

News Release



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CONTACT: Sharene Gonzales, Public Affairs Supervisor
Phone: 510.668.4208
Sharene.gonzales@acwd.com
@AlamedaCountyWD

Alameda County Water District to Hold Public Hearing on Proposed Increase in Water Related Rates

Fremont, Calif. – The Alameda County Water District Board of Directors will hold a public hearing on Thursday, February 13 at 6 p.m., and consider a proposed two-year water rate increase of 4% to the bimonthly service and commodity charges and updates to drought surcharges and private fire service rates. The new rates would take effect March 1, 2025, and again on March 1, 2026.

Water rates cover the cost of providing a reliable supply of high-quality drinking water to Fremont, Newark and Union City. These costs are increasing, and water rate changes are needed due to stricter water quality and environmental regulations, and higher construction and maintenance costs for critical infrastructure, water supply initiatives, and ACWD's workforce. Rate adjustments also ensure the District has adequate debt coverage, a fiscally responsible practice that helps maintain a strong credit rating which lowers borrowing costs.

As a public agency, ACWD makes no profit and cannot take in funds beyond the cost of providing service.

The average residential customer currently uses about 16 units of water, or about 200 gallons per day, in an every-other-month billing cycle. The proposal would increase their bimonthly bill by \$5.75, or \$2.88 per month, beginning March 1, 2025. The rate would rise by \$6.01, or by \$3.01 per month on March 1, 2026.

Customers' bills include a fixed service charge based on the size of each meter at their property and a consumption charge based on the amount of water used during a billing cycle. For residential customers – who typically have a 5/8 or 3/4-inch meter – the service charge is proposed to increase by \$2.55 per bimonthly bill, beginning March 1, 2025, and by \$2.65 per bimonthly bill, beginning March 1, 2026. The consumption rate would increase by 20 and 21 cents, for each unit of water. One unit is 748 gallons.

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Drought surcharges, which are not currently in effect, would only be implemented if water supplies are insufficient to meet customer water demands due to an emergency, such as a drought. A surcharge was last billed in 2023 when necessary to stabilize revenue during the historic drought and was rescinded when water supplies rebounded, and the Board declared the emergency over.

The District strives for operational efficiencies and processes that reduce upward rate pressure. Securing grants, maximizing the use of lowest cost water, increasing energy efficiencies, and reducing long-term costs by installing improved infrastructure, transitioning vehicle fleet to a leasing program, and partnering with other agencies to execute joint projects, reduce overall operational costs. Cost controls have helped keep the District's water rates consistently in the lower third of 30 Bay Area water agencies.

ACWD periodically conducts an in-depth analysis to ensure water rates accurately reflect the cost of water service. The District also uses outside expert consultants to ensure that its rates are properly determined.

The proposed increases follow five open-to-the-public workshops during 2024 and two community meetings in January in advance of the upcoming public hearing.

Residents can attend the February 13 hearing in person or via webinar on Zoom. In addition, the Board will take public comments during the meeting.

Date: Thursday, February 13, 2025

Time: 6 p.m.

Meeting Location: ACWD Headquarters

43885 S. Grimmer Blvd., Fremont

Webinar on Zoom

Link available at acwd.org/rates

For more information, or to submit a protest, visit acwd.org/rates.

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Since 1914, the Alameda County Water District has supplied water to the residents and businesses of southern Alameda County. ACWD supplies drinking water to the 342,000 people living in the cities of Fremont, Newark and Union City. For more information, please visit acwd.org.