



PALMDALE WATER DISTRICT

A CENTURY OF SERVICE

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PWD WATER REVENUES TO INCREASE BY 11% IN 2025

Palmdale, CA – The Palmdale Water District (PWD) Board of Directors voted unanimously Monday night to increase water revenues between 8% to 11% for the next five years. The increases will be 11% in 2025 and 2026, 9% in 2027 and 2028, and 8% in 2029.

The approval came after the five-member Board heard a few ratepayers express their concerns about the rate increases during the hearing's public comment period. Before the vote, PWD also publicly announced that it received a total of 46 written protests against the increases. It would have taken 15,894 protests, or 50% plus one of parcel owners/renters, to prevent the adoption of the rate increase, per Proposition 218 guidelines.

"We appreciate everyone who took the time to attend the public hearing or submitted a protest letter," said Board President Kathy Mac Laren-Gomez. "The Board spent months reviewing alternate rates and took each

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protest seriously, and we truly understand our constituents' concerns. But we also have the huge responsibility of making sure that we have the financial resources to upkeep the infrastructure, plan for a reliable water future, maintain an adequate reserve, and support a talented staff to continue operating a first-rate water district.”

The increases will allow PWD to meet all operations costs, fund \$249.4 million worth of capital improvement projects and ensure reserves meet the targeted \$39.4 million at the end of the five-year plan.

The rates for customers who have a one inch or smaller meter will see their fixed monthly cost in 2025 increase from the current \$54.43 to \$60.75, or by \$6.32. The average single-family household in the PWD service area uses an average of 14 hcf (hundred cubic feet) of water. The new cost for the average family would be \$87.04 per month, compared to the current \$74.21.

Under the supervision of PWD Finance Manager/Chief Financial Officer Dennis Hoffmeyer, the 2024 Water Rate Study was conducted by Robert D. Niehaus, Inc., an independent economic consulting firm. They used economic trends in California and PWD's detailed financial history to recommend rate structures that would ensure the District meets its financial goals while allowing for infrastructure improvements and keeping rates reasonable for customers.

Based on the water rate adjustment resolution adopted by the Board on Monday, staff will conduct a budget analysis each year to determine if there is potential for rates to be reduced.

“There is a safety net that's been set up to give the Board the flexibility to reduce rates if

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revenues are more than anticipated and other parameters are met,” Hoffmeyer said. “The rates have been adopted but implementation doesn’t occur until January of each year.”

To assist senior citizens ages 62 and older, veterans of any age, and low-income families, the District offers the Rate Assistance Program that credits qualifying customers \$25 on their monthly fixed charge fee. Recently, the Board increased the assistance from \$20 to \$25. Applications are available online or by visiting the PWD lobby.

Since 1918, the Palmdale Water District has provided high-quality water at a reasonable cost. We pride ourselves on providing great customer care; advocating for local water issues that help our residents; educating the community on water-use efficiency; and leading our region in researching and implementing emerging technologies that increase operational efficiency. For more information about PWD, visit www.palmdalewater.org

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