



Ken & Rich

Third-Party Consultant to Conduct Cost of Service Analysis

As you know, we had a Prop 218 notification for proposed rate increases earlier this year. We were unable to move forward with the needed rate increases due to a majority opposition from our customers. The rate increase was necessary because our costs to provide your drinking water has exceeded our revenues.

- **Revenue declined due to the drought and reduced water sales.** In response to the drought and the need to meet the State's water conservation mandates, customers reduced their overall water use. As a result, we experienced a significant decline in water sales which is our primary source of revenue.
- **Expenses increased to cover water costs.** While our revenue decreased, our expenses increased to meet regulatory testing and compliance, unfunded liabilities and higher numbers of leak repairs.

Our last customer rate increase was six years ago. With our expenses exceeding revenue, we need an appropriate rate structure to ensure financially sound, stable operations now and in the future. That's why we recently engaged Bartle Wells, a third-party consultant, to conduct a cost of service analysis for a new rate proposal.

Bartle Wells is an independent financial advisor to water and wastewater public agencies. We will work with the consultant to determine the District's cost of service for operations and maintenance. This analysis will help establish the customer rate structure we need for operations over the next three to five years.

DID YOU KNOW
our primary source of revenue comes from customer water rates?
We use this revenue to cover our costs to ensure your safe, reliable, high-quality drinking water and water for fire protection.

You're Invited!

We will offer several opportunities for customers to participate in the cost-of-service analysis process. The first step involves us developing guiding principles. We will use the guiding principles to compare rate alternatives and help identify the best rate options for consideration. We will host a workshop prior to setting any rates and additional workshops where you can learn more about our operations, financial challenges and proposed solutions to sustain your services.

We will keep you informed about upcoming workshops and welcome your participation. This is your opportunity to learn more and share your input!



Ken's Tips to Winterize Your Pipes

With the chill in the air, now's the time to winterize your home. Follow these easy steps to protect your pipes and irrigation system against freezing and potential breaks.

- Wrap exposed pipes with insulation
- Turn off isolation valves to the sprinkler system
- Cover sprinkler valves with a plastic tub, box or towel
- Detach hoses from faucets

Questions? Contact us! We're happy to help!

Notice of Vacant Board Position

Deadline for submission: December 18, 2017 by 10:30 a.m.

Michael Clohossey recently resigned his service as a Del Paso Manor Water District Board Member. We are thankful to him for his service and contributions as a Director.

The Del Paso Manor Water District Board of Directors is seeking letters of interest and resumes to fill the vacant Director position. Please visit our website for the complete notice.

Interested applicants must be registered voters and live in the Del Manor Water District service area. If you qualify and wish to apply, please submit your letter of interest and resume with a brief summary of your interest, qualifications and background to:

Debra Sedwick, General Manager
Del Paso Manor Water District
1817 Maryal Drive, Suite 300
Sacramento, CA 95864

We must receive your letter of interest and resume no later than December 18 at 10:30 a.m. The appointment of the new Director will occur by January 9, 2018.

About Our Board and Governance

A five-member Board of Directors, elected by registered voters who live within the District, govern Del Paso Manor Water District. The Board of Directors set policy direction that the Del Paso Manor Water District General Manager administers.

The Board meets on the first Monday of the month at 7:30 p.m. at our office. All Board meetings are open to customers and the public. We welcome your participation!

News Ways to Connect with You!

We're collecting customer email addresses and phone numbers to establish another efficient, cost effective approach to share information. Please contact our office to share your phone number and sign up to receive information through email. Or, if you prefer, you can also share your email address and phone number on the back of your payment receipt. Thank you!

Stay Informed And Engage With Us



delpasomanorwd.org



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Lori