

# Alameda County Water District

## Proposed 2025 & 2026 Rates and Charges

Community Meeting  
January 28 & 30, 2025

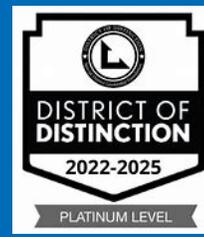
Ed Stevenson, General Manager  
Jonathan Wunderlich, Director of Finance & Administration

# Presentation Overview

- About ACWD
- Rate Setting Process
- Why are Rate Increases Necessary?
- What is ACWD Doing to be Efficient and Control Costs?
- Budget Overview
- Proposed Water Rates & Charges
- How Can I Save Money?
  - Customer Assistance Program: “Help On Tap”
  - Conservation Programs
- How Can I Learn More?



# About ACWD



- Public agency
  - Formed by voters of Washington Township (Tri-City)
    - We work for you – not corporate shareholders
  - We make no profit
    - You pay only the cost of services provided
  - Independent Special District – not affiliated with Alameda County, any city, or other agency
- Highly capitalized
  - Build, operate, maintain, and renew our own infrastructure solely to serve you
- Part of Statewide and Regional Water Systems
  - State Water Project
  - San Francisco Regional Water System



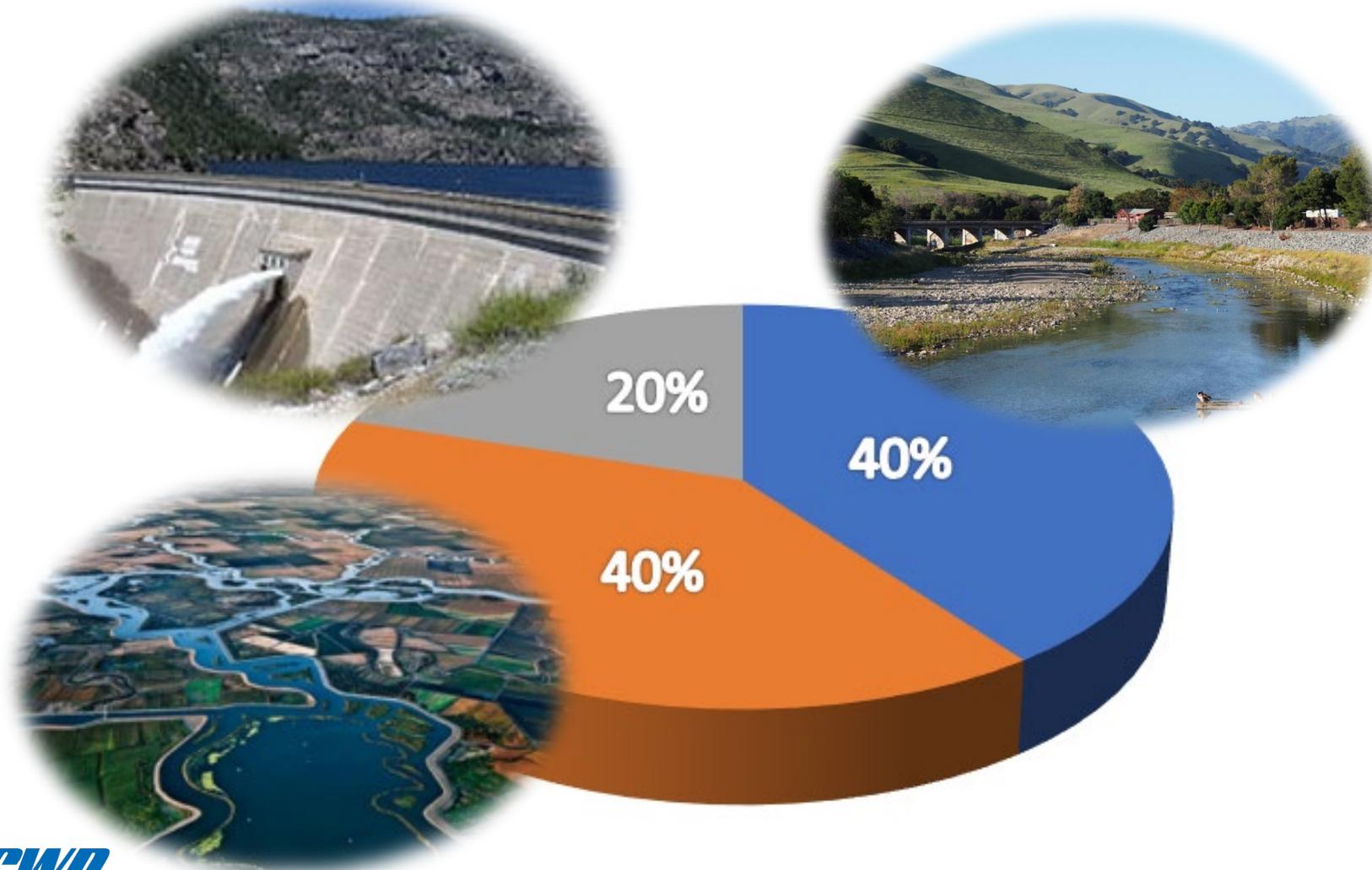
# About ACWD

- Founded 1914
- ~342,000 population served
- ~87,000 service connections
- 916 miles of pipelines
- 460 acres of water recharge ponds
- 3 water production facilities
- 13 reservoirs & storage tanks
- 83 million gallons of water storage
- 31 regulator & booster stations
- 9,200 fire hydrants
- 242 budgeted positions
- 24x7x365 operations

*It is the mission of the Alameda County Water District to provide a reliable supply of high-quality water at a reasonable price to our customers.*



# Your Water Sources – Diversified Portfolio



## Typical Water Supplies

- Alameda Creek Watershed (local)
- State Water Project (imported)
- San Francisco PUC (imported)

# ACWD Rate Setting Process

Held 5 public financial workshops  
May 2024 to September 2024

Updated our long-range expenditure forecasts and modeling

Analyzed water demand and projected revenues

Calculated rate increase needed to meet the cost of service

Evaluated rate structure options

**Open and Public Process structured to maximize public access, engagement, and input**

# Why Are Rate Increases Necessary?

## Multiple factors create pressure on rates:

- **Capital projects** – fund significant water supply, water quality, and system reliability initiatives, such as Delta Conveyance, PFAS treatment, pipeline renewal projects, and reservoir improvements
- Ensure ACWD can withstand financial pressures that could result from **increased regulation** of water supply sources and mitigation of contaminants of emerging concern
- **Increasing costs** for water purchases from San Francisco Public Utilities Commission, other utilities, and general inflation.
- **Meeting debt covenants** and **maintaining sufficient reserves** and ACWD's excellent AAA bond rating

# Examples of Capital Projects Funded by Rate Dollars



# What is ACWD Doing to be Efficient and Control Costs?

- **Long-Standing Practices**

- Managing diverse water supplies to maximize use of lowest-cost water from diverse supplies.
  - PFAS treatment facility enables optimization of purchases from its most expensive sources
- Refinancing existing debt to lower debt service costs
- Partnering with other agencies, joint projects to reduce costs and community impacts
- Teaming with other agencies to secure lower prices on necessary chemicals

- **Current and New Initiatives**

- Advanced Metering Infrastructure
  - Better customer tools to track and manage water use
  - Improved metering accuracy & long-term cost reductions and operational savings
- Increasing energy efficiency
  - Solar Program, Microgrids, Pumping equipment upgrades to reduce operating and maintenance costs
- Lowering vehicle fleet costs by transitioning to a leasing program and reducing the number of vehicles in our fleet
- Reducing permanent staffing from 244 to 242 budgeted positions



# What is ACWD Doing to be Efficient and Control Costs?

## Leveraging grants & external funding:

- Securing grants and reimbursements
  - Estimated to receive \$19 million in the current and next two fiscal years for critical projects, including groundwater infrastructure and seismic improvements to underground pipes
- Maintaining excellent bond ratings and plan to strategically use debt for a share of the capital project costs to help manage cash flow and spread costs out over time
  - Issue new debt in 2025 and potential refinancing of existing debt to achieve savings



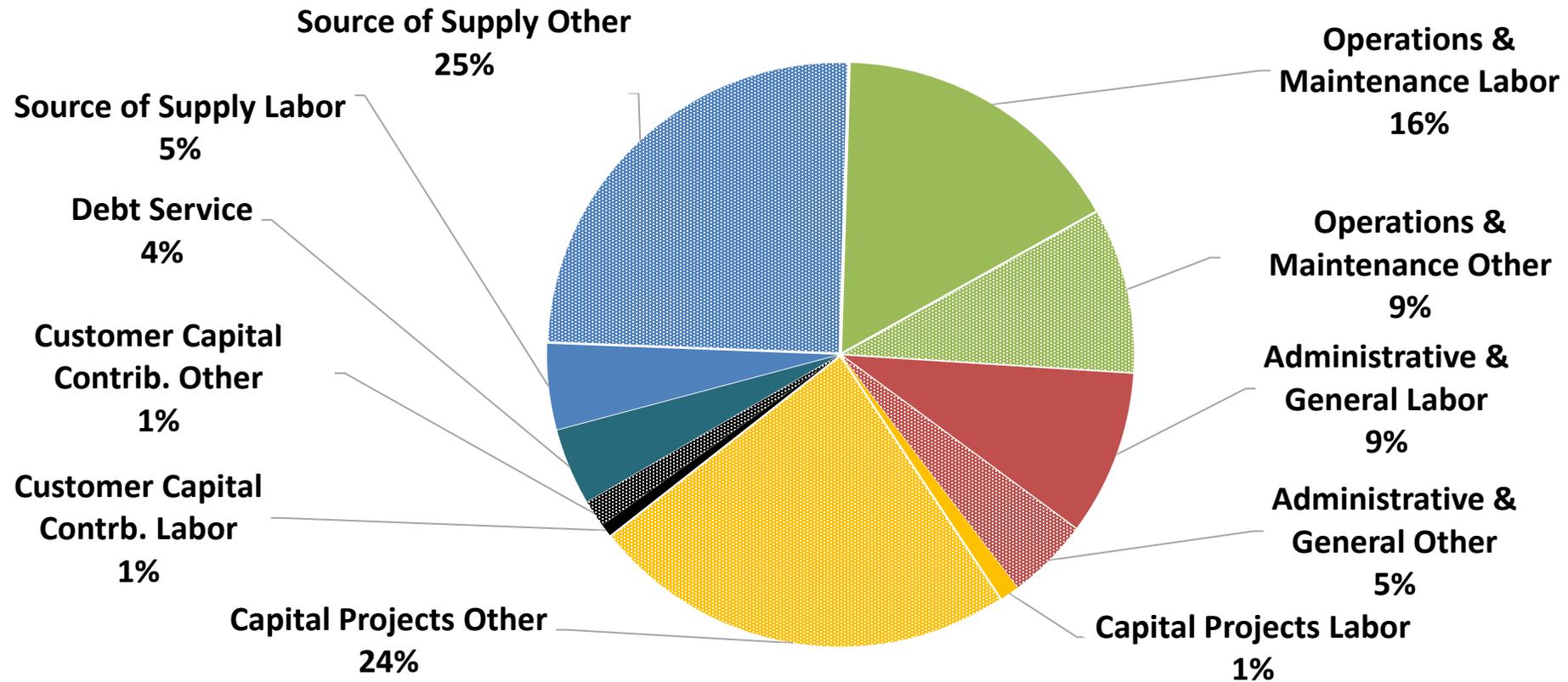
FEMA



# General Fund Expenses

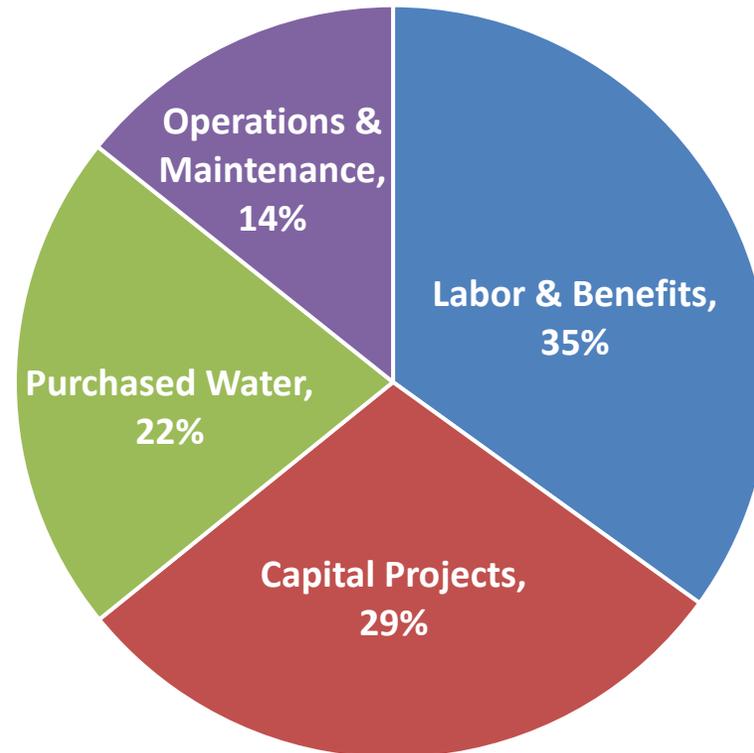
## FY 2024/25 Amended Budget

FY 2024/25 Amended General Fund Budget  
\$186.1 million



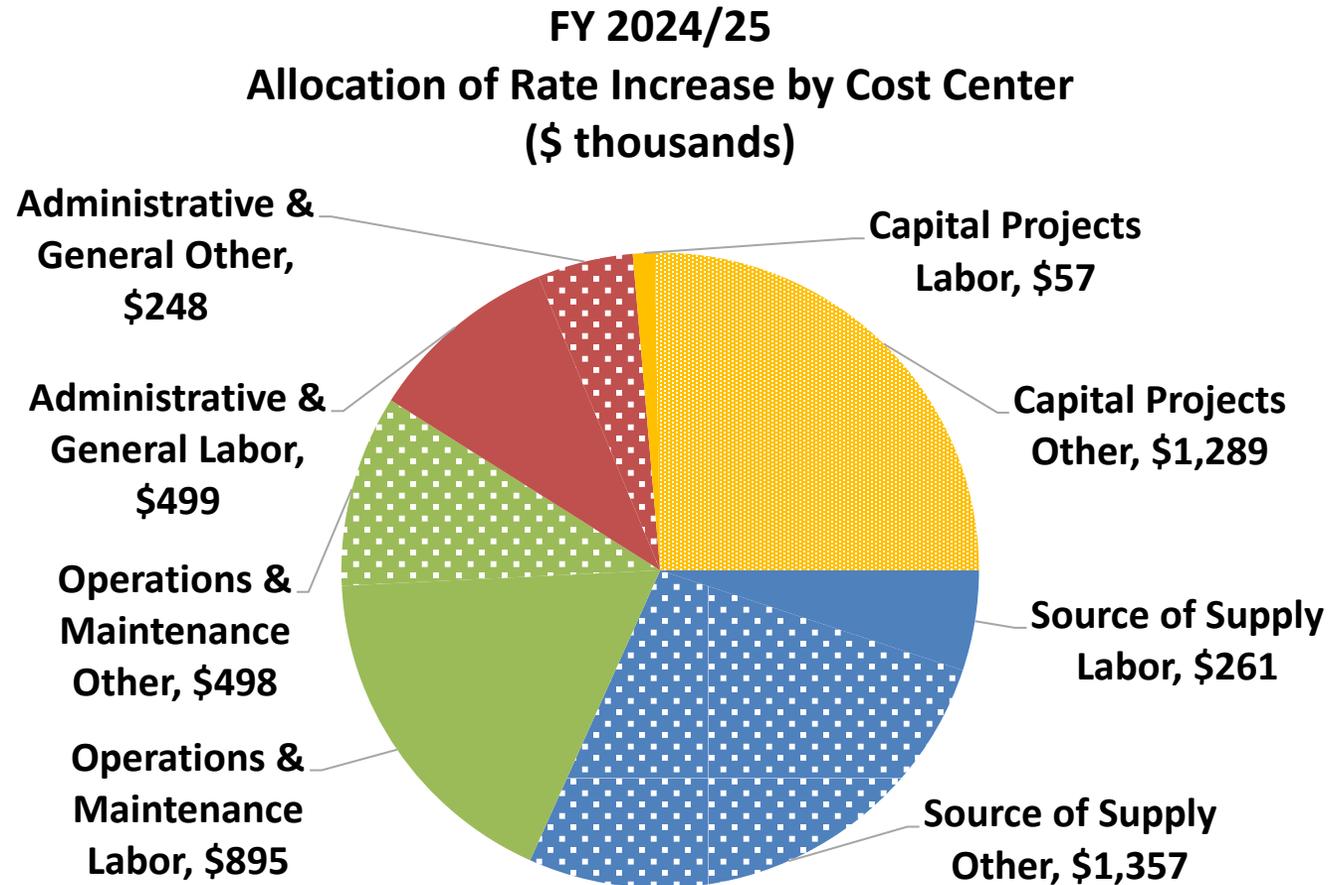
# Estimated 4% Rate Increase Breakdown

Cost Increase Component



- 4% rate increase equals about \$5.0 million allocated to employee compensation, capital projects, water purchases, and operations & maintenance

# Estimated Rate Increase Breakdown



# ACWD's Proposed Water Rates & Charges

- Bimonthly Service Charges

Meter Size	Current Effective March 1, 2024 Service Charges	Proposed Effective March 1, 2025 Service Charges (4% Increase)	Proposed Effective March 1, 2026 Service Charges (4% Increase)
5/8 & 3/4-inch	\$63.75	\$66.30	\$68.95
1-inch	\$101.87	\$105.94	\$110.18
1 ½-inch	\$197.12	\$205.00	\$213.20
2-inch	\$311.45	\$323.91	\$336.87
3-inch	\$673.45	\$700.39	\$728.41
4-inch	\$1,206.92	\$1,255.20	\$1,305.41
6-inch	\$3,055.04	\$3,177.24	\$3,304.33
8-inch	\$5,341.38	\$5,555.04	\$5,777.24
10-inch	\$8,008.78	\$8,329.13	\$8,662.30

# ACWD's Proposed Water Rates & Charges

- Consumption Charge Rates

	Current Effective March 1, 2024 Commodity Rate	Proposed Effective March 1, 2025 Commodity Rate (4% Increase)	Proposed Effective March 1, 2026 Commodity Rate (4% Increase)
Inside District	\$4.97/unit	\$5.17/unit	\$5.38/unit
Outside District	\$5.68/unit	\$5.91/unit	\$6.15/unit

1 Unit = 100 cubic feet (or 748 gallons) of water

# ACWD's Proposed Water Rates & Charges

- Private Fire Service Rates

- Private fire protection that provides fire flows to building sprinkler systems for fire suppression within private improvements

Fire Service Diameter	Current Effective March 1, 2024 Private Fire Service Rates	Proposed Effective March 1, 2025 Private Fire Service Rates (4% Increase)	Proposed Effective March 1, 2026 Private Fire Service Rates (4% Increase)
3/4-inch	\$8.58	\$8.92	\$9.28
1-inch	\$8.78	\$9.13	\$9.50
2-inch	\$10.78	\$11.21	\$11.66
4-inch	\$23.21	\$24.14	\$25.11
6-inch	\$51.45	\$53.51	\$55.65
8-inch	\$100.15	\$104.16	\$108.33
10-inch	\$173.40	\$180.34	\$187.55
12-inch	\$274.93	\$285.93	\$297.37

# ACWD's Proposed Water Rates & Charges

- **Drought surcharges are not currently in effect**
- Current water supplies are sufficient to meet normal customer demands
- Before drought surcharges could be implemented, the ACWD Board of Directors would have to declare a water shortage emergency at a properly noticed public hearing

Water Shortage Contingency Plan Stage	Reduction in Water Demand	Projected Water Sales (Unit)	Current Unit Drought Surcharge	Proposed Eff. March 1, 2025 Unit Drought Surcharge	Proposed Eff. March 1, 2026 Unit Drought Surcharge	Proposed Eff. March 1, 2025 Commodity Rate Per Stage*	Proposed Eff. March 1, 2026 Commodity Rate Per Stage*
0	0%	16,107,094	\$0.000/unit	\$0.00/unit	\$0.00/unit	\$5.17/unit	\$5.38/unit
1	10%	14,496,385	\$0.54/unit	\$0.56/unit	\$0.58/unit	\$5.73/unit	\$5.96/unit
2a	15%	13,691,030	\$0.85/unit	\$0.89/unit	\$0.92/unit	\$6.06/unit	\$6.30/unit
2b	20%	12,885,675	\$1.21/unit	\$1.26/unit	\$1.31/unit	\$6.43/unit	\$6.69/unit
3a	25%	12,080,321	\$1.61/unit	\$1.67/unit	\$1.74/unit	\$6.84/unit	\$7.12/unit
3b	30%	11,274,966	\$2.08/unit	\$2.15/unit	\$2.24/unit	\$7.32/unit	\$7.62/unit
4	40%	9,664,256	\$3.25/unit	\$3.35/unit	\$3.48/unit	\$8.52/unit	\$8.86/unit
5	50%	8,053,547	\$4.81/unit	\$5.02/unit	\$5.22/unit	\$10.19/unit	\$10.60/unit
6	60%	6,442,838	\$7.18/unit	\$7.53/unit	\$7.83/unit	\$12.70/unit	\$13.21/unit

\*Outside District Customers should add the unit drought surcharge to their base commodity rate to get the commodity rate per stage.

# Effect on Total Bill

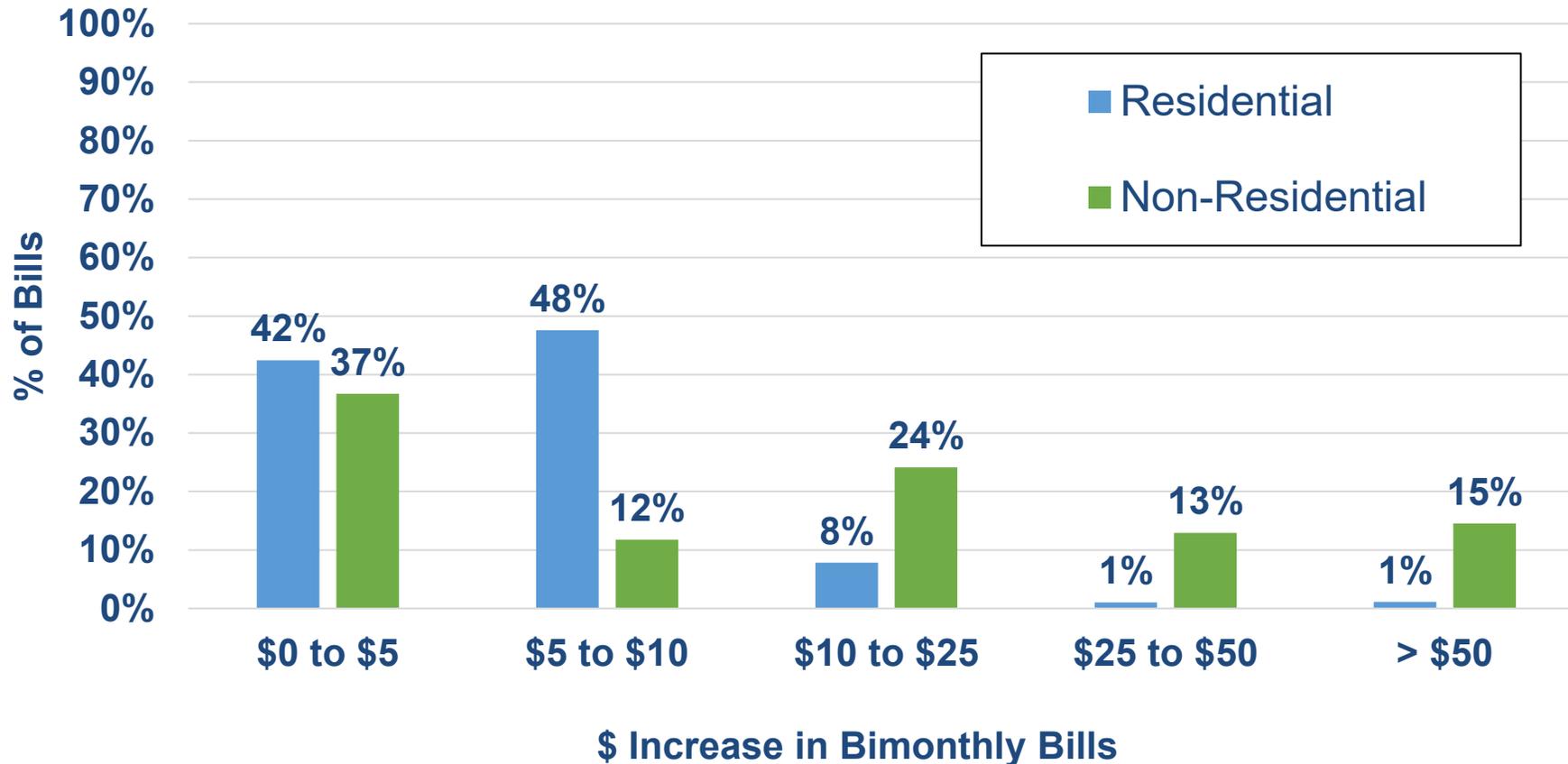
- Proposed Increase Impacts for an Average Single Family Residential Customer Bill (16 units)

	Commodity Rate	Service Charge	New Total Overall Bill	Increase Per Bill	Increase Per Month	Increase Per Day
Current Effective March 1, 2024	\$79.52	\$63.75	\$143.27	-	-	-
Proposed Effective March 1, 2025	\$82.72	\$66.30	\$149.02	\$5.75	\$2.88	\$0.09
Proposed Effective March 1, 2026	\$86.08	\$68.95	\$155.03	\$6.01	\$3.01	\$0.10

# Customer Impacts of Proposed Rates

## Service & Commodity Charges

### Customer Impacts



# Bay Area Water Rates

## How do ACWD's rates compare?

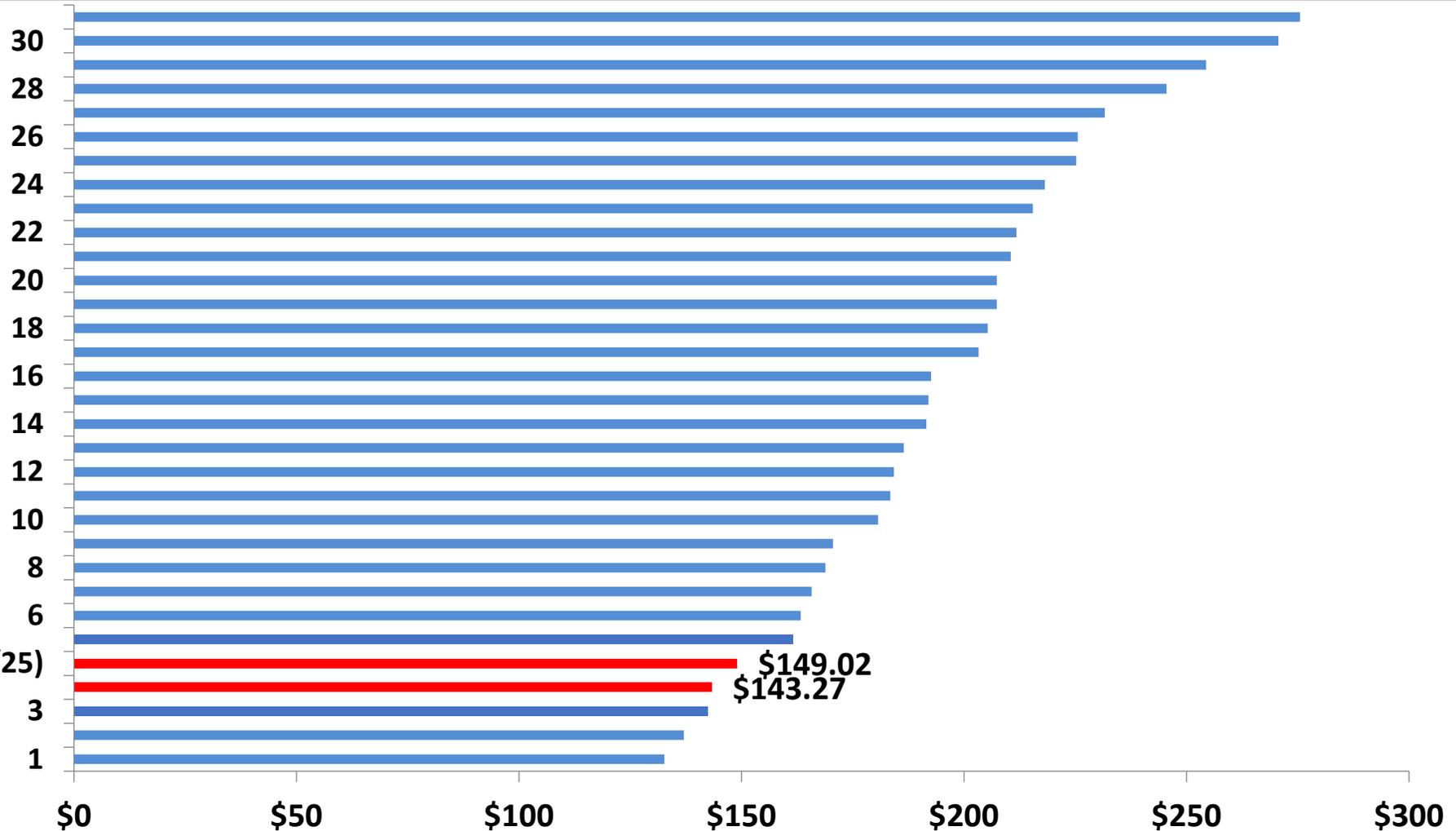
### Average Water Bill Comparison

Based on 16 units (200 gallons per day) consumption bimonthly and a 5/8 or 3/4 inch meter.

Ranking based on total cost including surcharges.

Data as of January 2, 2025.

ACWD (4% Assumed eff. 3/1/25)



# How Can I Save Money?

- Help on Tap – Customer Assistance Program
  - Provides bill payment assistance to income-qualified residential customers, which is defined as income below the greater of 50% of Area Median Income or 250% of the Federal Poverty Level
  - Current benefit amount is equal to 100% of the bimonthly water service charge for a typical residential customer, currently \$63.75
  - More information is available at [acwd.org/hot](https://acwd.org/hot)
- The District offers complimentary water check-ups and water-saving devices



# ACWD's Water Conservation Programs

## For Residential Customers

- Water Conservation Kits
  - Fix a Leak Kits
  - Turf Replacement
  - Landscape Workshops
  - Energy and Water Savings Assistance Direct Install Program
    - For income-qualified residents
  - Irrigation Hardware Rebates
- The Aqueduct and ACWD website – seasonal irrigation notices
  - Single Family Residential Smart Irrigation Controller Program
  - Do-It-Yourself Residential Survey
  - AMI Leak Detection Program
  - Weekly Virtual Office Hours with a Water Use Efficiency Specialist



Rachio Smart Sprinkler Controller Instant Rebate



Rain Barrel Rebates



Water-wise Gardening Online tool

# ACWD's Water Conservation Programs

## For Commercial Customers

- Turf Replacement Rebate
- Weather-Based Irrigation Controller (WBIC) rebates
- Large Landscape Surveys
- Rain Barrel Rebates
- Water Use Efficiency Surveys
- Water Efficient Technology (WET) Program
- Ultra-High Efficiency Toilet and Urinal Rebates (available for Multi-family property owners too!)
- Large Landscape Water Use Budget Program
- Annual City Parks Water Use Budget Report
- AMI Leak Detection Program



WBIC Rebate



Waterfluence Water Budget Tool

# How Can I Learn More?

- Thursday, February 13, 2025: Public Hearing at 6:00 p.m.
  - 43885 South Grimmer Blvd., Fremont
  - Members of the public may also participate in this meeting via webinar. Access to the webinar is provided at [acwd.org/rates](https://acwd.org/rates)
  - Brief staff presentation will be provided followed by public comments
- Visit [acwd.org/rates](https://acwd.org/rates) to see the following:
  - Information about each of the five financial workshops conducted in 2024
  - Copy of the formal notice of proposed rate adjustments
  - Copy of the study prepared by the District's financial consultant
  - District's Rate Increase Protest Form
- To submit a protest, visit [acwd.org/rates](https://acwd.org/rates)
  - Protests must be submitted by the end of the February 13, 2025 public hearing

# Stay Connected to the District

- [www.acwd.org](http://www.acwd.org)
- ACWD Aqueduct Newsletter



- Facebook, X, & Instagram: *@AlamedaCountyWD*
- YouTube: *AlamedaCountyWater*

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# Questions?