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Zone 7 Rolls Back 6.7% Rate Increase

Water Agency Board of Directors Considers Economic Distress from COVID-19

LIVERMORE, Calif. (June 18, 2020) – Water customers in Zone 7’s service area will receive some relief on water rates this year with the Agency’s decision to delay a scheduled rate increase due to the economic distress caused by the COVID-19 pandemic.

“Like all water agencies, we have a duty to charge rates that cover the cost of providing clean, safe water to our customers. At the same time, we recognize that many in our close-knit community are facing financial hardships,” said Board President Sandy Figuers. “After careful consideration, the Zone 7 Board of Directors has decided to delay the previously approved rate increase to provide relief and stability to the Tri Valley community.”

Zone 7 Water Agency’s water rate schedule is set through a rigorous cost-recovery analysis and public review process. In 2018, Zone 7’s Board of Directors approved a four-year rate schedule that included a set increase each year from Calendar Year 2019-2022. Under that schedule, the next rate increase of 6.7% was scheduled to go into effect on January 1, 2021.

With the disruption to economic activity that the COVID-19 pandemic has caused, many businesses have shut down or are struggling, and many workers have lost employment or income. Due to this unforeseen economic downturn, Zone 7 Water Agency’s Board of Directors felt the appropriate course of action was to take a hard look at the budget and revisit the scheduled rate increase. After a special budget meeting in May and Wednesday’s regular Board meeting, the Directors, together with staff were able to finalize and adopt a budget that utilized one-time savings and the deferral of some work in order to freeze rates at the current level through December 31, 2021. Even with deferred or slowed projects,

work critical to water quality and supply operations will not be compromised. Further, work related to capital improvement projects to maintain water supply infrastructure and work related to providing future water supply reliability will continue as planned.

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About Zone 7 Water

Zone 7 Water Agency is one of the 10 active zones of the Alameda County Flood Control and Water Conservation District. The District was established by the State Legislature in October 1949 to solve problems of flooding, drainage, channel erosion and water supply and conservation in Alameda County. In 1957, by popular vote, Zone 7 became a special district governed by a seven-member board of directors. Along with flood protection, Zone 7 supplies water to all of eastern Alameda County and a population of over a quarter million residents. Treated water is sold wholesale to local retailers, including the cities of Livermore and Pleasanton, the Dublin San Ramon Services District, and the California Water Service Company. Zone 7 also distributes untreated water to local agriculture operations and golf courses.