The City of Whittier provides wastewater service to the entire City. Existing sewer service is provided to those customers to whom the City has been limited by location, and maintenance of the systems to ensure compliance with regulations governing public health and environmental protection, repair, rehabilitation and replacement of the system infrastructure; debt service; as well as costs related to prudent long-term operational, capital planning and financial management of the systems. Financial management would include maintaining adequate fund reserves and planning for contingencies.

Proposed changes to the existing wastewater rates are described in the below table. The City Council will accept all written protests and hear all oral comments to the proposed rate changes at the public hearing to be held on Tuesday, May 14, 2019 at 6:00 p.m.

<table>
<thead>
<tr>
<th>Class</th>
<th>Service Charge</th>
<th>Current Rates</th>
<th>Proposed Rates</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$6.95</td>
<td>$6.95</td>
<td>$7.00</td>
<td>+0.54%</td>
</tr>
<tr>
<td>Multi-Residential</td>
<td>$6.95</td>
<td>$6.95</td>
<td>$7.00</td>
<td>+0.54%</td>
</tr>
<tr>
<td>Commercial</td>
<td>$6.95</td>
<td>$6.95</td>
<td>$7.00</td>
<td>+0.54%</td>
</tr>
<tr>
<td>Landscape</td>
<td>$6.95</td>
<td>$6.95</td>
<td>$7.00</td>
<td>+0.54%</td>
</tr>
</tbody>
</table>

The City of Whittier provides reclaimed water services for the entire City. Reclaimed water rates are calculated as follows:

1. $0.80 per 1000 cubic feet or 748 gallons of water used
2. $0.96 per 1000 cubic feet or 748 gallons of water used
3. $1.12 per 1000 cubic feet or 748 gallons of water used

The City of Whittier provides reclaimed water services to seven users, which includes commercial, irrigation, and the City of Whittier for landscaping and irrigation purposes. Reclaimed water rates include a fixed service charge varied by per billing unit for each customer class for each of the five years. An annual customer service charge of $6.95 is being proposed to each customer account for use of the system infrastructure, operations and maintenance costs, and is increased in subsequent years as shown in the Schedules below.

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EXPLANATION OF RATE CHANGES

The City of Whittier levies rates for water, sewer and reclaimed water services provided to its customers. The rates reflect the costs to the City for providing in Fiscal Year 2019-20 to cover customer service-related costs, and is calculated as follows:

1. $0.80 per 1000 cubic feet or 748 gallons of water used
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