

DEL ORO WATER COMPANY CALIFORNIA PINES DISTRICT

STATE MANDATED TANK REPLACEMENT PROJECT

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

As required by a Compliance Order from the State Water Board, Division of Drinking Water, as well as the fragile condition of the existing tank, construction of a new tank adjacent to the old tank located at the top of Rocking K Drive is to commence early spring 2024, weather permitting, with completion by the end of summer 2024.

As many of our customers are aware, Del Oro has been working on a satisfactory location to replace the existing 64,000 gallon storage tank constructed in the early 1950s with a new 200,000 gallon tank. One potential solution was placing it on a residential lot, which was rejected by the engineers as being cost prohibitive. Another potential solution was constructing the tank in the meadow, which would have been the most cost-saving solution. However, this was opposed by residents concerned with disrupting the scenery.

The engineering firm Luhdorff and Scalmanini has estimated the cost to be approximately \$1,500,000. The construction costs include extensive site preparation and retaining walls due to the location (\$410,000); the 200,000 gallon bolted steel storage tank (\$350,000); the concrete foundation for the tank (\$125,000); and the tank piping and valves (\$50,000). A full list of all itemized costs is available upon request.

The rate impact is an increase of approximately \$56.71 per month for the average customer

Metered Rate:

<u>Per Meter</u>	<u>Current Per Month</u>	<u>Proposed Per Month</u>	<u>Proposed Monthly Increase</u>
For 5/8 x 3/4-inch meter <i>(Most Customers)</i>	\$ 67.58	\$106.67	\$39.09
For 3/4-inch meter	92.05	145.29	53.24
For 1-inch meter	140.99	222.54	81.55
For 1 1/2 inch meter	263.35	415.67	152.32
For 2 inch meter	410.18	647.43	237.25

	<u>Current Per ccf</u>	<u>Proposed Per ccf</u>	<u>Proposed Increased</u>
<u>All water, per 100 cu. Ft.</u>	\$10.157	\$16.032	\$5.875

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

Monthly Usage (ccf)	Present Rates	Proposed Rates	\$ Increase	% Increase
0	\$67.58	\$106.67	\$39.09	57.84%
1	77.74	122.70	44.96	57.84%
3	98.05	154.76	56.71	57.84%
10	169.15	266.99	97.84	57.84%
15	219.94	347.15	127.21	57.84%

(Continued)

Customers are invited to comment in writing on this proposal. Comments must reference “California Pines Tank Replacement Project”. Comments must be mailed within 20 days of the date of this notice (no later than March 8, 2024) and should be mailed to **Del Oro Water Co., California Pines District, Drawer 5172, Chico, CA 95927**, or be faxed to (530) 717-2639, or be emailed to CommunityRelations@delorowater.com.

It will be determined if a public meeting is required after the comment period has ended, and we have an understanding of our customers’ questions and concerns. A final notice will be issued with answers to the concerns.

Mailed: Friday, February 16, 2024