

**Notice to Property Owners: Proposed Rate Actions by
County of San Bernardino, Special Districts Department,
Water and Sanitation Division, County Service Area 70,
Zone J (District)**

The County of San Bernardino Board of Supervisors (Board), acting as the governing body of the District, is considering an increase in water rates for all classes of users, effective Fiscal Year 2011/12. The Board will make its decision following a public hearing to be held Tuesday, June 7, 2011 at 10:00 a.m. at the County Government Center, 385 North Arrowhead Avenue, Board Chambers First Floor in San Bernardino, California.

The proposed increase in water rates applies uniformly to residential and commercial customer classes, as outlined below. Please note that water bills will continue to be sent bi-monthly.

Rates are reviewed and recalculated annually using an intensive review process that includes use of projection models and interface with Operations, Administration and Engineering professionals. Factors to be considered include level of revenue needed to fund current plans for future infrastructure (repair and replacement); cover cash flow needs; provide reserve requirements; cover anticipated operating costs; and ensure continued system integrity and service delivery. District's 10.5% increase to consumption and meter charges are a continuation of planned increases phased over several years; these projected increases were presented to the Oak Hills community at last year's budget presentations. During growth of the Oak Hills community prior to fiscal year 2007/08, reserve balances grew from a combination of new connection fees and surplus of operating revenues over expenditures, which allowed further contributions to reserves. During these years nominal rate increases were implemented, such as 1% and 2% per year, while major expenditure types, including cost of water produced in excess of free pumping allowance, were beginning to experience rapid growth. This disparity resulting in an operating deficit was addressed with an initial across the board 4% increase in 2009/10, accompanied by in-depth planning and restructuring of consumption tiers. This fiscal year's recommended increase along with stringent spending controls already in place will allow the District to continue moving forward, approaching a revenue stream that will once more provide full cost coverage and appropriate reserve level maintenance.

WATER

Facility Charge by Meter Size	2010/2011 Monthly Fee	2011/2012 Monthly Fee	
¾" meter	\$18.29	\$20.21	
1" meter	\$23.60	\$26.08	
1 ½" meter	\$36.50	\$40.03	
2" meter	\$50.48	\$55.78	
3" meter	\$82.08	\$90.70	
4" meter	\$123.18	\$136.11	
6" meter	\$221.92	\$245.22	
8" meter	\$325.20	\$359.35	
2010/2011		2011/2012	
Bi-Monthly Consumption	Bi-Monthly Fee	Bi-Monthly Consumption	Bi-Monthly Fee
0 – 14 hcf*	\$1.65	0 – 14 hcf*	\$1.82
>14 – 72 hcf*	\$1.89	>14 – 72 hcf*	\$2.09
>72 – 108 hcf*	\$2.48	>72 – 108 hcf*	\$2.74
>108 – 144 hcf*	\$2.60	>108 – 144 hcf*	\$2.87
>144 – 180 hcf*	\$2.73	>144 – 180 hcf*	\$3.02
>180 hcf* and above	\$2.87	>180 hcf* and above	\$3.17

*hcf = 100 cubic feet of water or 748 gallons of water

The Public Hearing

The public hearing will be held at the **Board's regular meeting of Tuesday, June 7, 2011, at 10:00 a.m. at the County Government Center, 385 North Arrowhead Avenue, Board Chambers First**

Floor in San Bernardino, California. At the hearing, the Board proposes to adopt a resolution that establishes water increases and the charges as outlined above.

Customers may respond to proposed rate increases prior to the public hearing by filing a written protest. A valid protest must contain a description of the property (address or Assessors Parcel Number) sufficient to identify the property, the signature of the property owner of record, or written evidence that the signer is the owner if he or she is not named on the last tax roll.

Protests can be mailed or personally delivered to: the Special Districts Department, Water and Sanitation Division at 12402 Industrial Boulevard, Building D, Suite 6, Victorville, California 92395. All protests must be received by the District by 5:00 p.m. on June 6, 2011, or it must be presented at the Board meeting on June 7, 2011, prior to the close of the public hearing on the matter. If a majority of affected property owners file written protests, the proposed rate changes will not be put into effect. Note that no more than one protest per parcel may be submitted.

A Word About Your Water Bill

Please note that in the District's water rate structure, the strongest impact on your water bill is the amount of water you use each day. You have the final say in lowering your bill by simply lowering the amount of water you use. District staff is available to speak with you about your specific water conservation needs.

For further questions, please call (800) 554-0565 or (760) 955-9885.

NOTE: *This notice was mailed using current billing records. You may receive more than one copy if you own multiple properties or own property under more than one name. We regret any inconvenience.*