SAN LUIS OBISPO COUNTY
DEPARTMENT OF PUBLIC WORKS
Wade Horton, Director
County Government Center, Room 206 • San Luis Obispo CA 93408 • (805) 781-5252
Fax (805) 781-1229 email address: pwd@co.slo.ca.us

April 19, 2016

APN
NAME
ADDRESS
NIPOMO, CA 93444

Subject: Notice of Public Hearing on Ordinance To Increase Sewer/Waste Disposal Rate Charges in County Service Area No. 1A (CSA 1A) in Nipomo

Dear Property Owner within CSA 1A:

The County of San Luis Obispo ("the County") is considering adopting an ordinance that would increase sewer/waste disposal rate charges within CSA 1A. In compliance with Article XIII D of the California Constitution, a part of what is commonly called Proposition 218; this notice letter provides important information for affected property owners. Specifically, this notice provides information on the sewer/waste disposal rate charge increase proposal and the procedures for protesting the proposal.

Accordingly, a public hearing will be held on Tuesday, June 7, 2016, in the San Luis Obispo County Board of Supervisors Chambers, 1055 Monterey Street, San Luis Obispo, CA 93408, for the purpose of considering a proposed ordinance that would increase sewer/waste disposal rate charges within CSA 1A in Nipomo.

All hearing items are scheduled for 9:00 a.m. To determine the placement of this item on the agenda, the agenda can be viewed the Wednesday afternoon before the scheduled hearing date on the internet at www.slocounty.ca.gov or in paper form in Room D430 of the County Government Center.

At this hearing, property owners may submit written and oral protests and comments or questions to the Board regarding the proposed sewer/waste disposal rate charge increase. County staff will be at the hearing and will be available to answer questions regarding the proposed sewer/waste disposal rate charge increase. At the close of this hearing, any written protests will be tallied by the County Clerk. The discussion below is organized based on questions we anticipate you may have.

WHY AM I RECEIVING THIS NOTICE LETTER?

Proposition 218 requires that notices be mailed to the owners of property upon which the sewer/waste disposal rate charge is proposed to be increased. Our records indicate that you are a property owner within CSA 1A in Nipomo that will be subject to the proposed sewer/waste disposal rate charge increase. As a result, the County is providing you notice about the proposed sewer/waste disposal rate charge increase and the public hearing.

WHEN WILL THE SEWER/WASTE DISPOSAL RATE CHARGE BE INCREASED?

The proposed sewer/waste disposal rate charge increase will be effective the first billing of FY 2016-17 taxes, due December 10, 2016.

WHAT IS THE AMOUNT OF THE PROPOSED SEWER/WASTE DISPOSAL RATE CHARGE INCREASE?

The current sewer/waste disposal rate for CSA 1A is $50.16 per month, or $601.92 per year. In the first year, FY 2016-17, the proposed rate increase would raise the sewer/waste rate by $12.18 ($1.02 per month) to $51.18 per month, or $614.10 per year. The proposed changes to the sewer/waste disposal rate charge rate schedule is shown below:

Annual Charge for Sewer/Waste Disposal Service (Fiscal years 2015/16 through 2016/17)				
Rate Component	Current Rate		New Rate	
Nipomo Community Services District Sewer Charge Component	$529.92 Annual Charge	$44.16 Monthly Equivalent	$542.10 Annual Charge	$44.47/$45.89 Monthly Equivalent*
County Collection System Operations Charge Component	$72 Annual Charge	$6 Monthly Equivalent	$72 Annual Charge	$6 Monthly Equivalent
Total Sewer/Waste Disposal Charge	$601.92 Annual Charge	$50.16 Monthly Equivalent	$614.10 Annual Charge	$51.18 Monthly Equivalent

The County Collection System Operations Charge component shown above shall be automatically adjusted annually every July 1st by the Consumer Price Index (CPI) to reflect increases in the cost of County operations.

Pursuant to Government Code 53756, the NCSD District Sewer charge component shall be adjusted annually every July 1st by the increase charged by NCSD.

* NCSD rates change on a calendar year, effective Jan 1st. County rates are charged on a fiscal year of July 1 to June 30th. NCSD monthly rate is $44.47 for the first 6 months from July to December, and $45.89 for the second six months, from January to June.

WHAT IS THE PURPOSE OF THE PROPOSED SEWER/WASTE DISPOSAL RATE CHARGE INCREASE?

CSA 1A provides sewer/waste disposal service to approximately 250 homes in the Galaxy Park Area of Nipomo. CSA 1A operates the sewer collection system connected to each home, and the CSA 1A system then connects to the Nipomo Community Services District (NCSD) sewer system. The wastewater is treated and disposed by the NCSD. Effective January 1, 2016, the NCSD increased rates from $529.92 to $533.58 annually to CSA 1A for each home connected to the sewer system. This amount will continue to increase over the next several years through a series of rate increases. The NCSD agenda item from November 12, 2015, describes the need for the most recent rate increase (Website address to reference NCSD Agenda Item: http://ncsd.ca.gov/wp-content/uploads/2015/07/E11.pdf).

CSA 1A funds the charges from NCSD for sewer service as a pass through to the property owners in the district. Charges for the County's operation and maintenance of the collection system, separate from NCSD's system, are not proposed to be increased this fiscal year but would be increased by the Consumer Price Index for subsequent years through fiscal year 2020/21.

Sewer/waste disposal charges are computed annually and placed as a separate charge on property tax bills. This rate schedule will be effective for fiscal year 2016/17 through 2020/21.

HOW DO I PROTEST?

Submit a Written Protest. If you oppose the proposed sewer/waste disposal rate charge increase, your protest must be submitted in writing to be considered, even if you plan to attend the public hearing. If written protests are submitted by property owners of a majority of the affected parcels, the proposed sewer/waste disposal rate charge increase cannot be imposed. Electronic mail protests will not be formally considered in calculating a majority protest. Protests must be signed by the protester and contain the address and the Assessor's Parcel Number of the affected property. Please indicate that it is the sewer/waste disposal rate charge increase that you are protesting.

Property owners may mail or deliver their written protests to the County at County Clerk/Recorder's Office, Attn: Clerk of the Board, 1055 Monterey St. Suite D120, San Luis Obispo, CA 93408 in a manner that ensures receipt by the County no later than the close of the public hearing on June 7, 2016. Property owners may also present or withdraw written protests at the hearing on June 7, 2016. Only those written protests that are actually received by the County prior to the close of the June 7, 2016 hearing will be considered. If any person wishing to protest has a disability that would prevent them from complying with the requirements of this paragraph, please contact Kellie Burns at (805) 781-5278.

If you agree with the need for the proposed sewer/waste disposal rate charges, no action on your part is required.

WHAT WILL HAPPEN IF THERE IS MAJORITY PROTEST?

If property owners of a majority of the parcels upon which the sewer/waste disposal rate charge increase is proposed for imposition submit written protests on a timely basis, then the Board of Supervisors will not be able to adopt the proposed sewer/waste disposal rate increase. Therefore, sewer/waste disposal rate charge revenues would be insufficient to cover current and ongoing operations and maintenance expenditures. An alternative rate increase proposal and process would need to be pursued in order to prevent the system from running out of money.

HOW CAN I GET MORE INFORMATION?

You may contact Kellie Burns at (805) 781-5278 or kburns@co.slo.ca.us.

Sincerely,

JOHN DIODATI
Deputy Director of Public Works

Attachment: Nipomo Community Services District Rate Schedule

File:

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NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-xxxx

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING APPENDIX A TO CHAPTER 4.12 OF THE NIPOMO COMMUNITY SERVICES DISTRICT CODE TO INCREASE SEWER RATES WITHIN THE TOWN DIVISION

APPENDIX "A" TO CHAPTER 4.12
TOWN DIVISION

Description	Current	[1] FY 2015-16	[1] FY 2016-17	[1] FY 2017-18	[1] FY 2018-19	[1] FY 2019-20
Residential Fixed Charges						
Single Family	$88.32	$88.93	$91.77	$94.71	$97.74	$100.87
Multi-family	$67.33	$74.18	$76.55	$79.00	$81.53	$84.14
Non-Residential Meter Charges						
Up to 1 inch	$34.07	$35.12	$36.24	$37.40	$38.60	$39.83
1.5	$98.59	$101.94	$105.20	$108.57	$112.04	$115.63
2	$156.66	$162.08	$167.26	$172.62	$178.14	$183.84
3	$292.16	$302.40	$312.08	$322.07	$332.37	$343.01
4	$485.72	$502.87	$518.96	$535.57	$552.70	$570.39
6	$969.64	$1,004.03	$1,036.16	$1,069.31	$1,103.53	$1,138.85
8	$1,550.34	$1,605.42	$1,656.80	$1,709.81	$1,764.53	$1,820.99
Non-Residential Usage Rates ($ per HCF)						
Low Strength	$2.89	$3.43	$3.54	$3.66	$3.77	$3.89
Medium Strength	$3.20	$3.81	$3.93	$4.06	$4.19	$4.32
High Strength	$4.14	$4.93	$5.09	$5.25	$5.42	$5.59
Mixed Use Usage Rates ($ per HCF)						
Standard Comm with 10% High Strength		$3.60	$3.72	$3.83	$3.96	$4.08
Standard Comm with 20% High Strength		$3.75	$3.87	$3.99	$4.12	$4.25
Standard Comm with 30% High Strength		$3.90	$4.02	$4.15	$4.29	$4.42
Standard Comm with 40% High Strength		$4.06	$4.19	$4.32	$4.46	$4.61
Standard Comm with 50% High Strength		$4.21	$4.34	$4.48	$4.63	$4.78
Standard Comm with 60% High Strength		$4.37	$4.51	$4.65	$4.80	$4.96
Standard Comm with 70% High Strength		$4.52	$4.66	$4.81	$4.97	$5.13
Standard Comm with 80% High Strength		$4.67	$4.82	$4.97	$5.13	$5.30
Standard Comm with 90% High Strength		$4.83	$4.98	$5.14	$5.31	$5.48

[1] Rates effective Jan 1 of fiscal year.