

CAMBRIA COMMUNITY SERVICES DISTRICT

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Notice of Public Hearing on Proposed Increases to Water, Sustainable Water Facility, and Sewer Rates

Dear Property Owner or Customer,

Date: _____

Cambria Community Services District (CCSD) is proposing to increase water and sewer rates over the next three years. The proposed rate increases are needed to fund the costs of providing service and phase-in funding for capital improvements to CCSD's aging water and wastewater facilities. CCSD will hold a public hearing to consider adopting the proposed rates as follows:

Date: _____

Time: _____

Place: Cambria Veterans Memorial Building
1000 Main Street, Cambria, CA 93428

*If you would like to receive this notice in Spanish, please contact the CCSD at (805) 927-6223.
Si le gustaria recibir este documento en Español, por favor llame a CCSD (805) 927-6223.*

Rate Increases Needed to Fund Investment in Aging Infrastructure

CCSD's water and sewer utilities rely primarily on revenues from service charges to fund the costs of providing service. As such, water and sewer rates must be set at levels adequate to fund the costs of operating and maintaining CCSD's water and sewer systems to support safe and reliable service. This includes costs for repairing and replacing aging infrastructure. Many of CCSD's facilities are approaching the end of their useful operating lives and are in need of rehabilitation and replacement. These facilities include old water and sewer pipelines, water pump stations, sewer lift stations, and CCSD's aging wastewater treatment facilities.

Additional infrastructure improvements are needed to comply with regulatory requirements including capital improvements to CCSD's Sustainable Water Facility and wastewater treatment plant. The proposed rates are designed to phase in funding for capital improvements over the next three years, with the goal of supporting an ongoing funding stream adequate to gradually address CCSD's infrastructure needs.

CCSD's rates are currently in the lower range compared to other local coastal communities. With the proposed rate increases, CCSD's rate are projected to remain in the lower to lower-middle range. CCSD is aware that the proposed rate increases will place an additional financial burden on ratepayers and plans to re-evaluate rates in future years and only implement rate increases as needed

Proposed Water Rates

CCSD is proposing to adopt water rate increases over the next three years as shown in the table below. CCSD's water rates include both 1) fixed charges levied on each account regardless of water use, and 2) water quantity charges billed based on metered water use in each billing period. Residential customers pay a uniform fixed charge per account plus water quantity charges billed via three graduating rate tiers, with water purchased first in Tier 1 and then subsequently in higher tiers that are more expensive as water use increases. Commercial rates include fixed charges that vary by meter size – with higher charges for customers with larger meter sizes that place more demand on the water system – plus a uniform volumetric rate for all water use. Quantity charges are billed in units of one hundred cubic feet (ccf), with 1 ccf equal to approximately 748 gallons.

Proposed Water Rates						
		Current Water Rates	Proposed Water Rates Effective On or After			
			September 1 2018	July 1 2019	July 1 2020	
FIXED WATER SERVICE CHARGES						
Residential						
Monthly Charge		\$13.26	\$15.91	\$18.30		\$19.22
Bi-Monthly Charge		26.52	31.82	36.60		38.44
Commercial						
<u>Monthly Charge (based on meter size)</u>						
5/8" or 3/4"		\$13.26	\$15.91	\$18.30		\$19.22
1"		33.15	39.78	45.75		48.05
1-1/2"		66.30	79.55	91.50		96.10
2" & Larger		132.60	159.10	183.00		192.20
WATER QUANTITY CHARGES						
<i>Billed based on metered water use (\$/ccf)</i>						
Residential						
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>				
Tier 1	First 4 ccf	First 2 ccf	\$6.76	\$8.11	\$9.33	\$9.80
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	8.84	10.61	12.20	12.81
Tier 3	> 16 ccf	> 8 ccf	9.87	11.84	13.62	14.29
Commercial						
Rate for All Water Use		\$8.84	\$10.61	\$12.20		\$12.81

Note: 1 ccf = 100 cubic feet, or approximately 748 gallons.

Proposed Sustainable Water Facility Rates

In 2014, CCSD adopted Emergency Water Supply Charges designed to fund the costs of financing and operating CCSD's sustainable water facility (SWF), a brackish groundwater desalination system built to provide supplemental water supply during periods of water supply shortages. The rates included ongoing charges levied throughout the year as well as additional operating surcharges authorized to be levied only during periods when the SWF is operating to provide supplemental water supply.

CCSD is proposing to a) phase in rate increases to the ongoing charges that apply year-round as shown on the table below, and b) eliminate the operating surcharges levied during periods of SWF operation. The proposed charges include both 1) fixed charges levied on each account regardless of water use, and 2) quantity charges billed based on metered water use in each billing period. Residential customers pay a uniform fixed charge per account. Commercial and other non-residential customers pay fixed charges that vary by meter size. SWF quantity charges are billed via three graduating rate tiers, with water purchased first in Tier 1 and then subsequently in higher tiers that are more expensive as water use increases. Quantity charges are billed in units of one hundred cubic feet (ccf), with 1 ccf equal to approximately 748 gallons.

Proposed Sustainable Water Facility Rates				
	Current Rates	Proposed SWF Rates Effective On or After		
		September 1 2018	July 1 2019	July 1 2020
FIXED SERVICE CHARGES				
Residential				
Monthly Charge	\$6.50	\$8.13	\$8.94	\$9.57
Bi-Monthly Charge	13.00	16.26	17.88	19.14
Commercial				
<u>Monthly Charge (based on meter size)</u>				
5/8" or 3/4"	\$13.00	\$8.13	\$8.94	\$9.57
1"	21.67	20.33	22.35	23.93
1-1/2"	43.34	40.65	44.70	47.85
2" & Larger	69.34	81.30	89.40	95.70
QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
SWF Quantity Charges				
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>		
Tier 1	First 4 ccf	First 2 ccf	\$1.50	\$1.88
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	3.00	3.76
Tier 3	> 16 ccf	> 8 ccf	4.50	5.64
Emergency Water Supply Project Operating Surcharges				
<i>Only charged during periods of facility operation</i>				
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>		<i>These charges are proposed to be eliminated</i>
Tier 1	First 4 ccf	First 2 ccf	\$1.50	
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	3.00	
Tier 3	> 16 ccf	> 8 ccf	5.00	

Note: 1 ccf = 100 cubic feet, or approximately 748 gallons.

Proposed Sewer Rates

CCSD is proposing to adopt sewer rate increases over the next three years as shown in the table below. The proposed rates include both 1) fixed charges levied on each account regardless of usage, and 2) sewer quantity charges billed based on metered water use in each billing period. Sewer quantity charges for commercial customers vary based on wastewater class and strength, with lower charges for customers with lower-strength wastewater and higher charges for customers with higher-strength wastewater, which costs more to process and treat in order to comply with CCSD's wastewater discharge permit requirements.

Proposed Sewer Rates				
	Current Sewer Rates	Proposed Sewer Rates Effective On or After		
		Sept 1 2018	July 1 2019	July 1 2020
FIXED SEWER SERVICE CHARGES				
All Accounts				
Monthly Charge	\$29.12	\$36.40	\$43.68	\$49.80
Bi-Monthly Charge	58.24	72.80	87.36	99.60
SEWER QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
Residential	\$3.37	\$4.21	\$5.05	\$5.76
Commercial				
<u>Wastewater Class</u>				
Class 1	\$2.95	\$3.69	\$4.43	\$5.05
Class 2	3.37	4.21	5.05	5.76
Class 3	5.18	6.48	7.78	8.87

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified as either Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinders, and mixed-use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

Note: 1 ccf = 100 cubic feet, or approximately 748 gallons

CCSD reserves the right to assign customers to the class that best matches their wastewater strength.

Combined Impacts to a Typical Residence

With the proposed rates effective September 1, 2018, a typical residence using 6 units (six hundred cubic feet) of water per bi-monthly billing period (approximately 75 gallons per day) would be impacted as shown on the table below. Approximately 70% of residential customer bills are at or below this level of use.

	Water Rate	Sewer Rate	SWF Rate*	Total
Combined Bill with Current Rates				
Monthly Charges	35.62	39.23	12.50	87.35
Bi-Monthly Charges	71.24	78.46	25.00	174.70
Combined Bill with Proposed Rates Effective September 1, 2018				
Monthly Charges	42.74	49.03	15.65	107.42
Bi-Monthly Charges	85.48	98.06	31.30	214.84

* Excludes current surcharges levied during periods of SWF operation (these charges are proposed to be eliminated).

Impacts will vary based on customer class and metered water consumption. CCSD appreciates the community's successful efforts to reduce water use and continues to encourage customers to conserve.



Cambria Community Services District
1316 Tamsen Street, Suite 201
Cambria, CA 93428
Address Service Requested

Notice of Public Hearing on Proposed Increases to Water & Sewer Rates



Community Input & Written Protest Procedures

Members of the community are invited to attend the Public Hearing to provide input. Property owners and customers may also file written protests against the proposed rate increases. Pursuant to California law, protests must be submitted in writing and must a) identify the affected property or properties, such as by service address or Assessor's Parcel Number, b) include the name and signature of the customer or property owner submitting the protest, and c) indicate opposition to the proposed water and/or sewer rate increases. Protests submitted by e-mail, facsimile or other electronic means will not be accepted. Pursuant to CCSD's *Guidelines for the Submission and Tabulation of Protests* (available from CCSD and posted on the CCSD website), a protest may only be submitted by the record owner of the property or customer of record who signed the protest, or an individual authorized in writing to submit the protest on their behalf. The proposed rates cannot be adopted if written protests are received from a majority of affected parcels with one written protest counted per parcel. Written protests must be submitted prior to the close of the public hearing.

Written protests can be submitted by one of the following methods:

- Deliver to the District Clerk's Office at 1316 Tamsen Street, Suite 201, Cambria, CA 93428
- Mail to CCSD, Attention: District Clerk, CCSD, P.O. Box 65, Cambria, CA 93428
- Personally submit a written protest at the Public Hearing

CCSD remains committed to operating as cost-effectively as possible while providing safe and reliable water and sewer service to the community. For more information about CCSD and the proposed rate increases, please call CCSD at (805) 927-6223 or visit our website at cambriacsd.org.