

Nipomo Community Services District

NOTICE OF PUBLIC HEARING - RATE INCREASE FOR TOWN SEWER

This is a notice to explain proposed increases in Town sewer rates for the Nipomo Community Services District (“NCSD” or the “District”) customers, and to advise you of a public hearing and the majority protest procedures. The proposed rate increases will be recommended for adoption by NCSD’s Board of Directors after a public hearing on June 23, 2021.

See the back page of this Notice for Public Hearing details.

Dear Owners of Record and Customers of Record,

Nipomo Community Services District (District) depends upon sewer user fees to fund operating and maintenance costs, and to rehabilitate and replace equipment and infrastructure for the Town Division sewer treatment plant and collection system. The District is fully committed to serving existing and future generations of residents in the most efficient manner possible, while protecting both public health and the environment.

About the proposed rates

The proposed Town sewer rate increase is needed to ensure that the District has sufficient revenues to fund operating and capital needs and provide appropriate levels of operating, capital, and emergency reserve funds. Regulatory requirements for wastewater treatment continue to increase cost for sewer services, forcing the District to spend reserve funds to pay for significant and unexpected capital expenditures for disposing of wastewater bio-solids as a result. The District’s last rate increase in the Town Sewer Division became effective on January 1, 2020 and was based on a 5-year rate study adopted in August 2015.

The cost of providing sewer service to our customers varies based on the volume and strength characteristics of sewage generated by each customer classification (single-family, multi-family, and commercial). A cost of service analysis was performed to ensure that the proposed rate increases fairly reflect the costs of providing service to customers within each classification.

Multi-year approach to setting rates

By taking a multi-year approach to rate-setting in meeting long-term infrastructure repair and improvement needs as well as delivering day-to-day services, the District can better prepare for the future and avoid significant unexpected rate increases. For this reason, the District is proposing rate increases for the next five years. It is important to note that if subsequent annual reviews of revenues and expenses show that future rate increases are not needed or can be adopted at lower amounts, the Board of Directors can postpone or adopt a smaller increase. However, the Board cannot approve rate increases beyond those proposed in this notice without an additional Proposition 218 notice to all of its customers.

Proposed Town Sewer Rates

Under the proposed rates, Town sewer rates for single-family residential dwellings, which represent over 98% of the customer accounts, will increase \$1.85 monthly or \$3.70 per bi-monthly billing period starting August 1, 2021. Rate increases for other categories of users are shown on the next page.

PLEASE CONTACT US IF YOU HAVE QUESTIONS OR COMMENTS ABOUT THE PROPOSED TOWN SEWER RATE INCREASE

(805) 929-1133 | info@ncsd.ca.gov | P.O. Box 326, Nipomo, CA 93444

THE PROPOSED TOWN SEWER RATES

Description	Current	Date of Increase									
		1-Aug-21	% Incr	July 1, 2022	% Incr	July 1, 2023	% Incr	July 1, 2024	% Incr	July 1, 2025	% Incr
Residential Bi-monthly Fixed Charges											
Single Family	\$100.87	\$104.54	3.6%	\$108.51	3.8%	\$112.64	3.8%	\$116.92	3.8%	\$121.36	3.8%
Multi-family	\$84.14	\$87.15	3.6%	\$90.46	3.8%	\$93.90	3.8%	\$97.47	3.8%	\$101.17	3.8%
Non-Residential Bi-monthly Meter Charges by Size											
Up to 1 inch	\$39.83	\$54.88	37.8%	\$56.97	3.8%	\$59.13	3.8%	\$61.38	3.8%	\$63.71	3.8%
1.5 inch	\$115.63	\$158.04	36.7%	\$164.05	3.8%	\$170.28	3.8%	\$176.75	3.8%	\$183.47	3.8%
2 inch	\$183.84	\$250.88	36.5%	\$260.41	3.8%	\$270.31	3.8%	\$280.58	3.8%	\$291.24	3.8%
3 inch	\$343.01	\$467.51	36.3%	\$485.28	3.8%	\$503.72	3.8%	\$522.86	3.8%	\$542.73	3.8%
4 inch	\$570.39	\$776.98	36.2%	\$806.51	3.8%	\$837.15	3.8%	\$868.96	3.8%	\$901.99	3.8%
6 inch	\$1,138.85	\$1,550.66	36.2%	\$1,609.58	3.8%	\$1,670.75	3.8%	\$1,734.23	3.8%	\$1,800.13	3.8%
8 inch	\$1,820.99	\$2,479.07	36.1%	\$2,573.27	3.8%	\$2,671.06	3.8%	\$2,772.56	3.8%	\$2,877.91	3.8%
Non-Residential Usage Rates (\$ per HCF)											
Low Strength	\$3.89	\$3.87	-0.5%	\$4.02	3.8%	\$4.17	3.8%	\$4.33	3.8%	\$4.49	3.8%
Medium Strength	\$4.32	\$4.27	-1.3%	\$4.43	3.8%	\$4.60	3.8%	\$4.77	3.8%	\$4.95	3.8%
High Strength	\$5.59	\$5.47	-2.1%	\$5.68	3.8%	\$5.89	3.8%	\$6.12	3.8%	\$6.35	3.8%
Mixed Use Usage Rates (\$ per HCF)											
Standard Comm with 10% High Strength	\$4.08	\$4.03	-1.2%	\$4.18	3.8%	\$4.34	3.8%	\$4.51	3.8%	\$4.68	3.8%
Standard Comm with 20% High Strength	\$4.25	\$4.19	-1.4%	\$4.35	3.8%	\$4.51	3.8%	\$4.69	3.8%	\$4.86	3.8%
Standard Comm with 30% High Strength	\$4.42	\$4.35	-1.6%	\$4.52	3.8%	\$4.69	3.8%	\$4.86	3.8%	\$5.05	3.8%
Standard Comm with 40% High Strength	\$4.61	\$4.51	-2.2%	\$4.68	3.8%	\$4.86	3.8%	\$5.04	3.8%	\$5.24	3.8%
Standard Comm with 50% High Strength	\$4.78	\$4.67	-2.3%	\$4.85	3.8%	\$5.03	3.8%	\$5.22	3.8%	\$5.42	3.8%
Standard Comm with 60% High Strength	\$4.96	\$4.83	-2.6%	\$5.01	3.8%	\$5.20	3.8%	\$5.40	3.8%	\$5.61	3.8%
Standard Comm with 70% High Strength	\$5.13	\$4.99	-2.7%	\$5.18	3.8%	\$5.38	3.8%	\$5.58	3.8%	\$5.79	3.8%
Standard Comm with 80% High Strength	\$5.30	\$5.15	-2.8%	\$5.35	3.8%	\$5.55	3.8%	\$5.76	3.8%	\$5.98	3.8%
Standard Comm with 90% High Strength	\$5.48	\$5.31	-3.1%	\$5.51	3.8%	\$5.72	3.8%	\$5.94	3.8%	\$6.16	3.8%

AVAILABILITY OF STUDIES, REPORTS, AND INFORMATION

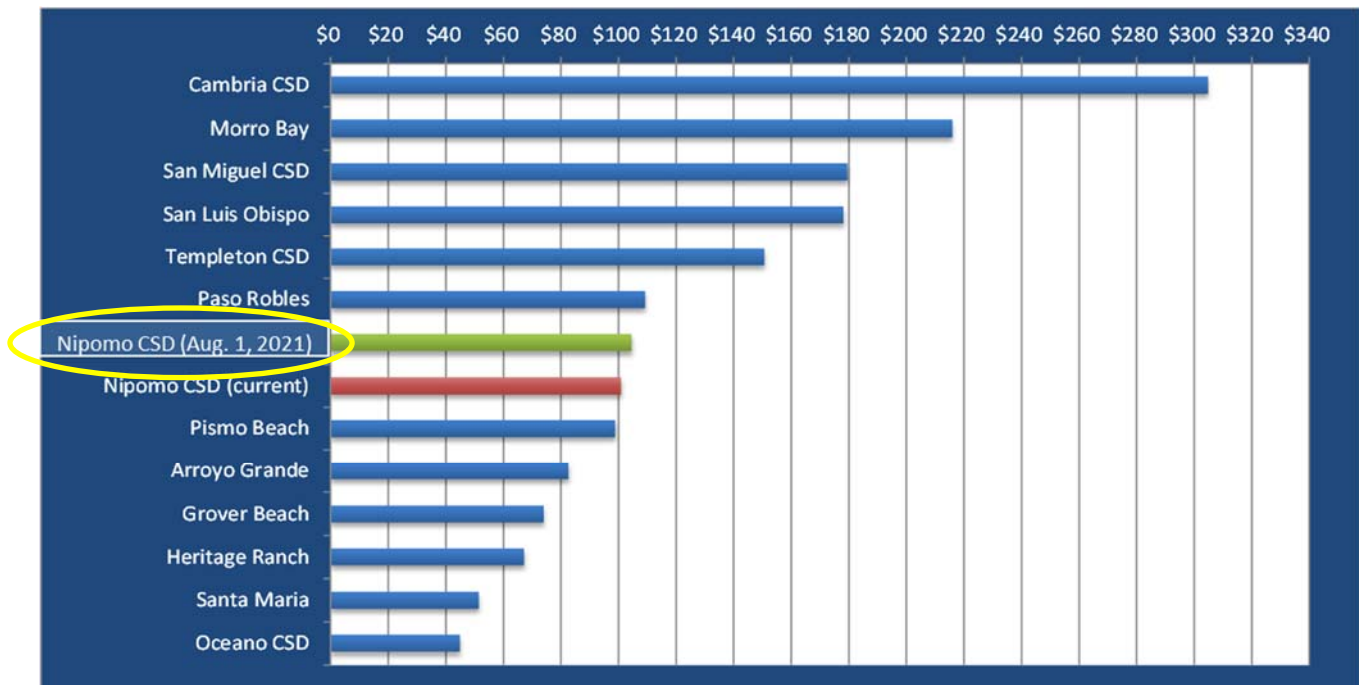
Additional information on the proposed Town sewer rates is available in the Report on Town Sewer System Sewer Rate Study and the Staff Report. These reports are available for review at the District's administrative office located at 148 South Wilson Street, Nipomo, and on the District's website at www.ncsd.ca.gov. In addition, customers may contact the General Manager at (805) 929-1133 for further information about the proposed rates.

EXAMPLE TOWN SEWER BILLS INCLUDING PROPOSED CHARGES

Classification	Average Bi-monthly Water Use	Current Bill			1-Aug-21 Proposed Bill			Percent Change
		Service Charge	Volume Charge	Current Bill	Service Charge	Volume Charge	Proposed Bill	
Residential	HCF							
Single Family				\$100.87			\$104.54	3.6%
Multi-family				\$84.14			\$87.15	3.6%
Non-Residential - 1" Meter								
Commercial - Low Strength	50	\$39.83	\$194.50	\$234.33	\$54.88	\$193.60	\$248.48	6.0%
Commercial - Medium Strength	70	\$39.83	\$302.40	\$342.23	\$54.88	\$298.56	\$353.45	3.3%
Commercial - High Strength	35	\$39.83	\$195.65	\$235.48	\$54.88	\$191.46	\$246.34	4.6%
Non-Residential - 1.5" Meter								
Commercial - Low Strength	80	\$115.63	\$311.20	\$426.83	\$158.04	\$309.76	\$467.80	9.6%
Commercial - Medium Strength	65	\$115.63	\$280.80	\$396.43	\$158.04	\$277.24	\$435.28	9.8%
Commercial - High Strength	200	\$115.63	\$1,118.00	\$1,233.63	\$158.04	\$1,094.04	\$1,252.08	1.5%
Non-Residential - 2" Meter								
Commercial - Low Strength	170	\$183.84	\$661.30	\$845.14	\$250.88	\$658.24	\$909.12	7.6%
Commercial - Medium Strength	100	\$183.84	\$432.00	\$615.84	\$250.88	\$426.52	\$677.40	10.0%
Commercial - High Strength	200	\$183.84	\$1,118.00	\$1,301.84	\$250.88	\$1,094.04	\$1,344.92	3.3%
Non-Residential - 3" Meter								
Commercial - Low Strength	200	\$343.01	\$778.00	\$1,121.01	\$467.51	\$774.40	\$1,241.91	10.8%

HCF = hundred cubic feet (748 gallons)

Comparison of Single-family Residential Bi-Monthly Wastewater Bills



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PUBLIC HEARING

A Public Hearing for the Proposed Town Sewer Rate Increase will be held on: June 23, 2021 at 9 AM

Jon S. Seitz Board Room
Nipomo CSD
148 South Wilson Street, Nipomo

Limited space for in-person participation will be available and divided to enforce social distancing. Members of the public who attend in person must wear an appropriate face-covering. At the public hearing the Nipomo Community Services District Board of Directors will consider all public comment in support and in opposition of the Town Sewer Rate Increase and whether or not a Majority Protest exists. If approved, the Town Sewer Rate Increase would become effective **August 1, 2021**.

HOW TO PROTEST

The following persons may submit a written protest against the Proposed Town Sewer Rate Increase to the District's Clerk before the close of the Public Hearing.

- An owner(s) of property (parcel(s)) ("owner of record") receiving Town sewer service from the NCSD Town Sewer System. If the person(s) signing the protest, as an owner, is not shown on the last equalized assessment roll as the owner of the parcel(s) then the protest must contain or be accompanied by written evidence that such person signing the protest is the owner of the parcel(s) receiving Town sewer service; OR
- A "Customer of record" (Tenant(s)) whose name appears on the District records as the customer of record for the corresponding parcel receiving Town sewer service from the NCSD.

A valid written protest must contain a statement that you protest the increase in Town sewer rates, the address or Assessor's Parcel Number (APN) of the parcel or parcels which receive Town sewer service and must be signed and dated, with original signature, by the owner of record, the customer of record, or a representative of an owner of record or a customer of record, for the parcel or parcels receiving Town sewer service. One written protest per parcel shall be counted in calculating a majority protest. Written protests will not be accepted by email or by facsimile. Verbal protests will not be counted in determining the existence of a majority protest.

Written protests regarding the Town sewer rate increase must be delivered to the NCSD Office located at **148 South Wilson Street, Nipomo** during regular office hours (8 a.m. - 4:30 p.m. Monday - Friday, excluding holidays) or mailed to: **Nipomo Community Services District, Attn: District Clerk, P.O. Box 326, Nipomo, CA 93444-0326**

To be counted, the written protest must be received by the close of the Public Hearing, including those mailed to the District. No postmarks will be considered; therefore, any written protest not actually received by the close of the Public Hearing, whether or not mailed prior to the Public Hearing, will not be counted.

A representative may sign the written protest on behalf of an owner of record or a customer of record provided the representative attaches to the written protest, written documentation/authorization, with original signature, to act in such capacity.

If valid written protests are received from a majority of owners of record and/or customers of record of parcels receiving Town sewer service within the NCSD's Town Sewer System, then the NCSD will not adjust/increase the Town sewer rates.

Mario Iglesias

GENERAL MANAGER

Nipomo Community Services District
148 S. Wilson Street.
PO Box 326
Nipomo, CA 93444
(805) 929-1133
www.ncsd.ca.gov



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