



Local ballot measure: U

U

San Lorenzo Valley Water District Fixed Charge Limitation Ordinance

Ballot question

Shall the measure repealing all fixed water charges adopted under District Resolution No. 2024- __ except the regular Service Charge and the Private Fire Service Charge, and limiting future increases to the regular Water Service Charge to 2% per calendar year until January 1, 2049, be adopted?

Pregunta de Boleta

¿Se debería adoptar la medida que deroga todos los cargos fijos por agua adoptados bajo la Resolución Distrital No. 2024- __ excepto el Cargo por Servicio regular y el Cargo por Servicio de Bomberos Privados, y limita los futuros aumentos al Cargo por Servicio de Agua regular al 2% por año calendario hasta el 1 de enero de 2049?

What your vote means:

YES	NO
A "Yes" vote is a vote to amend the San Lorenzo Valley Water District's rates as detailed in the full text of the measure.	A "No" vote is a vote to keep the San Lorenzo Valley Water District's rates as is.

For and against Measure U

Titles used by argument signers are for identification purposes only and does not necessarily reflect the position of the organization in question.

If an asterisk (*) follows a name, it means the person is signing on behalf of that agency/organization.

FOR	AGAINST
<p>Debra Loewen Proponent, Customer Lompico Canyon</p> <p>Karen Brown Customer, Boulder Creek</p> <p>James Bahn Member SLVWD Finance Committee</p> <p>Rosemary Chalmers, Customer of SLVWD</p> <p>Bruce Holloway, Proponent, Boulder Creek Water Customer</p>	<p>James F Mosher* Principal Officer, Save SLV Water: San Lorenzo Valley Water District Rate Payers Opposed to Measure U</p> <p>Robert Locatelli</p> <p>Liz Taylor Selling Emergency Volunteer</p> <p>Nancy B Macy Long-time Environmental Activist and SLV Resident</p> <p>Nancy J Gerdt Felton Library Friends, President</p>



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Arguments and replies are the opinions of the authors. We print them exactly as submitted, including errors.

Argument for Measure U	Rebuttal argument for Measure U
<p>A Yes on grassroots Measure U is your support for an equitable rate structure. Limiting fixed charges will help make water affordable for those who use the least and spreads a Fair Share balance across all users.</p> <p>The sharply rising Service Charge and proliferation of additional fixed charges has unfairly shifted the primary cost burden onto low water users. Fixed charges have roughly doubled since 2021.</p> <p>At the same time, the District lowered the price of water for most customers, foolishly giving up over a million dollars a year while creating a rate structure that is upside-down, where lower water users now subsidize higher water users. The purpose of Measure U is to tilt the balance back to being more based on actual water usage and less about fixed charges you must pay before using a drop of water.</p> <p>Going back to one basic Service Charge limited to a 2% increase per year will help many of our neighbors afford to stay in our community. Limiting the outrageous 36% increase over the next four years is equivalent to an 8% increase per year.</p> <p>San Lorenzo Valley Water District customers understand the District needs money, and the District must understand customers need equitable, affordable rates. Customers responded in support of the District when asked to reduce water use, and our rate structure should in turn support those who conserve to save.</p> <p>The Finance Director advised our board that this measure's fixed charge limitation will not affect District operations and recommends reclaiming reduced revenue by adjusting water rates. With this Initiative type we can only reduce or repeal charges. Our District must do its part in fair volumetric rates. Working together we can make a difference.</p> <p>Measure U is a grassroots answer to Unfair rates, and for an equitable rate structure.</p> <p>Please vote Yes on Measure U.</p> <p>Visit slvh2o.org.</p> <p>Debra Loewen, Proponent, Customer Lompico Canyon Karen Brown, Customer, Boulder Creek James Bahn, Member SLVWD Finance Committee Rosemary Chalmers, Customer of SLVWD Bruce Holloway, Proponent, Boulder Creek Water Customer</p>	<p>Don't be fooled! This misleading and poorly drafted measure would jeopardize our community's response to the next wildfire or flood, hinder current recovery efforts, and threaten the SLV Water District's financial viability.</p> <p>Reject Measure U and keep the current, fair, rate structure, which places the primary financial burden on customers who use the most water. Current rates reward customers who use less water and promote conservation.</p> <p>Measure U unfairly seeks to repeal fixed rate charges that are needed to fund replacement of aging and damaged infrastructure. More than 90% of the San Lorenzo Valley Water District's costs are fixed: regardless of how much water you use, the miles of pipes delivering it to your faucet must be maintained. If Measure U passes, the District expects to lose over \$7M in the next four years. According to the District Finance Director, Measure U would suspend capital projects currently underway and impede emergency repairs.</p> <p>Even worse: Our school district's water costs would likely skyrocket should Measure U pass and a new, volume-based rate structure be implemented to replace lost revenues. Schools are among the highest volume users but are exempt from the tiered rates under the current structure.</p> <p>Measure U proponents used false and misinformed assertions to gain the signatures needed to place it on the ballot. The reality is that if we want reliable water service, for firefighting or flushing toilets, we have to pay for it.</p> <p>Please join seniors, parents, small business owners, and concerned residents, and VOTE NO on Measure U.</p> <p>Rachael "Rae" Spencer-Hill*, Co-chair of Save SLV Water: San Lorenzo Valley Water District Ratepayers Opposed to Measure U Colleen Raner-Walter, Board President of Highlands Park Senior & Community Center Mary Ann Clare, Retired Quail Hollow Teacher Peter Gelblum, Retired Attorney Alina Layng, Director of the San Lorenzo Valley Water District Board</p>

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Argument against Measure U	Rebuttal to argument against Measure U
<p>Measure U poses a serious threat to San Lorenzo Valley Water District and the safety of its residents. Do you want safe, reliable water from your tap, sufficient water to fight the next wildfire? And prompt repairs to pipelines after damage from the next winter storms? If so, vote NO.</p> <p>Measure U will plunge the district into a serious financial crisis. Damage from the CZU fires and winter storms is still being repaired. Projects are currently underway addressing low water pressure, insufficient fire hydrants, aging infrastructure, and undersized pipes.</p> <p>If Measure U passes, many capital improvement projects will come to a grinding halt. Firefighters will have inadequate waterflow from old or nonexistent fire hydrants when facing the next fire, and already overworked district staff won't have the resources to repair broken pipes after the next storm.</p> <p>By capping rate increases, Measure U will reduce annual revenue by about \$1.5M in the first year. The shortfall will increase precipitously in subsequent years until another rate increase is proposed, which will cost more money, take months, and may not be approved. FEMA <i>might</i> reimburse us for <i>some</i> disaster related damage, but the District must fund the repairs first. Without reliable income from fixed charges, the District won't be able to borrow enough money to do this work.</p> <p>Measure U will <i>temporarily</i> save most residential ratepayers around \$17.32/month, but in the long run it will cost them much more. Broken pipes and leaky tanks are neither cost efficient nor ecological. Just ask the customers of the Big Basin Water Company to understand the real costs of deferring maintenance.</p> <p>Vote NO on Measure U if you expect safe, reliable, water to flow from your tap when you want to drink, shower, do laundry, water your garden, flush your toilet, or fight fires.</p> <p>For more information, visit www.SaveSLVWater.com</p> <p>James F Mosher*, Principal Officer, Save SLV Water: San Lorenzo Valley Water District Ratepayers Opposed to Measure U</p> <p>Robert E Locatelli</p> <p>Liz Taylor-Selling, Emergency Volunteer</p> <p>Nancy B Macy, Long-time Environmental Activist and SLV Resident</p> <p>Nancy J Gerdt, Felton Library Friends, President</p>	<p>Measure U is about restructuring an inequitable rate system by rebalancing two components: fixed charges and the price you pay for actual water usage. It reflects our community's support of affordability for low water users and those with low income, and we strongly support water conservation. These values have been upheld in previous rate increases but were lost in the latest rate restructuring.</p> <p>No one in our community should feel pressured into accepting an unfair rate structure.</p> <p>Dire projections of a dark future assume that the Board of Directors does nothing and the Finance Director's recommendation for a solution is ignored. That is an extreme opinion.</p> <p>This measure reflects our community's strengths – compassion and looking out for each other, as we have done in disasters, and for affordable water.</p> <p>Under the previous rate structure with a lower service charge our district was able to borrow nearly \$30 million for infrastructure at favorable terms. Contrary to the portents of doom by opponents, capital improvements and CZU recovery projects will continue. The district still qualifies for another \$12 million loan even after the initiative passes. FEMA reimbursements are already coming in and a further \$6.9 million is expected this fiscal year.</p> <p>Other water agencies have set a fixed charge much lower than ours while financing substantial capital projects. Our district had choices for rate plans with lower fixed charges to achieve the same revenue goal. When our water rate structure tilts away from affordability and water conservation, let's speak up.</p> <p>Please vote Yes on Measure U.</p> <p>Bob Fultz, Director, SLVWD</p> <p>Marc Wentzel, District Customer</p> <p>Ed Frech, Lompico Canyon Customer</p> <p>George Galt, Business Owner</p> <p>Debra Loewen, Proponent, Customer Lompico Canyon</p>

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Impartial Analysis of Measure U

Christina M Pritchard, District Counsel

Measure U asks voters in the San Lorenzo Valley Water District whether they want to amend District Resolution No. 6 (23/24). The amendment would repeal all fixed water charges except the regular Service Charge and the Private Fire Service Charge. It would also limit future increases to the regular water Service Charge to 2% per year until January 1, 2049.

On February 15, 2024, the District Board of Directors adopted Resolution No. 6 (23/24), which set new water rates. These rates include:

- A fixed monthly water Service Charge
- A fixed monthly Capital Charge
- A fixed monthly Private Fire Line Charge
- A variable monthly rate based on water usage

These rates were adopted to cover the District's operation and maintenance costs, capital replacement and refurbishment costs, recovery from CZU Fire damage, and financial reserves. As required by California law, the rates are based on a rate study conducted by an independent consulting firm that showed the rates reflect the actual cost of providing water service.

On March 8, 2024, a citizen's ballot initiative was proposed to amend Resolution No. 6 (23/24). The initiative aims to repeal the fixed monthly Capital Charge and limit future increases to the regular Service Charge to 2% per year. This initiative gathered enough signatures to be placed on the ballot and was certified by the County Clerk.

If a majority of voters approve Measure U, both the monthly Capital and water Service Charges set by Resolution No. 6 (23/24) will be affected. The monthly Capital Charge is a fixed rate for installing, maintaining, and updating District capital improvements, such as water tanks and mains. It also helps fund rebuilding District water supplies, which were damaged in the CZU fire. These improvements are necessary for the District to provide water. Without the fixed monthly Capital Charge, the District could not proceed with these capital improvement projects unless an alternative funding source is identified.

The monthly water Service Charge is a fixed rate that covers the District's operating and maintenance costs. If future increases to this charge are limited to no more than 2% per year until January 1, 2049, as proposed by Measure U, the District would need additional funds from other sources to continue providing safe, clean, and reliable drinking water.

THE ABOVE STATEMENT IS AN IMPARTIAL ANALYSIS OF MEASURE U. IF YOU DESIRE A COPY OF THE MEASURE, PLEASE CALL THE DISTRICT ELECTIONS OFFICIAL'S OFFICE AT 831-454-2060, AND A COPY WILL BE MAILED AT NO COST TO YOU.

Full text of Measure U

To receive a copy of the full text of Measure U, you can contact:

San Lorenzo Valley Water District at 831-338-2153, or

Santa Cruz County Elections Department at 831-454-2060 or info@votescount.santacruzcountyca.gov