and specify that the objection is submitted as part of the exhaustion procedure or in accordance with the exhaustion ordinance.

All written objections shall (1) state the specific grounds for concern with a proposed water rate and (2) include a desired resolution or outcome. If the nature of the dispute is vague or unclear, the District may request clarification. Objections shall include the name, phone number, street address, and e-mail address (if applicable) and preferred method of communication with the objecting ratepayer (also referred to as "objector").

An objection template is available for ratepayer convenience. Templates can be found online at the District website (www.delpasomanorwd.org) or are available for pickup at the District Office.

Any objection must be received by the District before the close of business on September 11, 2023. A postmark will not be considered as sufficient. Verbal objections or written objections that are not received by the deadline specified in the exhaustion notice may be considered by the District board with an offer of proof of extraordinary circumstances. The District board has sole discretion to determine whether to consider those untimely objections.

Objections must be submitted in writing by mail, or hand delivery to the respective addresses below.

Mailing Address:

Del Paso Manor Water District
1817 Maryal Drive, Ste 300
Sacramento, CA 95864

Hand Delivery Location:

Del Paso Manor Water District
1817 Maryal Drive, Ste 300
Sacramento, CA 95864

Does a Written Protest Submitted in Compliance With Proposition 218 Also Satisfy the Requirements of Policy 3240's Exhaustion Procedure?

No, these are two separate processes that each require separate action to participate.

Please note: The exhaustion procedure is separate from the Proposition 218 protest hearing. To participate in the exhaustion procedure, a written objection must indicate it is submitted as an objection in accordance with the exhaustion ordinance. Ratepayers who wish to submit a written protest for the Proposition 218 protest hearing must follow separate directions provided in the Proposition 218 notice letter, which was mailed to property owners or customers of record on August 1, 2023.

What Happens After Staff Presents Written Responses?

The District board, in exercising its discretion, shall determine whether further review is needed, whether the input gathered from written objections and the staff response warrant amendments to the proposed water rate, or whether to proceed to the Proposition 218 protest hearing.

As previously noticed, the Proposition 218 Protest hearing will take place at the District's Board of Directors meeting at 6:00 PM on September 18, 2023. The meeting will be held at El Camino Fundamental High School Gymnasium located at 4300 El Camino Avenue, Sacramento 95821.

Questions?

If you have any questions regarding this notice, please call the District Office at (916) 487-0419.