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For Immediate Release

Desert Water Agency Proposes Rate Adjustment Based on Independent Cost-of-Service Study *DWA's Board to Consider Proposed Rate Adjustment at December 15 Public Hearing*

(November 3, 2016) **Palm Springs** – Desert Water Agency (DWA) recently sent [notices](#) informing its customers that the agency's Board of Directors will consider a proposed rate adjustment at a public hearing on Thursday, December 15, 2016. If adopted, the proposed rates would go into effect on January 1, 2017. Independent financial experts conducted a rate study to identify rate adjustments needed to ensure that the agency covers its costs.

“As stewards of the region's most precious resource and customer dollars, our agency must invest in our aging water system,” said Desert Water Agency General Manager Mark Krause.

DWA is a not-for-profit government agency with an elected Board of Directors. Before considering a potential rate adjustment, DWA took measurable steps to cut costs. The agency offset rising energy costs with efficient pump use, energy efficient well retrofits, and solar to power agency offices and water recycling facilities. Through bond refinancing, reduced employee medical benefits, pension restructuring and grant applications, DWA has significantly cut costs by more than \$21.5 million over the last decade.

Despite significant cost cutting measures, operating expenses continue to rise, and the agency must invest in replacing and maintaining aging infrastructure. Much of the region's water system was built before DWA was created in 1961, and age has led to an increasing number of pipeline leaks requiring emergency repair. DWA customers must invest in proactive infrastructure maintenance and aggressive pipeline replacement now to minimize water loss, ensure supply reliability and reduce the need for costly emergency repairs down the road.

DWA is also grappling with new state restrictions and environmental regulations that are driving up costs, including the cost of imported water. California's drought also plays a role in the need to develop rates that are able to keep DWA financially stable during periods of reduced consumption. Like local families and businesses, DWA is also facing rising energy costs and inflation.

Upon request, DWA will be providing customers projections of their bills under the proposed rates. For those customers that are concerned about their ability to afford the new rates, DWA worked with United Way of the Desert to establish a customer assistance program. DWA employees and vendors contributed thousands of dollars to establish the fund for our customers with financial need. For more information, call 760-323-2731.

DWA is holding a public hearing on Thursday, December 15 at 6:00 PM in the Cielo Vista Charter School cafeteria located at 650 S Paseo Dorotea, Palm Springs, CA 92264. For more information prior to the hearing, customers are invited to attend one or more of the following workshops:

- **Thursday, November 3, 6:00 PM** at Mizell Senior Center, 480 S Sunrise Way
- **Thursday, November 10, 12:00 PM** at Desert Water Agency, 1200 S Gene Autry Tr
- **Saturday, November 19, 10:30 AM** at Cathedral City Senior Center, 37171 Buddy Rogers Ave
- **Monday, November 28, 7:30 AM** at Desert Water Agency, 1200 S Gene Autry Tr

For more information on the proposed rate adjustment, please visit: www.dwa.org/rates.

About DWA

Desert Water Agency is a public, not-for-profit agency and a State Water Contractor, serving a 325-square-mile area, including parts of Cathedral City, outlying county areas, Desert Hot Springs and Palm Springs. An elected five-member board sets policy and represents the ratepayers. For more information, please visit www.dwa.org or contact: DWA Outreach & Conservation Manager Ashley Metzger at (760) 323-4971 ext. 184, Ashley@dwa.org.