

**COACHELLA VALLEY WATER DISTRICT  
NOTICE OF PUBLIC HEARING  
REGARDING PROPOSED ADJUSTMENTS AND INCREASES TO RATES FOR  
CANAL WATER SERVICE CHARGES**

NOTICE IS HEREBY GIVEN that the Coachella Valley Water District (the “District”) will conduct a public hearing on July 22, 2025 at 8:00 a.m., or as soon thereafter as practicable, in the Board Chambers of the District offices, located at 51501 Tyler Street, Coachella, CA 92236, to consider adopting adjustments to and increases in the rates of its canal water service charges. Information regarding the proposed Fiscal Year 2026 budget and proposed rates is available online at: <https://cvwd.org/151/Board-Agendas>.

**Reasons for the Proposed Water Rate Increases.** The District operates the Coachella Canal, a 123-mile aqueduct that conveys Colorado River water (“canal water”) from the All-American Canal to the Coachella Valley to serve more than 1,000 accounts. The District is committed to providing the highest quality canal water services at the lowest possible rates for our customers. While the District continually strives for cost reductions and better utilization of the assets it holds, it also needs to keep pace with inflation, increasing operations and maintenance costs, and other cost increases, many of which it cannot control. To evaluate those costs, the District engaged an independent consultant to evaluate the District’s financial plan and revenue requirements for the next five years. Based on that analysis and the resulting Cost of Service Study Report, the District has determined to adjust the rate structure and increase the rates for the canal water service charges to enable it to: recover current and projected increases in the costs of operating the canal water system, including operations and maintenance, capital infrastructure improvements, drain and lateral replacements (e.g., gate and pumping infrastructure), energy costs, personnel costs, supplies and services, equipment, and quagga mussel mitigation and regulation, costs to comply with State and Federal regulatory requirements, all while avoiding operational deficits and depletion of reserves and continuing to operate the utility in a financially prudent manner.

**Basis upon Which the Water Rates are Calculated.** The proposed rate structure for the canal water service charges has two customer classes—Class 1 and Class 2—and is comprised of three components—a Gate Charge, an Irrigation Water Commodity Charge, and an Outside of Improvement District 1 Surcharge. Class 1 customers consist of all canal water customers who use canal water for commercial agricultural activities—i.e., customers who use canal water for the purpose of producing an agricultural commodity for commercial purposes, including growing crops and raising animals for the commercial production and/or sale of food, fiber, fuel and other products. Class 2 customers consist of all other canal water customers—i.e., customers who use canal water for: groundwater replenishment, including the District’s Replenishment Funds; drinking water production; landscape irrigation; recreation; and other activities, including, but not limited to, golf courses, and hunting clubs.

**Gate Charge.** The Gate Charge is a charge designed to recover the District’s costs for the Zanjeros (canal operators) to open, set and monitor irrigation gates that allow Canal water to flow to irrigated properties. The Gate Charge is imposed for each scheduled gate order (i.e., a District visit to open, close, or otherwise modify a gate position) and each unscheduled gate order requested by a property owner or customer.

**Irrigation Water Commodity Charge.** The Irrigation Water Commodity Charge (IWCC) is a per acre foot charge that recovers the costs for all water purchases, costs to move the water through the Canal system, operating expenses, capital outlays, and administrative costs. The costs include the quagga mussel mitigation costs, which are now incorporated into the IWCC.

**Outside of Improvement District 1 Surcharge.** The District receives an allocation of the general ad valorem property tax revenue collected by Riverside County within Improvement District 1 (“ID-1”). The ad valorem property tax revenue is used, in part, to defray the costs of providing canal water services to canal water service customers located in ID-1. The District does not receive any allocation of ad valorem property tax revenues collected from properties located outside of ID-1. The Outside of ID-1 Surcharge will be imposed only on customers located outside ID-1 and is designed to recover the District costs incurs to serve these customers and to ensure equitable treatment of customers both inside and outside ID-1. The Outside of ID-1 Surcharge is a fixed charge based on property acreage and is calculated annually by dividing the ID-1 property tax revenue in a given year by the total acres within ID-1 receiving canal water service.

**Proposed Water Rates.** The District is proposing to adopt rates for its canal water service charges for five years. If approved, the monthly rates will be effective for canal water services provided on and after August 1, 2025 and will be increased each July 1 thereafter as set forth in the tables on pages 2 and 3 of this notice. The rates that may be implemented are the maximum rates that may be imposed by the District in each of those years. Before adjusting rates each year, however, the Board of Directors will to determine if the full amount of any rate increases is necessary.

**RATES FOR CANAL WATER SERVICE CHARGES EFFECTIVE AUGUST 1, 2025**  
**Volumetric Charge (\$/AF)**

---

<b>Customer Class</b>	<b>Irrigation Water Commodity Charge</b>
Class 1	\$ 40.14
Class 2	\$ 87.57
Construction/Industrial	\$ 65.81

<b>Gate Order</b>	<b>Gate Charge (\$/Read)</b>
Scheduled	\$ 35.20
Unscheduled	\$ 70.40

**Outside of Improvement District 1 Surcharge (\$/Acre): \$ 4.52**

**RATES FOR CANAL WATER SERVICE CHARGES EFFECTIVE JULY 1, 2026**  
**Volumetric Charge (\$/AF)**

---

<b>Customer Class</b>	<b>Irrigation Water Commodity Charge</b>
Class 1	\$ 41.86
Class 2	\$ 92.98
Construction/Industrial	\$ 70.67

<b>Gate Order</b>	<b>Gate Charge (\$/Read)</b>
Scheduled	\$ 36.50
Unscheduled	\$ 73.00

**Outside of Improvement District 1 Surcharge (\$/Acre): \$ 4.65**

**RATES FOR CANAL WATER SERVICE CHARGES EFFECTIVE JULY 1, 2027**  
**Volumetric Charge (\$/AF)**

---

<b>Customer Class</b>	<b>Irrigation Water Commodity Charge</b>
Class 1	\$ 43.36
Class 2	\$ 98.03
Construction/Industrial	\$ 77.13

<b>Gate Order</b>	<b>Gate Charge (\$/Read)</b>
Scheduled	\$ 37.35
Unscheduled	\$ 74.71

**Outside of Improvement District 1 Surcharge (\$/Acre): \$ 4.79**

**RATES FOR CANAL WATER SERVICE CHARGES EFFECTIVE JULY 1, 2028**  
**Volumetric Charge (\$/AF)**

---

<b>Customer Class</b>	<b>Irrigation Water Commodity Charge</b>
Class 1	\$ 44.72
Class 2	\$ 100.77
Construction/Industrial	\$ 80.21

<b>Gate Order</b>	<b>Gate Charge (\$/Read)</b>
Scheduled	\$ 38.94
Unscheduled	\$ 77.88

**Outside of Improvement District 1 Surcharge (\$/Acre): \$ 4.94**

**RATES FOR CANAL WATER SERVICE CHARGES EFFECTIVE JULY 1, 2029**  
**Volumetric Charge (\$/AF)**

---

<b>Customer Class</b>	<b>Irrigation Water Commodity Charge</b>
Class 1	\$ 49.82
Class 2	\$ 114.82
Construction/Industrial	\$ 89.32

<b>Gate Order</b>	<b>Gate Charge (\$/Read)</b>
Scheduled	\$ 40.60
Unscheduled	\$ 81.20

**Outside of Improvement District 1 Surcharge (\$/Acre): \$ 5.09**

**Public Hearing and Written Protests.** Any record owner of a parcel upon which the canal water service charges are proposed to be imposed and any tenant directly liable for the payment of canal water service charges (i.e., a customer of record who is not a property owner) may submit a written protest to the proposed canal water service charges; however, only one protest will be counted per parcel. If your name does not appear as the record owner of a parcel on the last equalized secured property tax assessment roll for the county, then you must submit with your written protest written evidence that you are the current record owner of the parcel or are otherwise obliged to pay the charges.

**Written comments or objections must be submitted to the Clerk of the Board by the end of public comment period at the hearing; failure to timely object in writing bars any right to challenge the charges in court, and any such action will be limited to issues identified in such objections. To protest the rate increases, a property owner or customer or record must submit a signed written protest, stating that it protests the rates and identifies a parcel by address, assessor's parcel number, or CVWD account number, and submit it to the Clerk of the Board at the hearing or via email to SBermudez@cvwd.org or via mail at P.O. Box 1058, Coachella, CA 92236.**

Oral comments may be made during the meeting before conclusion of the hearing but will not constitute a protest unless a written protest is also submitted. The Board will consider adoption of the following: Ordinance No. 1437.6, Canal Irrigation and Drainage System Rules and Regulations.

For information on how to provide public comment at the meeting, please refer to the July 22, 2025 agenda. The agenda is posted at least 72-hours before the meeting and can be found on the District's website at [www.cvwd.org/151/Board-Agendas](http://www.cvwd.org/151/Board-Agendas). You may also contact the Clerk of the Board for additional information at (760) 398-2651 or via email at [SBermudez@cvwd.org](mailto:SBermudez@cvwd.org).

Upon the conclusion of the Public Hearing, the Board of Directors will consider adoption of the proposed rate increases. If written protests against the proposed rates are not presented by a majority of the property owners or tenants of the identified parcels subject to the proposed charges, the Board of Directors can adopt the rate increases. A copy of the Ordinance, as proposed, and the cost of service study which supports it are posted and available for review at the following locations:

Coachella Valley Water District  
Steve Robbins Administration Building  
75515 Hovley Lane East  
Palm Desert, California

Coachella Valley Water District  
Coachella Office  
51501 Tyler Street  
Coachella, California

Additionally, copies are available by calling the District at (760) 398-2651 ext. 2217 or at the District's web site: <https://cvwd.org/544/Public-Notices>.

---

**Optional Protest Form (to be used only if you wish to protest the proposed rate increases)**

I, \_\_\_\_\_ (please print name) am the property owner of record or the customer of record for the property located at \_\_\_\_\_ (service address, account number, or Assessor's Parcel Number). I oppose the proposed canal water rate charges for the following reasons: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

If you use this form as your written protest, please print and sign your name in ink, and mail the form in a stamped envelope to: Clerk of the Board, Coachella Valley Water District, P.O. Box 1058, Coachella, CA 92236. If mailed, please provide sufficient time for the District to receive your written protest before the close of the Public Hearing to be held on July 22, 2025, at 8:00 AM, in the Board Chambers of the District offices located at 51501 Tyler Street, Coachella, CA 92236. Any written protest received by the District after the close of the Public Hearing will not be tabulated.

Si necessita una copia de este documento en Español por favor contáctenos al la dirección mencionada arriba.