

Auburn Valley CSD
P.O. Box 8138
Auburn, CA 95604

**NOTICE OF PUBLIC HEARING REGARDING PROPOSED
ADJUSTMENTS TO WATER AND SEWER RATES UNDER PROPOSITION 218
March 19, 2025 at 6 p.m.
at 9855 Spyglass Circle, Auburn, CA 95602**

The Board of Directors will schedule a customer information session prior to the public hearing. Details are forthcoming and will be distributed via email.

You are receiving this notice as a ratepayer or property owner of a parcel receiving water or sewer service from the Auburn Valley Community Service District (AVCSD or District) in compliance with the California Proposition 218 requirement that all impacted property owners and ratepayers be mailed a notice of proposed rate changes at least 45 days prior to a public hearing. The Board of Directors will hold a public hearing on March 19, 2025 to consider and potentially approve water and sewer rate changes for the next five years.

System Overview

AVCSD is responsible for the potable water and wastewater discharge systems for the homes and businesses within its boundaries. The District provides water and sewer services to 142 single family residential service connections and the Auburn Valley Golf Club. AVCSD retains professional engineering firms to maintain these systems, conduct required quality testing, and make required reports to Placer County and the State of California. The District is governed by a volunteer Board of Directors.

Need for a Rate Increase

The District relies on rate revenues to fund safe and reliable water and sewer service. The District engaged an independent rate consultant to review its revenues, expenses, and capital improvement costs for the next five years and determine the proposed rates. The proposed rates are based on the reasonable cost of providing service and do not exceed the proportional cost of the service attributable to each parcel. Rate increases are needed to fund capital improvements, keep up with increasing operating costs, and accumulate appropriate reserves. Over the next five years, AVCSD plans to fund about \$560,000 in capital projects. Major projects include primary lift station upgrades and rehabilitating sewer pipes for inflow and infiltration reduction. Projects are needed to keep the water and sewer systems in good working condition, to maintain regulatory compliance, and to avoid service interruptions.

The District will use a combination of rates, reserves, and short term financing to fund these necessary improvements to the system. Operating costs include system operations, repairs and maintenance, administration, and utilities (electricity). Many operating costs are subject to contract negotiations with outside service providers and are expected to increase annually.

Proposed Rates

Water and sewer rates are billed quarterly and in arrears. For water service, customers are billed a base fee per single family home as well as a volume rate based on metered water usage. One volumetric unit is equivalent to 100 cubic feet (748 gallons). For sewer service, customers are billed a base fee per single family home. For both water and sewer service, the golf course is assigned 22 single family equivalents (i.e. 22 multiplied by the base fees).

Table 1 identifies the current quarterly water and sewer rates and proposed changes. If adopted, the first rate change would go into effect on or after April 1, 2025. Subsequent rate changes would go into effect January 1 of each year from 2026 through 2029.

Table 1: Current & Proposed Quarterly Water and Sewer Rates

<i>Effective Date</i>	CURRENT	PROPOSED QUARTERLY RATES				
	<i>Oct 1, 2023</i>	<i>April 1, 2025</i>	<i>Jan 1, 2026</i>	<i>Jan 1, 2027</i>	<i>Jan 1, 2028</i>	<i>Jan 1, 2029</i>
Sewer Base Fee	\$444.21	\$489.33	\$538.11	\$591.46	\$650.91	\$716.46
Water Base Fee	\$160.20	\$183.56	\$211.13	\$232.40	\$244.22	\$256.82
Volume Fee	\$2.50	\$2.89	\$3.32	\$3.66	\$3.84	\$4.04

For more information about the proposed rates or to view a copy of the Water and Sewer Rate Study Report please visit the District’s website at <https://auburnvalleycsd.specialdistrict.org/> or call (916) 765-0023.

How to Participate

These proposed increases in water and sewer rates are governed by section 6 of Article XIII D of the California Constitution, Government Code sections 53751 et seq. and 53759 et seq., and other applicable laws that together are commonly referred to as Proposition 218. There are multiple ways that landowners and ratepayers (tenants) subject to the proposed rates as well as any other interested member of the public may participate in the Proposition 218 process. First, if you wish to learn more about the proposed rate changes, then information on Auburn Valley Community Service District’s rates, the written basis, including the 2025 Water and Sewer Rate Study, is available at <https://auburnvalleycsd.specialdistrict.org/>.

Second, Auburn Valley Community Service District will hold a public hearing on March 19, 2025, to receive public feedback, including written protests, on the proposed rates.

Third, Proposition 218 is subject to a “majority protest” process where any property owner or ratepayer may submit one written protest per parcel of the proposed increases. Immediately following the close of the public hearing on March 19, 2025, protests will be counted and if a majority of the parcels subject to the proposed rate increases have submitted valid protests, then the rates will not be implemented. Additional details on submitting a protest are set forth below.

Fourth, parties that wish to preserve the ability to legally challenge the rate change must submit a timely written objection by 5:00 p.m. on March 10, 2025. This is known as Proposition 218’s exhaustion of administrative remedies requirement and is a separate legal requirement from the written protest. Prior to the public hearing on March 19, 2025, the Board of Directors of Auburn Valley Community Service District will review written objections and determine whether (1) amendments or clarifications are necessary, (2) to reduce the proposed new fees; (3) to review further prior to making a determination; or (4) to proceed with the public hearing. Additional details on submitting a written objection are set forth below.

How to Submit a Written Objection to Proposed Rates (ONLY NEEDED IF YOU INTEND TO FILE A LEGAL OBJECTION; not needed to file a protest)

Pursuant to Government Code section 53759.1, any person or entity that may wish to challenge any new, increased, or extended fee adopted, modified, or amended by Auburn Valley Community Service District pursuant to this Notice must first exhaust its administrative remedies. To exhaust administrative remedies, you must do the following:

- Obtain written objection form and complete all portions of the form. Oral objections will not be considered. Written objection forms are available on the District’s website and will be mailed to any interested party upon request by contacting (916) 765-0023; and
- Timely submit, either by mail or via hand delivery, the completed written objection by 5:00 p.m. on March 10, 2025 to AVCS D at 9986 SPYGLASS CIRCLE, AUBURN, CA 95602. Mailed objection forms must be received (not postmarked) by 5:00 p.m. on March 10, 2025. Failure to timely object in writing bars any right to challenge the fee through a legal proceeding.

Late-filed, noncompliant, or incomplete written objections will not be considered as satisfying the exhaustion of administrative remedies requirement. All substantive and procedural requirements for submitting a written objection are set forth in this Notice and the written objection form.

Pursuant to Government Code section 53759.1, subdivision (c)(2) Auburn Valley Community Service District has posted at <https://auburnvalleycsd.specialdistrict.org/> the written basis for the rates, including a copy of the 2025 Water and Sewer Rate Study Report. Additionally, the written basis will be mailed to any person upon request by contacting the District at (916) 765-0023.

How do I file a protest or participate in the public hearing? (File a written protest if you oppose the rates)

The provisions of Proposition 218 provide that certain types of “Property Related Fees” such as these proposed rates are subject to a “majority protest” process. Under the majority protest process, any property owner or ratepayer may submit a written protest of the proposed increases; provided, however, that only one protest will be counted per identified parcel. If protests are filed on behalf of a majority of the parcels subject to the rates, the District cannot adopt the proposed rates.

Every written protest MUST include ALL of the following to be counted:

1. A statement against the proposed water rates, sewer rates, or both;
2. Name of the recorded owner or ratepayer who is submitting the protest;
3. Identification of the assessor’s parcel number or street address (service address) of the parcel with respect to which the protest is made; and
4. An original signature and legibly printed name of the record owner or ratepayer who is submitting the protest.

Written protests may be submitted by:

1. Mail to: Prop 218 Protest, P.O. Box 8138, Auburn, CA 95604; or
2. In-person delivery to 9855 Spyglass Circle, Auburn, CA 95602; or
3. In-person at the Public Hearing, prior to the conclusion of the Public Hearing.

Regardless of how the written protest is submitted, it must be received by the District prior to the conclusion of the public hearing portion of the Board Meeting to be held on March 19, 2025 beginning at 6 p.m. at 9855 Spyglass Circle, Auburn, CA 95602. (Postmark dates will not be accepted.) Any protest submitted via e-mail or other electronic means will not be accepted. Please identify on the front of the envelope for any written protest, whether mailed or submitted in person to the District, that the enclosed protest is for the Public Hearing on Water and Sewer Rate Adjustments. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest.

At the conclusion of the public hearing, protests will be publicly counted and validated. If protests are filed on behalf of a majority of the parcels subject to the proposed rates before the end of the Public Hearing, the District cannot adopt the proposed rates. If a majority of the parcels do not protest the proposed increase, the District has the authority to adopt the proposed rates. The first rate change, if approved, will go into effect on or after April 1, 2025.

Please carefully review the following additional legal notice:

Pursuant to California Government Code 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fee adopted, modified, or amended by Auburn Valley Community Service District.