



BELLA VISTA WATER DISTRICT

11368 E. STILLWATER WAY • REDDING, CALIFORNIA 96003-9510
TELEPHONE (530) 241-1085 • FAX (530) 241-8354

NOTICE CONCERNING PROPOSED WATER RATE ADJUSTMENTS AND PUBLIC HEARING

Date: April 27, 2026
Location: Shasta College, Room 1425, 11555 Old Oregon Trail, Redding, CA 96003
Time: 5:30 PM

NOTICE IS HEREBY GIVEN that on April 27, 2026, or as soon thereafter as the business of the District permits, a public hearing will be held at Shasta College, 11555 Old Oregon Trail, Room 1425, Redding, California 96003 to consider proposed adjustments in the District's water rates and charges. If approved by the Board of Directors, the proposed rate increases will be effective for the billing commencing on or after May 1, 2026.

PUBLIC HEARING AND PROTEST PROCEEDINGS

Pursuant to State law, protests may be provided by any District customer, or owner of property subject to the proposed rate changes, against any or all of the proposed rate changes described in this Notice. Written protests may be submitted in person to the Board of Directors at the Public Hearing. Written notices may also be submitted by mail or delivered in person to Bella Vista Water District 11368 E. Stillwater Way, Redding, CA 96003. **Written protests must be received before the close of the public hearing on April 27, 2026.** Each written protest must clearly identify the property or account (by assessor's parcel number or street address), reference the proposed water rate increases, and must include the signatures of the property owner or customer, as applicable. Due to the inability to verify the authenticity of each individual protest, protests received by telephone, electronic mail (e-mail), or via social media sites, including, but not limited to, Facebook or Twitter or through the District's website or oral comments on the proposed rate increase referenced herein shall **NOT** be accepted. Oral comments made at the public hearing will qualify as formal protests of the proposed rate increases only if accompanied by a written protest form setting forth the required information (as set forth above). If written protests are submitted by a majority of the affected property owners or customers, the proposed increase(s) will not be imposed.

WHY IS THE DISTRICT PROPOSING RATE INCREASES?

Bella Vista Water District is subject to the California Water Code and Proposition 218 and therefore is required by law to charge its customers only what is necessary to provide water services. The District is dedicated to keeping rates low by maintaining lean staffing levels and using financial reserves when necessary. However, like other utilities the costs involved to purchase, pump, treat, and deliver water; comply with regulatory requirements, and revised drinking water standards as well as maintaining and replacing water system infrastructure, continue to rise.

We are an equal opportunity employer and provider.

The District is proposing rate adjustments due to increasing costs of operating, maintaining and replacing the District's public water system, increasing costs of purchasing, treating and delivering safe and reliable water. The District's cost to provide water service includes: (1) operations and maintenance; (2) repair and rehabilitation of the water system; and (3) purchased water supply expenses. Water supply expenses are based on the District's main suppliers of water: the Central Valley Project (Converted Repayment Contract), the Anderson-Cottonwood Irrigation District (long-term transfer agreement), and operating costs for the District's groundwater wells. Additionally, the statewide drought and mandatory water use restrictions have altered customer water demands.

For the past several months, the District has engaged in extensive analysis of its water costs, revenues and rates. The consulting firm of Provost and Pritchard along with staff conducted a lengthy analysis to determine the true cost of water service and their corresponding impact to customers. This analysis identified a number of key drivers that resulted in the proposed rates. The District is proposing water rate and charge adjustments because:

1. The District's most recent rate adjustments were implemented in May of 2024. The proposed rates reflect District expenses and revenue experienced over the most recent five years and in some cases on specific quantities rather than historical, as we are faced with unforeseen inflationary factors.
2. Changes to existing rates and charges are needed to cover the water system's fixed costs which do not vary with water sales.
3. Major components of the District's water system are now more than 50 years old and approaching the end of their original design life. Proposed rates fund the extraordinary operations, maintenance and replacement (EOMR) program to rehabilitate and replace aging infrastructure required to maintain service reliability and water quality.
4. The higher rates fund prudent contingency reserves to avoid large rate increases.
5. The District's wholesale water costs continue to rise.

EXPLANATION OF PROPOSED WATER RATE INCREASE

The District is proposing an increase in the total revenue it receives from customers through its water service charges and rates over the next five years. The Cost Based Rate Study is available on the District's website including how to calculate your bimonthly water bill utilizing the proposed water rates.

The total revenue increase per year results in the rate increases shown in the enclosed tables. The District's water rate structure has three components: (1) the bimonthly service charge, (2) the consumption rate, and (3) the Water Treatment Fee which repays a portion of the required debt service. The following tables show both the proposed service charges and consumption rates for the next five fiscal years. The rates were developed using the cost-of-service principles as set forth in the American Water Works Association M1 Manual - Principles of Water Rates, Fees, and Charges.

The proposed rates are set forth on the Tables enclosed herewith.

PROPOSED WATER RATES

1. Rates for M&I Water customers (Residential, Commercial, Rural and Public/Institutional Service)

a. Water Usage Charges (for all M&I Customer Classifications) per 100 cubic feet (HCF):

Current Rate	Proposed Water Usage Charges (\$/HCF)				
	2026-27	2027-28	2028-29	2029-30	2030-31
\$0.81	\$1.00	\$1.08	\$1.16	\$1.24	\$1.34

b. Bimonthly Base Rates:

Meter Class	Current Rate	Proposed Bimonthly Base Rates				
		2026-27	2027-28	2028-29	2029-30	2030-31
20	\$49.48	\$56.24	\$60.46	\$64.99	\$69.87	\$75.11
30	\$52.93	\$60.25	\$64.77	\$69.63	\$74.85	\$80.46
50	\$58.38	\$66.60	\$71.60	\$76.96	\$82.74	\$88.94
100	\$68.41	\$78.27	\$84.14	\$90.45	\$97.23	\$104.53
160	\$77.47	\$88.83	\$95.49	\$102.65	\$110.35	\$118.63
200	\$82.59	\$94.79	\$101.90	\$109.54	\$117.76	\$126.59
300	\$93.48	\$107.46	\$115.52	\$124.18	\$133.50	\$143.51
450	\$106.80	\$122.97	\$132.19	\$142.11	\$152.77	\$164.22
900	\$136.88	\$158.00	\$169.85	\$182.59	\$196.28	\$211.00
1200	\$152.77	\$176.50	\$189.74	\$203.97	\$219.27	\$235.71
1500	\$166.77	\$192.80	\$207.26	\$222.80	\$239.51	\$257.48
2000	\$187.28	\$216.68	\$232.93	\$250.40	\$269.18	\$289.37
2500	\$205.36	\$237.72	\$255.55	\$274.72	\$295.32	\$317.47
3300	\$230.84	\$267.40	\$287.46	\$309.01	\$332.19	\$357.10
4500	\$263.84	\$305.82	\$328.76	\$353.41	\$379.92	\$408.41
6000	\$299.36	\$347.18	\$373.22	\$401.21	\$431.30	\$463.65

2. Rates for Irrigation Water Customers (Agriculture Service)

a. Water Usage Charges (for all Agricultural Customers) per Acre-Foot (AF):

Current Rate	Proposed Water Usage Charges (\$/AF)				
	2026-27	2027-28	2028-29	2029-30	2030-31
\$115.67	\$138.40	\$148.78	\$159.94	\$171.93	\$184.83

b. Bimonthly Base Rates:

Meter Class	Current Rate	Proposed Bimonthly Base Rates				
		2026-27	2027-28	2028-29	2029-30	2030-31
50	\$82.31	\$105.80	\$113.74	\$122.27	\$131.44	\$141.29
100	\$93.33	\$119.31	\$128.26	\$137.88	\$148.22	\$159.33
160	\$103.30	\$131.53	\$141.39	\$152.00	\$163.40	\$175.65
200	\$108.92	\$138.41	\$148.79	\$159.95	\$171.95	\$184.84
300	\$120.88	\$153.07	\$164.55	\$176.89	\$190.16	\$204.42
450	\$135.52	\$171.02	\$183.85	\$197.63	\$212.46	\$228.39
900	\$168.06	\$211.55	\$227.42	\$244.47	\$262.81	\$282.52
1200	\$186.06	\$232.95	\$250.42	\$269.20	\$289.39	\$311.10
1500	\$201.44	\$251.81	\$270.70	\$291.00	\$312.82	\$336.28
2000	\$223.98	\$279.44	\$300.40	\$322.93	\$347.15	\$373.18
2500	\$243.85	\$303.79	\$326.57	\$351.07	\$377.40	\$405.70
3300	\$271.87	\$338.13	\$363.49	\$390.75	\$420.06	\$451.56
4500	\$308.14	\$382.57	\$411.26	\$442.11	\$475.27	\$510.91
6000	\$347.18	\$430.43	\$462.71	\$497.42	\$534.72	\$574.83

c. The agricultural base rates on the preceding page include the costs for the purchase and treatment of 0.75 acre-foot of M&I water per year. Agricultural accounts that have no domestic use (NDU) will receive a \$24.43 “NDU Credit” bimonthly to offset the inclusion of these costs in their base rate.

3. PRIVATE FIRE PROTECTION SYSTEMS – Bimonthly Charge

Size of Fire Service Line	Current Rate	Proposed Bimonthly Fire Service Rates				
		2026-27	2027-28	2028-29	2029-30	2030-31
2	\$58.00	\$67.00	\$72.00	\$77.00	\$83.00	\$89.00
3	\$70.00	\$81.00	\$87.00	\$93.00	\$100.00	\$108.00
4	\$91.00	\$105.00	\$112.00	\$121.00	\$130.00	\$140.00
6	\$116.00	\$134.00	\$144.00	\$155.00	\$167.00	\$179.00
8	\$142.00	\$164.00	\$176.00	\$189.00	\$204.00	\$219.00
10	\$175.00	\$202.00	\$217.00	\$234.00	\$251.00	\$270.00

4. WATER TREATMENT PLANT IMPROVEMENT LOAN REPAYMENT – The charge per account will remain at \$14.00 bimonthly for all customers through June 30, 2031, at which time it will end.

5. ANNUAL ADJUSTMENTS TO WATER RATES

- a. The water usage charges shown above reflect an annual increase of 7.5%; however, the actual rate may be adjusted to pass through annual changes in the wholesale water charges under the District’s contracts for municipal and industrial (M&I) water.
- b. Annually, upon notice from the wholesale water suppliers regarding the water supply allocation that is available under their respective contracts pursuant to supply shortage provisions, the District will compare the standard water supply portfolio costs compared to the current years' supply portfolio costs. Should the resulting increases in overall supply portfolio costs exceed 7.5% the amount of the increase that exceeds 7.5% will be passed through in the water rate.
- c. On or after March 1st annually, the Base Rates, Usage Charges (excluding wholesale water costs), and Fire Service Charges shall be increased by 7.5%. The above tables of proposed base rates and fire service rates reflect an annual adjustment of 7.5%.
- d. The proposed usage rates for M&I water service for 2026 through 2031 include \$0.04 per HCF for placement in the District’s M&I Rate Stabilization fund to help offset the need for rate increases due to reduced water supplies during water shortage years.
- e. The proposed usage rates for Agriculture water service for 2026 through 2031 include \$10.00 per acre-foot (AF) to pay towards accumulated USBR O&M Deficit for Irrigation water, as well as any USBR O&M Deficits incurred during the 2024 through 2026 water years.
- f. These rates will be reviewed annually by the District’s Board of Directors.

Note: There is a 120-day statute of limitations for challenging any new, increased or extended fee or charge. The 120-day period begins on the effective date of the fee or charge or on the final passage or adoption of the fee or charge, whichever is later.

Water Rate Comparison by Agency

Provider	BVWD Proposed (Incl WT Fee)	Centerville CSD	Chico (Cal-Water)	City of Redding	Mountain Gate CSD	City of Shasta Lake
Base Rates – Shown Monthly for Comparison Purposes Base Rates by Agency – for May 1, 2026						
Meter Size						
5/8-inch	\$35.12	\$36.50	\$27.29	\$31.66	\$46.65	\$46.95
3/4-inch	\$37.13	\$36.75	\$40.94	\$44.70	\$46.65	NA
1-inch	\$40.30	\$37.00	\$68.23	\$70.76	\$62.58	\$115.43
1 1/2-inch	\$46.14	\$57.00	\$136.46	\$135.91	\$121.26	\$229.55
2-inch	\$51.42	\$97.50	\$218.34	\$214.08	\$138.19	\$366.50
3-inch	\$68.49		\$409.39	\$422.56	\$189.40	\$686.07
4-inch	\$95.25		\$682.32	\$657.10	\$247.74	\$1,142.57
6-inch	\$125.86		\$1,364.65	\$1,308.58		\$2,283.85
8-inch	\$159.91		\$2,183.43	\$2,090.37		\$3,653.37
10-inch	\$180.59		\$3,138.68	\$5,478.10		\$6,620.66
M&I Usage Rates by Agency – for May 1, 2026						
Per HCF	\$1.00	\$1.38	\$2.20	\$2.13	\$2.62	\$3.03