

Del Oro Water Company - Strawberry District

2013 Service Improvement Plan

UPDATED NOTICE

IN ACCORDANCE WITH THE STANDARD PRACTICE U-36-W OF THE CA PUBLIC UTILITIES COMMISSION

Del Oro Water Company addresses, on an every other year basis, system-wide improvements, many of which are a result of aging infrastructure. Below is a summary of the projects that are scheduled to be undertaken in the 2013/2014 fiscal period. Included is our best estimate of the cost to complete these tasks, the total potential impact on rates, and a description of the facilities and/or streets which will be addressed by this Capital Improvement Project.

In summary, Del Oro Water Company will immediately undertake:

1. The Dymond Tank is considered a **MAJOR EMERGENCY SITUATION** and **must** be replaced at the earliest date in 2013. It has been failing and is now in **IMMINENT DANGER** of becoming non-operational. Failure of this tank could result in the entire District being without water for an extended period of time. Project includes the replacement and upgrade to a 350,000 gallon bolted steel tank.
2. As required by the State Dept. of Fish and Game, a one-time California Environmental Quality Act (CEQA) environmental study must be performed [in addition to annually securing Tuolumne Utilities District's and PG&E's approvals] to pump emergency water from the Stanislaus River in 2013 and beyond. Failure to complete this survey will result in no emergency water supply being available to the District.



The total cost for both projects is estimated to be \$530,000. This includes a \$90,000 contingency factor that Del Oro is attempting to avoid spending, which may be necessary for the acquisition of additional land or the construction of an emergency booster station to temporarily transfer water until the new tank is constructed.

The rate impact is approximately \$18.21 per month for the average customer.

<u>Metered Rate:</u>	Current	Proposed	Proposed
Per	Per	Per	Monthly
<u>Meter</u>	<u>Month</u>	<u>Month</u>	<u>Increase</u>
For 5/8 x 3/4 -inch meter	\$ 65.50	\$ 81.03	\$ 15.53
For 3/4 -inch meter	98.26	121.56	23.30
For 1-inch meter	163.76	202.59	38.83
For 1 1/2- inch meter	327.52	405.17	77.65
For 2-inch meter	524.03	648.28	124.25
	Current	Proposed	Proposed
	Per ccf	Per ccf	Increase
<u>All water, per 100 cu. ft.</u>	\$ 7.55	\$ 9.34	\$ 1.79

Bill Comparison - 5/8" x 3/4" Service

Monthly Usage (ccf)	Present Rates	Proposed Rates	\$ Increase	% Increase
0	\$ 65.50	\$ 81.03	\$ 15.53	23.710%
1	73.05	90.37	17.32	23.710%
1.5	76.83	95.04	18.21	23.702%
2	80.60	99.71	19.11	23.710%
3	88.15	109.05	20.90	23.710%
10	141.00	174.43	33.43	23.709%
15	178.75	221.13	42.38	23.709%

An informal briefing was held for the public on Saturday February 16, 2013, as announced in the previous notice mailed with all customer bills on January 23, 2013 and also posted on www.delorowater.com. Copies of both the January 23rd and February 27th notices are available on DOWC's website at <http://www.delorowater.com/view/strawberry-district>.

Customers are also invited to comment in writing on this proposal. Comments must reference "Strawberry 2013 Service Improvement Plan". Comments must be mailed within 20 days of the date of this notice (no later than March 19, 2013) and should be: mailed to Del Oro Water Co., Strawberry District, Drawer 5172, Clute, CA 95927, or faxed to (530)894-7645, or emailed to CommunityRelations@delorowater.com.

Mailed: Wednesday, February 27, 2013