

Auburn Valley Community Service District

P.O. Box 8138 Auburn, California 95604

NOTICE OF PUBLIC HEARING ON PROPOSED WATER AND SEWER RATE INCREASES

Hearing Date & Time: August 29, 2023 at 1pm

Hearing Location:

9965 Spyglass Circle

Auburn, CA 95602

Dear Customer,

You are receiving this notice because you are either a utility customer or you own property receiving services of the Auburn Valley Community Service District (AVCSD or District). The AVCSD Board of Directors (Board) will hold a public majority protest hearing on **August 29, 2023, at 1pm** at **9965 Spyglass Circle, Auburn, CA 95602** to consider increases in the water and sewer rates, effective October 1, 2023. At the hearing, the Board will review the amount of the proposed rates as well as the methodology used to calculate the rates and assign equivalent dwelling units (EDUs). If the proposed maximum rates are adopted, the District may collect rates at or below the proposed maximum as needed to meet the District's financial needs.

In compliance with article XIII D of the California Constitution, which was added to the Constitution pursuant to Proposition 218, this notice provides you with information regarding the services provided by AVCSD, the reasons for the changes in the water and sewer service rates, and the methods by which you can protest this rate increase if you so desire.

System Overview

AVCSD is located six miles north of the City of Auburn and is responsible for the wastewater discharge and potable water 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.

Water and sewer rates are billed quarterly and in arrears. For water service, customers are billed a flat charge per equivalent dwelling unit (EDU) 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 flat charge per equivalent dwelling unit. For both water and sewer service, residential customers are each assigned 1 EDU and the golf course is assigned 22 EDUs.

Why are rate adjustments needed?

The District relies on rate revenues to fund safe and reliable water and sewer service. Both the water and sewer systems have aging infrastructure which has required increased emergency repairs in the past few years. The District recently adopted a 10-year Capital Improvement Plan which determined a schedule of planned projects according to the priority levels of each infrastructure improvement. The proposed rates are designed to cover the costs of planned capital projects and operating and maintenance expenses. Table 1 provides the rates proposed to become effective October 1, 2023. If the rate plan is approved, the District may increase the rates annually each October 1 by the annual change in the Consumer Price Index (CPI).

Table 1: Current and Proposed Monthly Water and Sewer Rates

Fee or Charge	Current	Proposed October 1, 2023
Monthly Base Water Fee (\$/EDU)	\$46.82	\$53.40
Water Volume Rate (\$/ccf)	\$2.45	\$2.45
Monthly Sewer Rate (\$/EDU)	\$130.05	\$148.07

ccf - hundred cubic feet; 1 ccf = 748 gallons

EDU - equivalent dwelling unit; each single family residential customer is assigned one EDU; the golf course is assigned 22 EDUs
Rates in 2024 and beyond are proposed to be increased by the annual change in the Consumer Price Index each October 1

How do I file a protest or participate in the public hearing?

The provisions of Proposition 218 provide that certain types of "Property Related Fees" such as water and sewer rates are subject to a "majority protest" process. Under the majority protest process, any property owner or customer of record may submit a written protest for 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 and sewer rates;
2. Name of the recorded owner or customer of record who is submitting the protest;
3. Identification of assessor's parcel number, street address, or account number of the parcel with respect to which the protest is made; and
4. Original signature and legibly printed name of the record owner or customer of record who is submitting the protest.

Written protests may be submitted by:

1. Mail to the District, 9986 Spyglass Circle, Auburn, CA 95602; or
2. In-person delivery to 9986 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 comment portion of the Public Hearing on August 29, 2023. (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 the Proposed Water and Sewer Rate Increases. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest.

The District will hold the Public Hearing on August 29, 2023, at 1 pm. The Board of Directors will review the amount of the rates as well as the methodology for calculating the proposed rates. At the conclusion of the hearing, protests will be counted and validated. If protests are filed on behalf of a majority of the parcels subject to the 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 enacted, will go into effect on or after October 1, 2023.

Additionally, 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 after January 1, 2022.