

**NOTICE OF PUBLIC HEARING FOR PROPOSED WATER RATE INCREASE  
(Proposition 218)**

The Yuima Municipal Water District (the “District” or Yuima) will conduct a public hearing on January 24, 2022 at 2:10 p.m. or as soon thereafter as practicable, in the Board Room of the District’s administrative office, located at 34928 Valley Center Rd., Pauma Valley, CA 92061, to consider adopting increases in and adjustments to the District’s current rates and charges for water service, and/or the pass-through of increased wholesale water supply costs that are imposed on the District by the San Diego County Water Authority (“SDCWA”) and/or the Metropolitan Water District of Southern California (“MWDSC”).

The District periodically evaluates its service needs, programs and operational costs before recommending rate changes to the District’s Board of Directors. Prior to adoption of a rate increase, District customers (property owners and tenants that pay the District’s bills) are notified by mail about proposed rate changes and given the opportunity to comment and file a written protest. This notice provides information related to the District’s proposed Permanent Special Agriculture Water Rate for the 2021-22 year. Finally, this notice outlines the public hearing and protest process for the public hearing set for January 24, 2022 at the District offices per Proposition 218.

**Why Is the Rate Increase Needed and Basis for Calculation:**

As a participant in the San Diego County Water Authority’s Permanent Special Agriculture Water Rate Program (PSAWR) the District is required to ensure that the cost benefits and supply rate differential set forth by the Water Authority, as part of the program requirement, is passed through to the customer and reflected in the District’s water rates to its customers. This means that the District’s PSAWR rate must reflect the same supply rate differential between the approved PSAWR eligible customer and the customers who are not eligible for the PSAWR rates. Simply stated, in order to participate in the PSAWR, the District must make sure that the price difference between the Special Agriculture Water Rate and the rates ineligible water users complies with the PSAWR’s requirements.

The proposed rate increase on the current Improvement District A non-PSAWR water commodity charge (domestic end customers who are not eligible for the PSAWR rate or did not apply for the PSAWR program) is required to cover the anticipated cost benefit differential set forth by the Water Authority. Because PSAWR eligible users who have enrolled in the PSAWR program receive a lower, less reliable level of service (subject to interruption) the Water Authority passes through the cost savings (benefit differential) of the reduced level of service to the PSAWR eligible customer. Therefore, the PSAWR rate must reflect the cost benefit differential.

<b>PSAWR Eligible Customers Cost Benefit Differential Components</b>	
San Diego County Water Authority Water Rate Differential	\$210.00
Storage Charge Exemption	\$166.00
Supply Reliability Exemption	\$107.00

The proposed water rate charges were calculated by the District in order to accurately spread applicable costs amongst water users according to the cost of providing service to that user and in accordance with the PSAWR program requirements. Without the adjustments proposed herein, Yuima’s eligibility for the program may be discontinued and the ability of Yuima to continue providing the PSAWR water rate to the District’s customers would end.

**Proposed Rates to take Effect February 1, 2022:**

1. The proposed rates covered by this notice, as detailed below, include a maximum rate increase of \$0.6961 per unit or \$303.26 per acre foot on the current Improvement District A *non-PSAWR* water commodity charge (*domestic and customers who are not eligible for the PSAWR rate*).

Maximum rate increases for 2021-22 are listed in the tables below:

**WATER RATES**  
(Rate per 100  
cubic feet)

	<b>Permanent Special Agricultural Water Rate</b>		<b>Domestic and Non-PSAWR Eligible Water Rate</b>	
	<b>Current</b>	<b>Increase</b>	<b>Current</b>	<b>Increase</b>
Improvement District A Water Rates:	\$ 2.4715	\$ 2.4715	\$ 2.4715	\$ 3.1676

**Approval of Pass Through Charges from Water Authority**

The proposed rate increase covered by this notice, as detailed above, and below, also include authorized adjustments between 2022 and 2027, as and to the extent permitted by section 53756 of the Government Code, which if approved by the Board after public hearing, will authorize the District to pass through to District customers any increases in the Water Authority’s water rates and service charges on a yearly basis.

**When does the rate increase take effect?**

If approved by the District Board, the proposed rate increase on the Improvement District A’s commodity charge would be effective February 1, 2022.

**Public hearing and protest information:**

The District’s Board of Directors will conduct a public hearing at which it will consider adoption of a resolution increasing water rates as provided in this notice. The public hearing will be held as follows:

**January 24, 2022 at 2:10 p.m.**  
**Yuima Municipal Water District Board Room**  
**34928 Valley Center Road**  
**Pauma Valley, California 92061**

The public is invited to attend the public hearing and present testimony regarding the proposed rate increase.

Written protests to the proposed rate increase may be submitted to the Secretary of the District’s Board of Directors by mail to P.O. Box 177, Pauma Valley, CA 92061-0177, or by personal delivery to the District’s Offices at 34928 Valley Center Road, Pauma Valley, CA 92061, prior to the conclusion of the public hearing. Each protest must identify the affected property (by assessor’s parcel number, customer account number and/or street address) and include the signature of the record property owner or tenant (if the tenant is directly responsible for paying the District’s water bill). Protests sent or received by e-mail or fax will not be accepted. Oral comments at the public hearing will not qualify as a formal protest unless such comments are accompanied by a written protest, though all public comments submitted will be considered by the District Board during the public hearing. If written protests against the proposed rate increase are presented by a majority of eligible owners or tenants within the District’s service area prior to the close of the public hearing, the proposed rate increase will not be approved.