



MADERA VALLEY WATER COMPANY

18454 ROAD 26, MADERA, CALIFORNIA 93638-0299

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September 3, 2025

Dear Shareholder,

This letter is to inform you of an upcoming increase to the water rates. This is necessary due to the rising operational and maintenance costs and upcoming improvements to the water system. Some of the factors related to this increase are:

- **Rising Energy Costs:** Over the past decade we have seen substantial increases in our energy costs. The major factors affecting the increase in energy costs are:
 - Increased PG&E rates
 - Lower groundwater levels
- **Increased Pump and Well Maintenance:** The declining water levels have caused ground subsidence which has resulted in repeated damage to the wells at multiple well locations. Damage includes:
 - Cracks in the well casing
 - Damage to the pump
 - The declining water levels have also greatly reduced the water production from the wells. We have seen a 50% reduction in the total pumping capacity of our wells over the past 10 years.
- **Fire Protection:** We will be making improvements throughout the system which includes the addition of fire hydrants and upsizing of water lines.
- **Aged Water Line Replacement:** Over the years the Company has replaced a substantial amount of aging water lines, but we still have over twenty miles of aged and failing water lines that need to be replaced. Most of the water lines are located in utility easements at the back of the properties. The water line replacement will be a difficult challenge due to the limited access to the water lines. In some instances, structures are built near to, or on top of the existing water lines.
- **Meters:** California has implemented several laws to encourage water conservation through the installation and use of water meters across the state. These mandates are driven by a desire to promote responsible water use, particularly in light of drought conditions.
- **Water Quality:** Water treatment costs have increased because of the lower water levels. The biggest change we have seen is an increase in the Iron and Manganese in the water. These are both classified as secondary constituents. They affect the aesthetics of the water (taste and odor).

The new water rates will be as follows:

Residential:	\$130.00/month
Commercial:	\$94.31 + \$1.50 per 1000 gallons/month
Standby/Unimproved:	\$48.23/month billed quarterly

These new rates will be effective starting November 1, 2025.

"Water conservation saves \$ and resources!"



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If you have payments set up through you bank you need to update the information with your bank. If you have automatic payment set up with Madera Valley Water Company ACH withdraw on the 5th of each month it will automatically update and no action on your part is necessary. For safety purposes our office is closed to the general public. Office hours are Monday through Friday 8:00 a.m. to 5:00 p.m. You may make your payment at our office using the payment slot next to the front door. Please pay using a check or money order so that you have a record of your payment. Do not use cash.

We understand that any increase in rates can be challenging, and we have made every effort to minimize the impact on our shareholders. We are committed to providing reliable and safe water service, and these adjustments will help us maintain and improve our infrastructure, ensuring continued quality service for the future.

Madera Valley Water Co. is committed to transparency and open communication. We encourage you to visit our website at <https://maderavalleywater.com/current-news/> for more information about the rate increase and the factors influencing it. You can also contact us directly at (559)674-2407 or maderavalleywater@mvwc.net with any questions or concerns.

Respectfully,
Greg Rodgers
General Manager