

You Can Protest the Proposed Rate Change

You can use the form in this notice to register your protest against the proposed sewer rate change. You can also choose to write a letter to the Board, following the requirements below, or appear at the public hearing listed on the front cover of this notice to submit your written protest.

How Can I Participate?

Interested parties can comment on the proposed rates. California Constitution Article XIII D section 6 (Proposition 218) prohibits the District from implementing the new rates if a majority of the affected property owners or tenants file written protests opposing the rates before the end of the public hearing. Only one written protest per affected property will be counted toward the majority protest. Written protests must be received by the District before the end of the public hearing scheduled for Thursday July 6, 2017 at 6:30 pm in the Multi-Purpose Room at Romero Elementary School. Each protest must identify the affected property (by street address or Assessor's Parcel Number) and include the signature of the property owner or utility customer of record. In compliance with Proposition 218, e-mail and fax protests will not be accepted. Although oral comments at the public hearing will not qualify as formal protest unless accompanied by a written protest, the District welcomes input from the community during the public hearing.

Some Customers May Receive Multiple Notices

In order to ensure that all customers are informed about possible sewer rate adjustments, these Notices are being sent to all District customers. If you are responsible for more than one bill, you may receive more than one Notice.

USE THIS FORM TO PROTEST THE PROPOSED SEWER RATE CHANGE

I _____ protest this proposed adjustment to sewer rates.
(Print first and last name)

Property Address or

Assessor's Parcel Number: _____

Signature: _____

*If you wish to use this form as your protest, please fill out and hand deliver or mail in a stamped envelope to:
Santa Nella County Water District, 12931 S Hwy 33, Santa Nella, CA 95322. Mailed protests must be received
no later than July 6, 2017 at 3:30 pm. Or deliver it before the end of the Public Hearing on
July 6, 2017, in the Multi-Purpose Room at Romero Elementary School.*

This material is available in Spanish to accommodate non-English speakers. Translated material can be obtained at 12931 S Hwy 33, Santa Nella, CA. A Spanish interpreter has been arranged for the July 6, 2017 Public Hearing.



Santa Nella County Water District

Notice of Public Hearing

The Santa Nella County Water District will hold a public hearing to consider a proposed sewer rate change.

Interested parties are invited to attend.
Read inside to learn more.

La version en Espanol
estara disponible en la
oficina del Distrito.

**Thursday July 6, 2017
6:30 pm**

Romero Elementary School
13500 W Luis Rd.
Santa Nella, CA 95322

Notice of
Public Hearing
Information Inside

Santa Nella County Water District
12931 S Hwy 33
Santa Nella, CA 95322



Notice of Public Hearing July 6, 2017 at 6:30 pm, Romero Elementary School

The Santa Nella County Water District will hold a public hearing on July 6, 2017 at 6:30 pm in the Romero Elementary School Multi-Purpose Room to consider adjustments to sewer rates. At this hearing the Board of Directors will consider the recommendation to adjust sewer rates beginning July 2017. In subsequent years, adjustments will be effective on July 1, 2018 through July 1, 2022 .

The Santa Nella County Water District provides wastewater services to the community of Santa Nella. The system consists of a series of collection lines, lift stations, mechanical headworks, treatment ponds and disposal land. After water is used by the consumer, the wastewater is collected through piping and lift stations, and pumped to the plant where it is screened through headworks to remove non-biodegradable material. The water is then treated in aerated ponds and discharged to land for disposal. These processes are a service that is charged to and paid for by the beneficiaries of the service. The District must employ certified operators and skilled administrative staff to provide the service, and rates are established based on the cost to provide the service to each customer class.

The District has established three customer classes based on service need, flow, wastewater strength, and operational field and administrative effort. The classes are Mobile Home Park, Residential Homes and Commercial. An annual budget is prepared and cost distribution is established to determine user rates as to each customer class. The current rates do not provide enough revenue to meet certain capital improvement costs and each customer class should be adjusted so that each customer is paying their proportional share of all costs to provide the service.

The following are costs that have impacted the budget:

Debt Service Payment: In 2010 the District received \$4.2 million dollars in funding from the Clean Water State Revolving Fund to improve and upgrade the wastewater treatment plant where the District collects, treats and disposes of the community’s wastewater. One-half of the funding (\$2.1 million) was principal forgiveness for which the District does not have to repay as long as the District does not default on terms of the funding agreement between the District and the State. The remaining balance of \$2.1 million dollars is a low interest loan at 2.6% over 20 years. With the funds the District was able to upgrade the existing Wastewater Treatment Plant and Bay View Lift Station, which resulted in capacity and reliability improvements at the plant.

Debt Covenant: The loan component of the funding requires a debt service payment of \$133,872 annually for 20 years, which began April of 2014. The funding agreement with the State also requires that the District’s net revenues be 1.25 times the debt service. The District had about three years of reserves for the debt service payment, but the sewer rates for all customers are still not adequate to meet the revenue requirement of 1.25 times the debt service and future debt service payments. The proposed rates will result in net revenue of at least 1.25 times the debt service and the ability for the District to make the annual payment.

Sludge Removal: A new budget line item of \$30,000 (annually) has been added for removal of sludge from wastewater ponds. This is a necessary maintenance operation that must be performed regularly to remain in compliance with the District’s Waste Discharge Requirements (WDRs).

Summary: The District has seen steady increases in the following costs: energy, fuel, supplies, bank fees due to the ability to accept electronic payments, regulatory fees, worker’s compensation and health insurance premiums. The District is seeking a five-year phase-in as described in the following tables. Overall, each customer class will see a larger adjustment in the first fiscal year in order to meet the required debt service. The proposed rates are designed to adjust revenue equitably between customer classes so that the District can continue to meet WDRs, provide safe handling of wastewater, and meet the debt service payment and net revenue requirement.

The Board of Directors has adopted Sewer Rate Study 2017, which contains the Needs Analysis of the Sewer Fund. The study is available at the District Office, 12931 S Hwy 33, Santa Nella, CA 95322.

Mobile Home Park

Proposed Sewer Rates						
Santa Nella County Water District						
		Current 2017	Five-Year Phase-In			
			2017-18	2018-19	2019-20	2020-21 2021-22
Mobile Home Park	Mo. Flat Rate (\$/Mo)	\$ 23.55	\$ 28.26	\$ 31.46	\$ 32.24	\$ 33.08 \$ 33.83
includes RV Park Spaces 297-317 [excluding Space 313]						

Metered Homes

Proposed Sewer Rates						
Santa Nella County Water District						
		Current 2017	Five-Year Phase-In			
			2017-18	2018-19	2019-20	2020-21 2021-22
Metered Residential	Mo. Flat Rate (\$/Mo)	\$ 31.01	\$ 33.92	\$ 37.77	\$ 38.70	\$ 39.71 \$ 40.61

Commercial

Proposed Sewer Rates							
Santa Nella County Water District							
		Current 2017	Five-Year Phase-In				
Rate (Units)			2017-18	2018-19	2019-20	2020-21	2021-22
Commercial Sewer Rates			Fixed Monthly Charges				
Low-Strength	Mo. Fixed Rate (\$/mo)	\$ 132.55	\$ 357.89	\$ 393.67	\$ 403.52	\$ 421.67	\$ 424.84
Medium-Strength	Mo. Fixed Rate (\$/mo)	\$ 165.70	\$ 488.82	\$ 537.70	\$ 551.14	\$ 575.94	\$ 580.26
Medium-High-Strength	Mo. Fixed Rate (\$/mo)	\$ 218.72	\$ 721.78	\$ 793.95	\$ 813.30	\$ 850.42	\$ 856.80
High-Strength	Mo. Fixed Rate (\$/mo)	\$ 251.85	\$ 906.66	\$ 997.33	\$ 1,022.26	\$ 1,068.26	\$ 1,076.27
			Monthly Volume Charges (no minimum consumption)				
Low-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 2.05	\$ 1.62	\$ 1.78	\$ 1.83	\$ 1.88	\$ 1.94
Low-Irrigation-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 2.67	\$ 2.11	\$ 2.32	\$ 2.38	\$ 2.45	\$ 2.52
Medium-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 3.45	\$ 2.73	\$ 3.00	\$ 3.07	\$ 3.17	\$ 3.26
Medium-Irrigation-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 4.33	\$ 3.42	\$ 3.76	\$ 3.86	\$ 3.97	\$ 4.09
Medium-High-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 4.81	\$ 3.80	\$ 4.18	\$ 4.28	\$ 4.41	\$ 4.55
Medium-High-Irrigation-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 6.23	\$ 4.92	\$ 5.41	\$ 5.55	\$ 5.72	\$ 5.89
High-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 5.51	\$ 4.35	\$ 4.79	\$ 4.91	\$ 5.06	\$ 5.21
High-Irrigation-Strength	Mo. Vol. Chrg (\$/hcf)	\$ 6.31	\$ 4.98	\$ 5.48	\$ 5.62	\$ 5.79	\$ 5.96
Commercial Non-Metered Rates							
Non-Metered Units	Mo. Flat Rate (\$/mo)	\$ 123.51	\$ 127.99	\$ 130.55	\$ 133.16	\$ 135.82	\$ 138.54
Grease Interceptor Inspection	Qtr. Flat Rate (\$/qtr)	\$ 64.90	\$ 67.49	\$ 70.19	\$ 71.59	\$ 73.03	\$ 74.49