

SIERRA LAKES COUNTY WATER DISTRICT

Operations & Maintenance Office

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June 26, 2023

All Rate Payers within the Sierra Lakes County Water District

NOTICE OF A PUBLIC HEARING/COMPLIANCE WITH PROPOSITION 218

A proposed increase in your annual Water and Sewer Service Rates will be considered at a *Public Hearing at 5:30 pm on August 17, 2023 at the Sierra Lakes County Water District Board Room, 7305 Short Road, Serene Lakes, CA.*

Dear Rate Payers:

This letter is to advise you that the Sierra Lakes County Water District (SLCWD) Board of Directors will be considering increases in Water and Wastewater Service Rates starting Fiscal Year 2023-24. The proposed rate increases are in response to cost increases largely outside of the District's control that were identified during the 2023/2024 fiscal year budget process.

CONSIDERATION OF A RATE INCREASE

SLCWD has succeeded in holding our water and sewer rates constant since 2014. During this time, costs for chemicals, supplies, personnel, and other items have increased. The cost of living (Consumer Price Index, CPI) has increased by 29%, significantly decreasing the District's buying power and the District is now unable to continue to cover these increased costs. This results in a need to increase the existing annual water rates by \$202 and annual sewer rates by \$71 to balance the District's budget.

	<u>Current Annual Rate</u>	<u>Proposed Annual Increase</u>	<u>Proposed Annual Rate</u>
Sewer	\$1448	\$71	\$1519
Water	\$1044	\$202	\$1246
Total	\$2492	\$273	\$2765

**BOARD OF DIRECTORS: ~ Dan Stockton, President ~ Jon Harvey, Vice-President ~
~ Karen Heald, Director ~ Jennifer Jackson, Director ~ David Keatley, Director ~**

WHY ARE THE RATE INCREASES NEEDED

There are many reasons why these rate increases are needed. The most important reason is the lack of smaller annual rate increases coinciding with the CPI increases. When rates are not increased as costs increase, it is essentially a decrease in purchasing ability for the water and wastewater operations.

A second reason is the large increases in chemical costs, such as chlorine and polymer, that are required for water treatment that is needed to deliver the high quality water our customers expect.

Similar to SLCWD, Donner Summit Public Utilities Department (DSPUD) is also experiencing increased costs for wastewater treatment. We pay DSPUD to treat the wastewater collected from all our customers. SLCWD is responsible for approximately 30% of DSPUD wastewater treatment costs, depending on actual flow.

FUTURE PLANS

To avoid unexpected increases like this in the future, the district will be developing a five-year financial plan that will project anticipated cost increases as well as one-time projects that need to be completed. The District has also hired Dowl Engineering to develop a Utilities Master Plan, anticipated to be completed in November 2023. This will provide the list of infrastructure and other capital improvements that need to be completed, a schedule for completion, and an estimated cost. The Board of Directors will decide on a schedule and associated rate increases that consider the water and wastewater needs of our customers as well as the impacts on rates. We commit to providing public information throughout this project to keep all customers informed, as well as provide an opportunity to provide input as desired. The rate increase proposed at this time is not based on any of these future projects, which are still under study.

PUBLIC HEARING

The rate increase hearing before the Board will be held on *August 17, 2023 at 5:30 p.m.* At that time the District's Board of Directors will hold a public hearing to consider approval of a proposed resolution increasing the rates for the provision of water and wastewater services. The rate increase is intended to be effective starting this fiscal year (2023-24). All current rate payers and other interested people are invited to attend the hearing and present written and/or oral comments on or protests against the proposed rate adjustments. The hearing will be held in the District's Board Room.

If you have any questions in regard to this notice, please call SLCWD at 530-426-7800 or email Anna Nickerson at anickerson@slcwd.org.

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RATE INCREASE HEARING PROCEDURE

All people wishing to be heard on this matter may be present at the public hearing. If you cannot be present, you may communicate your protest by sending the form below completely filled out and signed to Sierra Lakes County Water District, P.O. Box 1039, Soda Springs, CA 95728, email the form below completely filled out and signed to anickerson@slcwg.org or by delivering them in person at the hearing. Any protest must be dated and signed by you and include the address of the property and an affirmation that you are the owner of that property and must indicate whether you are protesting the water rate increase, the sewer rate increase, or both. If written protests against a proposed rate increase are presented by a majority of the current rate payers that are subject to the rate increase, the District cannot impose that increase. In order to be considered, written protests must be received by the District prior to the close of the public hearing. The Board of Directors after the close of the public hearing will establish the new rates.

Sierra Lakes County Water District
Board of Directors

INSTRUCTIONS FOR FILING AND SUBMITTING WRITTEN PROTEST

*To protest against the imposition of the water or sewer service rate increase, you must fill in the following information and **return this notice** to the Sierra Lakes County Water District, by mailing to Board of Directors, Sierra Lakes County Water District, P.O. Box 1039, Soda Springs, CA 95728, or by returning this notice to the Board of Directors no later than the end of the public hearing to be held on **August 17, 2023 at 5:30 p.m.** in the Sierra Lakes County Water District Board Room, as referenced above.*

I/we hereby certify under penalty of perjury that I/we are owners of record of the real property located in the County of Placer and identified as

APN _____

Address _____

I/we hereby execute this document as our formal protest to the imposition of the:

___ water service rate increase against our property.

___ sewer service rate increase against our property.

Dated: _____ Signed _____

Name: _____

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