

NOTICE OF PUBLIC HEARING
Concerning Proposed Rate Increases for June Lake Public Utility District
Water and Sewer Charges

The June Lake Public Utility District ("District") previously mailed a Notice of a Public Hearing originally scheduled for June 27, 2018 at 6:30 p.m. It has come to the District's attention that the mailing address to send written protests omitted the P.O. Box for the District's return mail address. The correct address to submit written protests is JLPUD P.O. Box 99 June Lake California 93529, or submitted in person to the District's offices JLPUD 2380 HWY 158 June Lake, California 93529. Written Protests previously submitted to the District need not be resubmitted, but due to the incomplete address the District encourages you to resubmit protests to the corrected address.

NOTICE IS HERBY GIVEN THAT the Board of Directors ("Board") of the June Lake Public Utility District (the "District") will conduct a public hearing on August 8, 2018, at 6:30 p.m., at the June Lake Community Center located at 90 W. Granite St, June Lake, California 93529, to consider adopting increases in the rates for its water and sewer charges.

REASONS FOR THE PROPOSED RATE INCREASES

The District provides water and sewer service to its customers, and continually strives to provide excellent and cost effective service. The District must also be fiscally responsible to ensure financial stability in the years to come. Despite the need for required operational and capital improvements, the District has not raised its rates for water service charges in over 5 years, and has not raised its rates for sewer service charges in over 10 years. As a result, the District has experienced significant revenue shortfalls, and is now in a position where a rate increase is necessary. To this end, the District engaged Willdan Financial Services, an independent consultant, to perform a cost of service analysis and rate study for the rates for its water and sewer service charges.

Based upon the rate study, the District anticipates there will be future increases in the costs of operating and maintaining the water and sewer systems. The proposed water and sewer rate increases are necessary to enable the District to: (1) maintain the operational and financial stability of the District, including keeping pace with inflation and other cost increases including water supply costs; (2) comply with State and Federal regulations governing drinking water and the treatment, disposal, and reuse of wastewater; (3) fund capital infrastructure improvements needed to repair and update the District's aging water and sewer systems; and (4) avoid operational deficits. A copy of the rate study and cost of service analysis providing justification for the proposed rates for water and sewer service is available for inspection at the District's offices during regular office hours of the District.

Water and Sewer Systems

The District obtains water from June Lake, Twin Springs, Fern Creek, and other local sources. The District also provides sewer service to its customers through its sewer system. With revenue generated by the proposed rates increase for water and sewer service charges, the District will continue to provide service to its customers while funding necessary capital infrastructure, keeping up with cost increases and inflation, and avoiding operational deficits.

PROPOSED RATES FOR WATER SERVICE CHARGES

The District bills customers monthly for water service. The proposed rate structure for the water service charges has two customer classes: Residential and Commercial. Residential customers include both single-family residences, and multi-family residences. Commercial customers are further divided into sub-classes based on shared usage characteristics. Monthly water service charges for metered customers include two components – a "Base Charge," which includes a portion of fixed costs and an allotment of water, and a "Usage Charge" which includes a portion of fixed and variable costs associated with water use.

In addition, the District is proposing to charge a "Shut-off Customer Monthly Charge" to customers that are connected to the District's water system, but have had water service turned off due to non-payment or a voluntary decision of the customer. The District continues to incur costs associated with each account, even if the account

has had water service temporarily turned-off. The Shut-Off Customer Monthly Charge is designed to recover only the fixed costs associated with maintaining such customer's connection to the water system.

The rates for the water service charges are proposed to be effective on September 1, 2018 in the maximum amounts set forth Exhibit A hereto. The District further proposes to automatically increase the rate for the water service charges, in the maximum amounts set forth in Exhibit A hereto, each July 1 thereafter, through and including July 1, 2022; provided, however, that at no time may the District impose the water service charges at a rate in excess of the cost of providing water service.

PROPOSED RATES FOR SEWER SERVICE CHARGES

The District bills customers monthly for sewer service. The proposed rate structure for the sewer service charges has three customer classes: Residential, Commercial, and Hospital, Schools, Churches, and Meeting Halls. The Commercial customer class is further divided into sub-classes based on shared usage characteristics. The monthly sewer charge is charged as a flat monthly rate, calculated based on the average winter use of the particular customer class, all as further described in the rate tables in Exhibit B hereto.

The rates for the sewer service charges are proposed to be effective on September 1, 2018 in the maximum amounts set forth in Exhibit B hereto. The District further proposes to automatically increase the rate for the sewer service charges, in the maximum amounts set forth in the table in Exhibit B hereto, each July 1 thereafter, through and including July 1, 2022; provided, however, that at no time may the District impose the water service charges at a rate in excess of the cost of providing water service.

PUBLIC HEARING

Any record owner of a parcel upon which water or sewer service charges are proposed for imposition, or any tenant directly responsible for payment of water or sewer service charges (i.e., a customer of record who is not a property owner), may submit a written protest to the proposed rate increases to the District's water and sewer service charges; provided, however, only one protest will be counted per identified parcel. Each protest must: (1) be in writing; (2) state whether the protest is submitted in opposition to the rate increase to the water or sewer service charges; (3) provide the location of the identified parcel (by service address or assessor's parcel number); and (4) include the name and signature of the person submitting the written protest. Written protests may be submitted by mail to the June Lake Public Utility District's office, JLPUD P.O. Box 99, June Lake, California 93529, **HAND DELIVER** at the District's office, 2380 HWY 158 June Lake California, or at the public hearing (see date, time and location above). All written protests must be received prior to the conclusion of the public input portion of the Public Hearing. **Any protest submitted via e-mail or other electronic means will not be accepted as a formal written protest.** Please identify on the front of the envelope for any protest, whether mailed or submitted in person, that the enclosed letter is for the Public Hearing on Proposed Rate Increases.

The Board of Directors will consider all written protests timely submitted and hear and consider all public comments made at the public hearing. **Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest.** At the conclusion of the public hearing, the Board of Directors will determine whether to adopt the proposed rate increases described in this notice. If, after the close of the public hearing, written protests against the proposed rate increases and as outlined above are not presented by a majority of the record owners or responsible tenants of the identified parcels upon which they are proposed to be imposed, the Board of Directors will be authorized to impose the rate increases. If you have any questions regarding the information provided in this notice, or the rates applicable to your property, please contact the District at (760) 648-7778.

**JUNE LAKE PUBLIC UTILITY DISTRICT
PROPOSED WATER/WASTEWATER RATE PLAN**

Effective

7/1/2018 7/1/2019 7/1/2020 7/1/2021 7/1/2022

Water Rates**Four Units or More****Three Units And Less**

Base Charge Per Unit (Revised = 5,000 Gallon Allowance Per Unit)	\$	27.11	\$	31.18	\$	35.85	\$	37.65	\$	39.53
Usage Charge per 1,000 Gallons -- 5,001 and Above		2.79		3.21		3.69		3.87		4.07

Commercial

Base Charge	3/4"	27.11		31.18		35.85		37.65		39.53
Base Charge	1"	27.11		31.18		35.85		37.65		39.53
Base Charge	1 1/2"	54.22		62.35		71.71		75.29		79.06
Base Charge	2"	86.48		99.46		114.38		120.10		125.10
Base Charge	3"	161.47		185.69		213.54		224.22		235.43
Base Charge	4"	259.46		298.38		343.14		360.30		378.31
Base Charge	6"	299.13		344.00		395.61		415.39		436.15
Base Charge	8"	299.13		344.00		395.61		415.39		436.15
Usage Charge per 1,000 Gallons		1.73		1.98		2.28		2.40		2.52

Residential Flat Rate (Non Meter)

Single Family dwelling with one kitchen, per dwelling	\$	29.69	\$	34.15	\$	39.27	\$	41.23	\$	43.29
Multifamily dwellings with more than one kitchen, per kitchen		29.69		34.15		39.27		41.23		43.29
Apartment houses, per kitchen		29.69		34.15		39.27		41.23		43.29
Mobile homes, or any other semi-permanent structure used as residence: per kitchen		29.69		34.15		39.27		41.23		43.29

Commercial Flat Rate (Non Meter)

Automobile service and repair establishments	\$	43.70	\$	50.26	\$	57.79	\$	60.68	\$	63.72
Car Washing Racks, coin operated, per rack		62.05		72.05		82.86		87.00		91.35
Automobile service station, per restroom		21.93		25.22		29.00		30.45		31.98
Bakeries		21.93		25.22		29.00		30.45		31.98
Barbershops and Beauty shops, per sink		21.93		25.22		29.00		30.45		31.98
Bars with on-sale alcoholic beverage license and restaurants, per seat		1.56		1.80		2.07		2.17		2.28
Hotels, dormitories, bed/breakfast and rooming houses, manager quarters per rental unit		29.69		34.15		39.27		41.23		43.29
Motel manager quarters per rental unit without kitchen		8.61		9.91		11.39		11.96		12.56
per rental unit with kitchen		29.69		34.15		39.27		41.23		43.29
Trailer and RV parks, manager quarters per trailer		8.61		9.91		11.39		11.96		12.56
Laundries: per commercial washing machine per coin operated automatic washer		11.01		12.66		14.55		15.28		16.05
Professional offices and buildings, per restroom		29.69		34.15		39.27		41.23		43.29
Public Showers, per stall		11.01		12.66		14.55		15.28		16.05
Retail stores (no produce)		29.69		34.15		39.27		41.23		43.29
Retail stores (produce)		15.82		18.20		20.93		21.97		23.07
All other public facilities, per restroom		21.93		25.22		29.00		30.45		31.98
Campgrounds, per camping space		15.82		18.20		20.93		21.97		23.07
Picnic-Day use sites per parking space		5.95		6.84		7.86		8.26		8.67
		0.95		1.10		1.26		1.33		1.39

Hospital, Schools, Churches and Meeting Halls

Churches		21.93		25.22		29.00		30.45		31.98
Hospitals: per bed		7.74		8.90		10.24		10.75		11.28
per Kitchen		21.93		25.22		29.00		30.45		31.98
per laundry machine		29.69		34.15		39.27		41.23		43.29
Lodges and Meeting Halls: per water closet		21.93		25.22		29.00		30.45		31.98
per Kitchen		21.93		25.22		29.00		30.45		31.98
Schools, per student (average daily attendance)		0.59		0.67		0.78		0.81		0.86

Shut-off Customer Monthly Charge

Flat Rate	\$	15.13	\$	17.40	\$	20.01	\$	21.02	\$	22.07
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**JUNE LAKE PUBLIC UTILITY DISTRICT
PROPOSED WATER/WASTEWATER RATE PLAN**

EXHIBIT B

Effective
7/1/2018 7/1/2019 7/1/2020 7/1/2021 7/1/2022

Wastewater Rates

Residential

Single Family dwelling with one kitchen, per dwelling	\$	27.88	\$	32.06	\$	36.87	\$	38.71	\$	40.64
Multifamily dwellings with more than one kitchen, per kitchen		27.88		32.06		36.87		38.71		40.64
Apartment houses, per kitchen		27.88		32.06		36.87		38.71		40.64
Mobile homes, or any other semi-permanent structure used as residence: per kitchen		27.88		32.06		36.87		38.71		40.64

Commercial Flat Rate

Automobile service and repair establishments	\$	41.80	\$	48.07	\$	55.28	\$	58.05	\$	60.95
Car Washing Racks, coin operated, per rack		69.68		80.13		92.15		96.76		101.60
Automobile service station, per restroom		20.91		24.04		27.65		29.03		30.48
Bakeries		20.91		24.04		27.65		29.03		30.48
Barbershops and Beauty shops, per sink		20.91		24.04		27.65		29.03		30.48
Bars with on-sale alcoholic beverage license and restaurants, per seat		1.39		1.60		1.84		1.93		2.03
Hotels, dormitories, bed/breakfast and rooming houses, manager quarters per rental unit		27.88		32.06		36.87		38.71		40.64
Motel manager quarters		7.65		8.79		10.11		10.62		11.15
per rental unit without kitchen		27.88		32.06		36.87		38.71		40.64
per rental unit with kitchen		7.65		8.79		10.11		10.62		11.15
Trailer and RV parks, manager quarters		10.41		11.97		13.76		14.45		15.17
per trailer		27.88		32.06		36.87		38.71		40.64
Laundries: per commercial washing machine		11.12		12.79		14.71		15.44		16.21
per coin operated automatic washer		41.80		48.07		55.28		58.05		60.95
Professional offices and buildings		27.88		32.06		36.87		38.71		40.64
Public Showers, per stall		20.91		24.04		27.65		29.03		30.48
Retail stores (no produce)		11.12		12.79		14.71		15.44		16.21
Retail stores (produce)		20.91		24.04		27.65		29.03		30.48
All other public facilities, per restroom		41.80		48.07		55.28		58.05		60.95
Campgrounds, per camping space		20.91		24.04		27.65		29.03		30.48
Picnic-Day use sites per parking space		5.34		6.14		7.06		7.41		7.78
		0.60		0.69		0.79		0.83		0.87

Hospital, Schools, Churches and Meeting Halls

Churches		20.91		24.04		27.65		29.03		30.48
Hospitals: per bed		6.97		8.01		9.22		9.68		10.16
per Kitchen		20.91		24.04		27.65		29.03		30.48
per laundry machine		41.80		48.07		55.28		58.05		60.95
Lodges and Meeting Halls: per water closet		20.91		24.04		27.65		29.03		30.48
per kitchen		20.91		24.04		27.65		29.03		30.48
Schools, per student (average daily attendance)		0.55		0.63		0.73		0.77		0.80