



Water Rate Increase - Fact Sheet

It is the City's mission to provide clean safe drinking water to all residents and businesses. In fact, the City delivers water to 4,200 homes and 180 businesses. Water is used for in-home uses, outdoor watering, businesses and fire suppression. The City receives its water from two sources: Groundwater and Surface Water.

- a) The Groundwater. The City's groundwater supply comes from four existing deep wells in the Central Valley Aquifer.
- b) The Surface Water. The City's surface water supply comes from the South County Water Supply Project. In 2005, Lathrop partnered with SSJID, Tracy, Manteca and Escalon to construct a water treatment plant and pipe to carry water to the partner cities from Woodward Reservoir.

The City needs both of these sources to meet water supply demands. Groundwater and surface water are mixed and pumped to all customers throughout the City using the City's network of pipes and pump stations. Also, the City has four large storage tanks to "boost" the system should there be a fire or system pressure drop.

Over the years, the City has dedicated itself to producing drinking water that meets all state and federal drinking water standards. The City continually strives to adopt new and better methods for delivering the best quality of drinking water at an economical cost. Cost, however, is sometimes directly impacted by outside influences, such as changes in federal regulations or contractual costs that the City cannot influence. Such impacts have occurred for each of Lathrop's water sources.

- What changed for groundwater? A new federal mandate which requires that the arsenic in the water supply not exceed 10 parts per billion. Since arsenic is a naturally occurring element in the ground, most cities in the country must "remove" arsenic from the water supply. For Lathrop, this means constructing a \$10.5 million arsenic removal facility.
- What changed for surface water? In 2005, the SSJID completed the Surface Water Project that boosted Lathrop's supplies. Now that the state-of-the-art facility has three years of operational history, exact operations costs are known. The result is that, by contract, the City is paying a higher cost for water than originally anticipated. The City is working with the district to try to lower costs.

What's coming? In order to pay for these and other cost increases, the Water Rates have to be increased. To be fair to residents and business owners, it's proposed to spread a rate increase over five years as follows:

Water Utility Rates				
Year	East Lathrop Monthly Bill		West of I-5 Monthly Bill [1]	
	Increase from Previous Year	Total	Increase from Previous Year	Total
Current	\$0	\$39	\$0	\$30
February 2009	\$4	\$43	\$4	\$34
January 2010	\$3	\$46	\$3	\$37
January 2011	\$5	\$51	\$5	\$42
January 2012	\$4	\$55	\$4	\$46
January 2013	\$5	\$60	\$5	\$51

[1] West of I-5 pays for the SSJID through a property tax rather than through the utility rates. The payment amounts to about \$9 per month.