

NOTICE OF WATER RATE INCREASE

The Atascadero Mutual Water Company (AMWC) Board of Directors adopted new water and polyfluoroalkyl substances (PFAS) surcharge rates at its April 12, 2023, meeting. The rate increases are needed to offset costs related to the following items/issues:

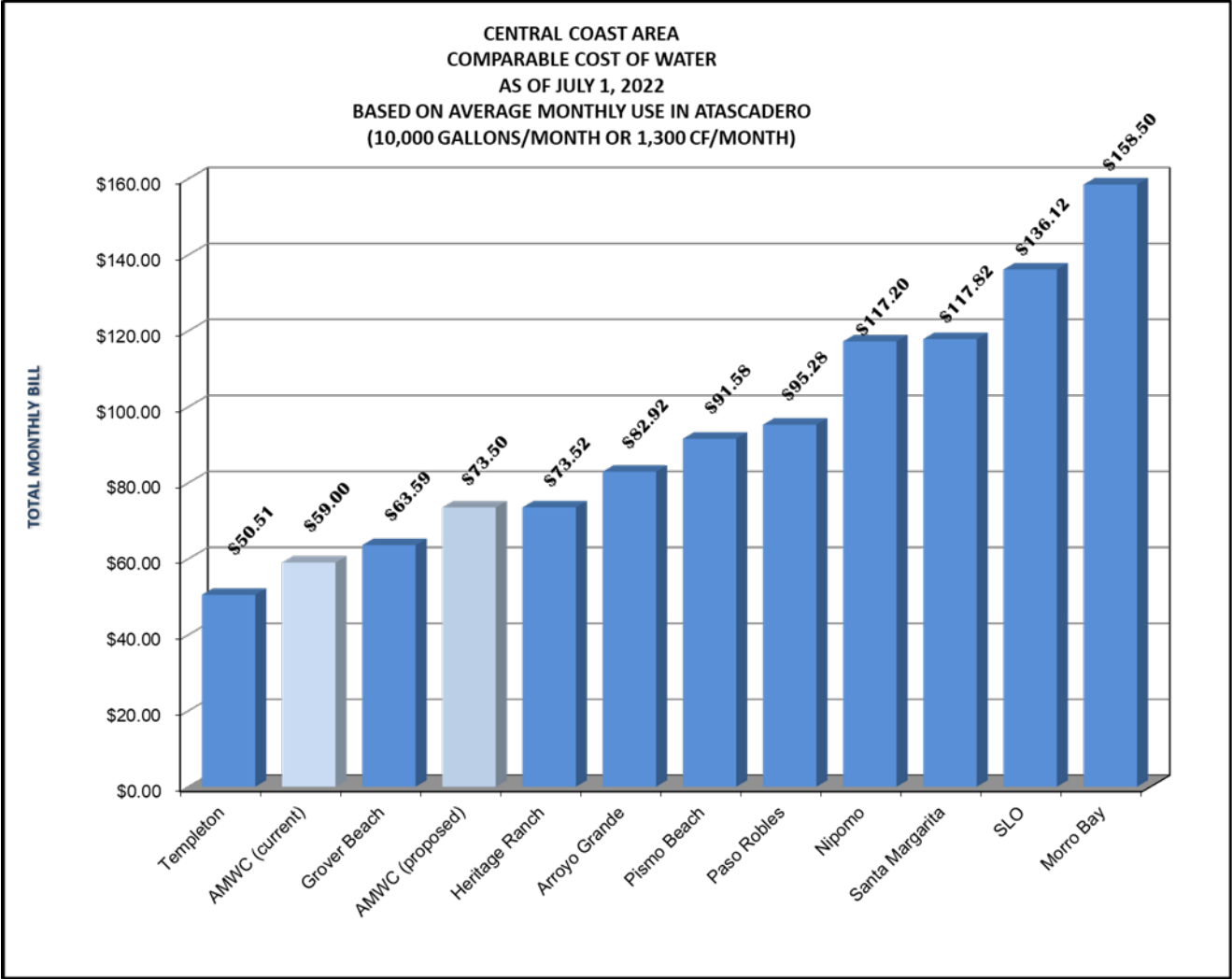
- 1) Significant increase in operational costs for electricity, natural gas, materials, insurance, and capital costs for construction of new wells, rehabilitation of existing wells, and replacement of water mains and appurtenances.
- 2) A significant capital cost for constructing a treatment plant to remove polyfluoroalkyl substances (PFAS) from the water produced from wells that have PFAS concentrations above the response levels established by the California State Water Resources Control Board. Preliminary estimates place the cost of the treatment facilities at \$15 million dollars. There will be significant, long-term operational and maintenance costs associated with the treatment plant in addition to the costs of construction.
- 3) AMWC's cost for compliance with government regulations and mandates, which have increased substantially.
- 4) Reduction in water revenue due to State-mandated conservation measures.

The average water bill for a single-family residential customer will increase by approximately \$14.00 per month, including the PFAS surcharge. The new rates will become effective on June 15, 2023, and will be reflected on the bill you receive in late July, which is for service from mid-June to mid-July.

Water Rate Increase		
Meter Size	Current Rates	New Rates
5/8	\$26.00	\$32.00
¾	\$26.00	\$32.00
1	\$32.00	\$40.00
1-1/2	\$38.00	\$47.00
2	\$63.00	\$78.00
3	\$193.00	\$239.00
4	\$243.00	\$301.00
6	\$378.00	\$469.00
SFR w/ADU (per unit)	\$26.00	\$32.00
Multi-unit SFR, MFR (per unit)	\$15.50	\$19.30
Motels (per unit)	\$5.75	\$7.20
Fireline	\$20.00	\$25.00
Hydrant meter	\$83.00	\$103.00
PFAS Surcharge (per 1,000-gallon)	\$0.10	\$0.25

Water Use Rates		
Tier	Current Rates	New Rates
1 (1,000 – 10,000 gals.)	\$2.70	\$3.40
2 (11,000 – 25,000 gals.)	\$3.90	\$4.90
3 (26,000 – 50,000 gals.)	\$5.40	\$6.70
4 (51,000 – 75,000 gals.)	\$6.10	\$7.60
5 (>75,000)	\$8.10	\$10.10
Note: Rates do not include 15% pumping surcharge for homes in surcharge areas		

As seen in the graph below, AMWC shareholders will continue to benefit from some of the lowest water rates in San Luis Obispo County. The rate increases will allow AMWC to continue to provide the excellent service its shareholders have come to expect, while meeting its cash reserve obligation under the Nacimiento Water Project bond and providing the funding needed for constructing a treatment plant.



For more information, contact General Manager John Neil at (805) 464-5351 or jneil@amwc.us, or visit our website at www.amwc.us.