



Proposition 218 Notice to Customers and Property Owners of Record: Public Hearing Regarding Proposed Water Rate Increases

Notice is hereby given, pursuant to Article XII(D) of the California Constitution, that Sweetwater Springs Water District is proposing to increase its rates for water service. The Board will conduct a public hearing on this matter, which will be held on:

Date: **June 9, 2023**

Time: 6:30 PM

Place: 20488 Hwy. 116, Monte Rio, CA 95462 (Monte Rio Community Center).

The public hearing will review the proposed water rate increase and other related changes to water fees and charges. More information is provided below.

Water System Overview

Sweetwater Springs Water District operates and maintains a public water enterprise system that supplies safe, potable drinking water to 3,800 customers through two separate water supply and distribution systems. In total, the District operates and maintains five wells, 26 storage tanks, five pressure zones, and a filtration plant. District services include maintenance and repair of the water system up to the water meter, weekly water quality testing, meter reading, small and large-scale capital improvements, and installation of new services.

Why is an increase in rates necessary?

The proposed increases to rates and charges, as set forth in Resolution 23-05 and summarized below, will be used to pay for the increasing need for capital improvements to the water system as well as debt service and operations costs.

The current capital improvement program addresses the need to bring District capital facilities to a standard level of adequacy and, once that is done, a sustainable capital improvement program will be needed to keep District facilities at an adequate level. The District faces an average of \$750,000 per year for ongoing capital improvements necessary to maintain and upgrade existing facilities, including mainlines, tanks, and wells.

The proposed water rate increase follows the water rate study performed by Bartle Wells Associates in March 2020. The study recommends restructuring water rates and increasing rate revenue annually in order to meet rising operations, debt, and capital improvement expenses. Budgets and spending needs will be analyzed on an annual basis to determine what level of increase, if any, is needed to meet expense requirements. The analysis conducted this year shows the need for up to a 7.5% rate revenue increase with a volumetric adjustment to align with revenue projections of the 2020 Water Rate Study. Rates also reflect the updated cost of service and Proposition 218 requirements.

More Information Available Prior to the Hearing:

More information on the proposed water rates, including the Water Rate Study, is available at the District office at 17081 Highway 116, Suite B, Guerneville, California. This information will also be posted on the District's website, www.sweetwatersprings.com. In addition, District staff can be contacted at (707) 869-4000 to answer any questions you may have regarding the rate increases.

Current Bimonthly Water Rates

	Base Rates \$/account	CDRC ¹ \$/account	Volume Rates (\$/hcf)	
			Tier 1	Tier 2
Single Family Residential			\$1.73	\$4.16
All Users	\$75.54	\$13.83	(0-8) hcf	9+ hcf
Multi Family (by # Dwelling Units)²				
2 DU's	\$117.08	\$21.45	(0-12.4)	12.5+
3 DU's	\$158.62	\$29.04	(0-16.8)	16.9+
4 DU's	\$200.17	\$36.58	(0-21.2)	21.3+
Commercial (by meter size)				
5/8"	\$75.54	\$13.83	(0-8)	9+
1"	\$188.86	\$34.61	(0-20)	21+
1 1/2"	\$376.52	\$69.16	(0-40)	41+
2"	\$604.29	\$110.67	(0-64)	65+

hcf = hundred cubic foot, 748 gallons

1 - Capital Debt Reduction Charge

2 - Multi Family unit multiplier = 0.55 for every extra unit; no meter multiplier

Current bimonthly water rates include a fixed base rate, Capital Debt Reduction charge and volumetric rates based on water use per hundred cubic foot (hcf) unit. One hundred cubic foot (hcf) is equal to 748 gallons. Rates need to be updated to reflect increased costs, capital repair and replacement needs, and the cost of water service to each customer pursuant to Proposition 218.

Proposed Bimonthly Water Rates

	Base Rates \$/account	CDRC ¹ \$/account	1 unit of water = 1 hcf = 748 gallons Volumetric Rates (\$/unit)	
			Tier 1	Tier 2
Single Family Residential			\$2.10	\$4.47
All Users	\$81.21	\$14.87	(0-8) hcf	9+ hcf
Multi Family (by # Dwelling Units)²				
2 DU's	\$125.88	\$23.05	(0-12.4)	12.5+
3 DU's	\$170.54	\$31.23	(0-16.8)	16.9+
4 DU's	\$215.21	\$39.41	(0-21.2)	21.3+
Commercial (by Meter Size)²				
5/8"	\$81.21	\$14.87	(0-8)	9+
1"	\$203.03	\$37.18	(0-20)	21+
1 1/2"	\$404.76	\$74.35	(0-40)	41+
2"	\$649.68	\$118.96	(0-64)	65+

1 - Capital Debt Reduction Charge
2 - Multi Family unit multiplier = 0.55 for every extra unit; no meter multiplier

The proposed bimonthly water rates represent an overall 7.5% rate increase for fixed rates. Volumetric rates have been restructured to meet the revenue projections of the 2020 Water Rate Study prepared by Bartle Wells Associates.

The proposed FY 2023-24 water rates represent an increase of \$8.67 per **bi-monthly** bill for the typical single family dwelling using 6 units of water (about 8.9%).

Rate Increase Approval Process

Sweetwater Springs Water District will hold a public hearing at a Board meeting scheduled for **June 9, 2023, at 6:30 pm at the Monte Rio Community Center, 20488 Hwy. 116, Monte Rio, CA 95462.**

If you are a property owner or the person responsible for paying for water service, you may protest the proposed rate increases either prior to or during the Public Hearing on **June 9, 2023.** Only one protest per parcel will be counted. The rate increases will take effect unless protests are received from more than 50% of property parcels in the District.

At the Public Hearing, the Board of Directors will consider all written protests that are submitted during the public hearing as well as written protests that have been received. Written protests must indicate the property address and the name of the owner of record of the property and be signed by the person submitting the protest. Written protests may also be delivered to the District office no later than the close of the public hearing, as noticed above, or said protests may be sent by 1st-class mail, postage prepaid, to:

Sweetwater Springs Water District
P.O. Box 48
Guerneville, CA 95446

Mailed protests must be received by the District no later than the date of the public hearing. Any protests received after the close of the public hearing will not be counted.

Protest Ballot

Please provide address information, sign, and return this page below the dotted line if you choose to protest. You may protest on a separate ballot. If so, please include the information and signature requested.

Address: _____

Or APN: _____ (if multiple addresses, please list separately)

If you are a property owner or the person responsible for paying for water service at this address and you object to the proposed change in District water rates, you may sign this form and mail it to:

Sweetwater Springs Water District, P.O. Box 48, Guerneville, CA 95446

or hand deliver it to the District Office at:

17081 Highway 116, Suite B, Guerneville, California

In order for this form to be counted as a valid protest against the proposed rate change, the form must be signed and delivered to the District Office no later than the end of the public hearing to be held on **June 9, 2023.** Only one protest is permitted per parcel.

I protest the proposed rate increase to fund the operation, maintenance, and capital improvement costs relative to providing water service. (Check to indicate your objection to the proposed rate increase.)

I declare that I am either the owner of the above-listed property, the authorized representative of the owner of the above-listed property, or the person responsible for paying for water service at the address shown above.

Please Sign here: _____

Please Print here: _____
(Name of property owner if different than name of the person signing this protest.)