

Tiered Rates key messages for public presentations

Our main motivation for adopting tiered rates is CONSERVATION

- Other water districts that have adopted a water-budget based tiered rate structure have experienced between 22% and 37% reduction in domestic water use.
- Conservation benefits everyone: lower monthly bill; lower costs for the district to provide service; less water running down the streets; greater long-term sustainability of the aquifer; prevent subsidence.
- Conservation is more important now than ever due to statewide drought and proposed legislation that would make it mandatory for areas to cut water use by 20 percent.

Water Budget based tiered rates are fair and equitable

- Based on last year's water use, approximately 70% of our residential customers will NOT see an increase in their water bill.
- An "indoor needs" rate, based on average indoor use of more than four people, will provide an opportunity for customers to receive a discounted rate each month.
- A water budget based system targets only the top water wasters.
- If anyone thinks their water budget is unfair, CVWD will be happy to re-evaluate their situation through an appeals process. Our goal is to promote efficiency, not penalize.
- CVWD invited a group of community leaders to review the proposal and provide feedback. They have been very supportive.

Water budgets will be reasonable and attainable for anyone using efficient irrigation techniques

- Water budgets will be individualized for each customer based on number of people in the home, lot size, percentage devoted to landscaping and weather conditions.
- Participants in CVWD's Residential Smart Controller Program have reduced their water use by an average 26% simply by installing a new irrigation clock. This proves that many of us can reduce water use without taking drastic steps or changing our lifestyle.
- Staff is working one-on-one with the valley's largest landscape irrigation water users to help them analyze irrigation efficiency and find ways to reduce waste.

Tiered Rates

**If your audience gets into tricky topics, try these bullet points
than steer them back to key messages**

Prop 218/Revenue questions

- Because the base rate under the proposed system is staying the same, the water district is in compliance with Proposition 218 guidelines. No additional written notification is required.
- Even with 70 percent of residential customers paying less or the same, we are not concerned about revenue. We hope to cover the cost to provide service with the first three tiers, leaving revenue from the top two tiers to help pay for water conservation programs.

Determining water budgets

- Water budgets will represent an approximate amount of water each customer should need, based on the following factors: number of people in the home, lot size, weather and irrigation data. *Evapotrasporation (ET) is simply the amount of water landscaping needs to be healthy.*
- Since 70-80 percent of the water used in the desert is for outdoor irrigation, the water budget focuses heavily on weather and irrigation data, allowing more water in the hot summer months. More specifically, the water budget makes several generous assumptions:
- Everyone will be given the default for more than four, full-time occupants in the home. (250 gpd). If you have five people at home, it really won't make that much of a difference since indoor water use is such a small percentage of a family's overall use.
- It will be assumed that everyone irrigates 45 percent of their lot. Data from the Riverside County Assessor's Office indicates that this is an accurate average for the Coachella Valley
- The landscaping and irrigation defaults will be equitable to grass being irrigated with a spray sprinkler system.
- Weather data will be factored daily based on observed readings.

Other customers/golf and agriculture questions

- CVWD will implement tiered rates for residential customers (single-family homes) and dedicated irrigation meters (HOAs, cities and schools) first. Because these two classes of customers represent nearly 85 percent of our total customers, it made sense to start here.
- Businesses, hotels/motels, restaurants and other classes will be phased in at a later date.
- Many golf courses and agricultural customers use recycled or Colorado River water. Golf courses and agricultural customers who do use groundwater have another economic incentive to conserve – they pay a Replenishment Assessment Charge to help cover the cost of replacing the groundwater they use.
- We have several programs in place to help golf courses and agricultural customers conserve and increase efficiency. Studies show they are already much more efficient, as a whole, than residential customers.