



WATER RATE UPDATE

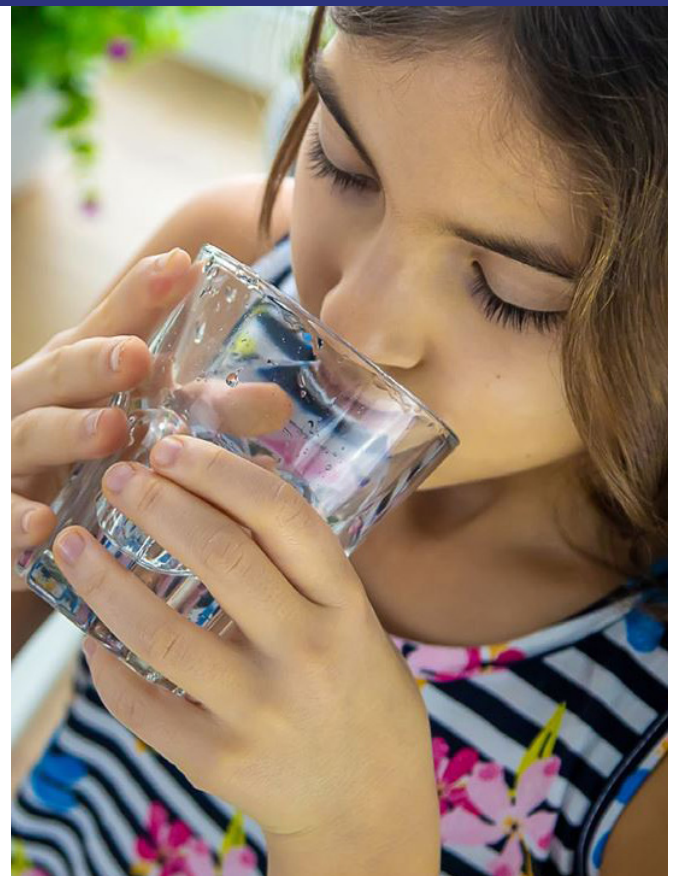
Our 2024 rate study finds that we need to increase water rates to counter extraordinary inflation and continue providing reliable, high-quality service to our customers.

THE CHALLENGES

- Extraordinary inflation since 2020 has significantly increased the District's operational costs and costs of system maintenance, rehabilitation, and upgrades.
- The District's nearly 100-year-old water infrastructure requires regular, planned investments to ensure continued reliability and resilience.
- Rates have only increased by an average of 2.8% per year since 2020, and thus have not kept up with inflation.
- Without a water rate adjustment, the District won't have the resources it needs to maintain and modernize our water system.

OUR SOLUTION INCLUDES

- Continued long-term planning and modest rate adjustments, so rates remain predictable into the future.
- Significant investments in system upgrades over the next five years, including replacing aging pipelines and water storage improvements. These are essential for maintaining the system's reliability and contribute to the need for water rate adjustments.
- Actively securing state and federal funding to support our water infrastructure projects, including zero-interest loans and grants that can match up to 30% of the funds contributed by the District.
- The Board's commitment to setting rates that reflect the real cost of water service **and are no higher than necessary.**



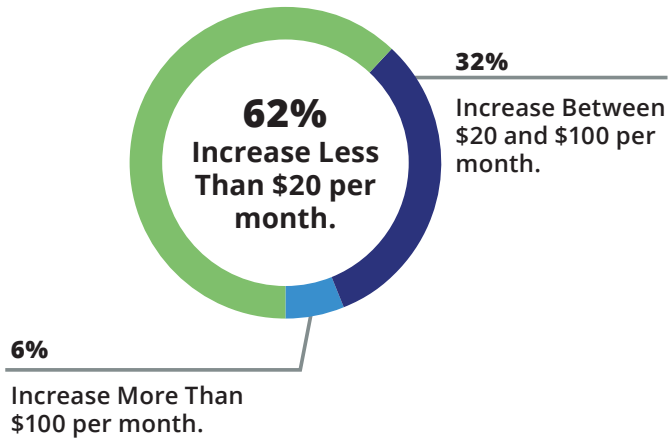
Just like you've seen in your family budget, costs for almost everything continue to increase year-over-year, as tracked by our region's consumer price index.

RESPONSIBLE FINANCES ENSURE CONTINUED WATER RELIABILITY

Our recent rate study determined that the District requires planned rate adjustments, beginning July 1, 2024, to cover the rising costs associated with high inflation, aging infrastructure, and make our system more reliable in light of fires, earthquakes, droughts, and other threats.

Our rates are the only thing that will change; the way we charge for water will not. Customers will still be charged a flat, consistent monthly charge based on their meter size, plus a volumetric rate based on how much water they use.

MONTHLY CUSTOMER BILL IMPACTS 2024



YOUR RATES HELP PROVIDE FOR KEY 5-YEAR PLANNED INFRASTRUCTURE IMPROVEMENTS, INCLUDING:



Planned Upgrades for More Than 5.5 Miles of Distribution Pipeline

Pipeline failures are costly, can cause property damage, and lessen the water system's reliability.



Highline Water Main Replacement

We're replacing 7.5 miles of 1920s-era pipeline to reduce the risk of a break interrupting water service for nearly all our customers.



8 Reservoir Replacements/Retrofits




MWD is eligible for a one-time zero-interest State loan providing vital funding for construction projects to improve resilience in drinking water storage facilities.

WATER RATES - WHAT'S NEXT?

APRIL 29, 2024	Rate Study Report reviewed at Board Meeting
EARLY MAY 2024	Notice of proposed rate adjustments mailed to all customers
JUNE 25, 2024	Public hearing on adopting proposed rates
JULY 2024	New rates go into effect if approved by District Board

TYPICAL RESIDENTIAL CUSTOMERS

BILL IMPACT IF NEW RATES ARE ADOPTED

 CUSTOMER 1 12 hundred cubic feet/mo.	Monthly Bill Increases by \$6.16
 CUSTOMER 2 20 hundred cubic feet/mo.	Monthly Bill Increases by \$13.20
 CUSTOMER 3 36 hundred cubic feet/mo.	Monthly Bill Increases by \$28.39



Online Bill Calculator

Visit our website to see how your bill could change:



CONTACT US!

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