

NOTICE OF PUBLIC HEARING ON PROPOSED WATER AND SEWER RATES INCREASES

A Special Legal Notice in Compliance with State Proposition 218

A public hearing before the Board of Directors of the Westborough Water District to consider the issue of an increase in rates is scheduled for:

7:30 p.m., Thursday, July 13, 2023
2263 Westborough Boulevard
South San Francisco, CA 94080

Public Notification Required

The WWD Board of Directors proposes the increases in water and sewer rates. In compliance with State Proposition 218, passed by California voters in 1996, WWD is hereby notifying all affected property owners and water customers of the proposed water and sewer rates increases.

See the enclosed tables for a comparison of the current rates and the proposed rates.

How to Oppose the Rate Increase

Under the guidelines established by the State Proposition 218 you have the right to protest the proposed increase. If you do, you must submit your protest in writing, even if you plan to attend the public hearing. If written protests are submitted by a majority of the affected property owners, the proposed rate changes will not be imposed, and the District will consider other alternatives to the rates being ratified.

Your written protest must be received prior to the close of the July 13, 2023, public hearing. Written protests must include a description of the parcel (parcel number) or utility (WWD) account number. E-mail protests will not be accepted. Only one protest will be accepted per parcel. Send written protest to:

Westborough Water District
P.O. Box 2747
South San Francisco, CA 94083-2747

Please be advised that there is a 120-day statute of limitations for any legal challenge to any new, increased, or extended fee or charge.

For more information, please visit our web site at www.westboroughwater.org or call our Customer Service Department at (650) 589-1435.



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South San Francisco, CA 94083-2747

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IMPORTANT INFORMATION ENCLOSED PROPOSED FY 2023-2024 WATER AND SEWER RATES



PROPOSED INCREASE IN FY 2023-2024 WATER AND SEWER RATES

May 26, 2023

Dear Customer,

The Board of Directors of the Westborough Water District (WWD) is set to consider proposed water and sewer rate increases. **The Board will vote on these proposed changes at a public hearing scheduled for 7:30 p.m., Thursday, July 13, 2023.** The new water rates will be applied to bills for use during July and August, which will be issued in early September. The sewer rates will be reflected on property tax bills for fiscal year 2023-2024. They will replace the current water and sewer rates, which have been in effect since July 2022.

In addition, the WWD Board will also hold a public hearing at the same meeting to consider a report that would place the sewer charges on the annual property tax bill.

The purpose of this special mailing is to meet our legal obligation to notify you of the proposed rate increases, to explain the potential impact of the rate changes on your water and sewer bills, and to explain why we need these increases. In addition, it is intended to notify you of the proposed adoption of the report of sewer charges to be placed on the property tax bill.

SUMMARY OF WATER AND SEWER RATE INCREASE PROPOSALS

The water and sewer rate increase proposals include:

Proposed Water Rates

- An increase of up to 5.36% in rates for potable (drinking) water, which means the rate will increase from \$8.58 up to \$9.04 per unit.

Proposed Sewer Rates

- An increase of up to 7.33% in rates for the sanitary sewer service charge, which means the rate will increase from \$11.05 up to \$11.86 per unit. Sewer charges are calculated based upon water usage during the months of January and February.

The District reserves the right to adopt water and sewer rate increases that are less than those described above.

How are sanitary sewer rates calculated?

The District's sanitary sewer rates consist of two charges, a Sanitary Sewer Service Charge and a Sanitary Sewer Handling Charge. These charges are further described in the District's Rate and Fee Schedule. Both rates are multiplied by the amount of water each customer uses in the months of January and February to determine the charges for each customer. The water usage during those months is used to calculate sewer rates because those are the months in which the least amount of landscape irrigation occurs. Water used for landscape irrigation does not enter the sewer system. The rates are based on the number

of units (a unit is 100 cubic feet of water) used during January and February, multiplied by six to determine the annual use.

The Sanitary Sewer Service Charge is based on the rate that the District pays to the North San Mateo County Sanitation District (NSMCSD), which accepts and treats the sewage collected by the District. That charge will increase from \$9.02 per unit to \$9.83 per unit, effective July 1, 2023. The Sanitary Sewer Handling Charge is the charge that the District imposes for collecting and transporting the District’s sewage to the NSMCSD facilities. It is currently \$2.03 per unit and is not proposed to change. The rate the District charges to its customers is the total of those two rates and is proposed to change from \$11.05 up to \$11.86 per unit. The increase passes through an increase by NSMCSD in the rates it charges the District to accept and treat the sewage collected by the District.

How Will the New Sewer Rates Impact You?

The proposed sewer rate increase of 7.33% will result in a net increase (based on 7 units – sewer) from \$77.35 to \$83.02 for each two-month period. The impact will vary, of course, depending on your water consumption.

On the following pages, see the sewer rate comparison table for a breakdown showing the impact of the new rate structure on customers at different consumption levels.

ADDITIONAL INFORMATION REGARDING SEWER AND WATER RATES

What Can You Do to Reduce the Impact of the Rate Increases?

If you want to minimize the impact of the new rates on your sewer bill, you should reduce your water use during the months of January and February.

If you want to minimize the impact of the new rates on your water bill, you should begin now to take steps to reduce your water use. Because landscape irrigation is the primary use of water in the summer, your landscape offers the greatest opportunity to save water. Watering efficiently, selecting low-water-use plants and reducing the amount of turf in your landscape are all steps you can take to reduce your water consumption this summer.

For more conservation ideas, please visit our web site at <https://www.westboroughwater.org/conservation> or call our District Office at (650) 589-1435.

Why Do We Need these Increases?

The District must cover its costs to continue providing high quality water and excellent sewer service to our customers and improve system reliability. As a public agency, by law, the District may not collect more revenue than is necessary to cover its annual costs to provide its services. Our costs have increased.

Specifically:

- North San Mateo County Sanitary District has informed us that it is increasing our sewer service rates by \$0.81 per unit effective July 1, 2023, this cost is simply passed through to the District’s customers.
- San Francisco Public Utility Commission (SFPUC) has informed us that due to financial challenges, it is increasing our water rates by \$0.46 per unit effective July 1, 2023. Because the District has no control over the SFPUC’s wholesale water rate, this cost is simply passed through to the District’s customers.
- Many of the District’s expenses are fixed and due to Tier 2 restrictions, the District was unable to cover these costs due to the reduced revenue as a result of water conservation efforts during these extreme drought conditions.

- Additional income from non-operating revenues was used to balance the budget but it is not guaranteed every year. Therefore, the District needs to increase the rates it collects for both sewer and water services.

- Inflation. The Consumer Price Index has increased 4.2% during the last year.

Public Hearing Scheduled for Vote on Rates and Adoption of Report Placing Sewer Charges on Property Tax Bill:

The Board of Directors will vote on the new rates proposal at a public hearing scheduled for 7:30 p.m., Thursday, July 13, 2023, at the Westborough District.

You have the right to protest the proposed rate increase prior to the close of that meeting. See the enclosed public hearing notice for more information about the public hearing and how to protest the rate increase.

The Board of Directors will vote on the proposed report placing sewer charges on the property tax roll at a public hearing scheduled for 7:30 p.m., Thursday, July 13, 2023 at the Westborough District.

For more information, please visit our web site at www.westboroughwater.org or call our Customer Service Department at (650) 589-1435.

Sincerely,

Patricia Mairena
General Manager

Enclosures

WWD WATER RATES					
	<u>Current Water Rates</u>	<u>Proposed Water Rates</u>		<u>Current Water Rates</u>	<u>Proposed Water Rates</u>
	(\$8.58 per unit)	(\$9.04 per unit)		(\$8.58 per unit)	(\$9.04 per unit)
3 Units	\$25.74	\$27.12	17 Units	\$145.86	\$153.68
4 Units	\$34.32	\$36.16	18 Units	\$154.44	\$162.72
5 Units	\$42.90	\$45.20	19 Units	\$163.02	\$171.76
6 Units	\$51.48	\$54.24	20 Units	\$171.60	\$180.80
7 Units	\$60.06	\$63.28	21 Units	\$180.18	\$189.84
8 Units	\$68.64	\$72.32	22 Units	\$188.76	\$198.88
9 Units	\$77.22	\$81.36	23 Units	\$197.34	\$207.92
10 Units	\$85.80	\$90.40	24 Units	\$205.92	\$216.96
11 Units	\$94.38	\$99.44	25 Units	\$214.50	\$226.00
12 Units	\$102.96	\$108.48	26 Units	\$223.08	\$235.04
13 Units	\$111.54	\$117.52	27 Units	\$231.66	\$244.08
14 Units	\$120.12	\$126.56	28 Units	\$240.24	\$253.12
15 Units	\$128.70	\$135.60	29 Units	\$248.82	\$262.16
16 Units	\$137.28	\$144.64	30 Units	\$257.40	\$271.20

WWD SEWER RATES					
	<u>Current Sewer Rates</u>	<u>Proposed Sewer Rates</u>		<u>Current Sewer Rates</u>	<u>Proposed Sewer Rates</u>
	(\$11.05 per unit)	(\$11.86 per unit)		(\$11.05 per unit)	(\$11.86 per unit)
3 Units	\$33.15	\$35.58	17 Units	\$187.85	\$201.62
4 Units	\$44.20	\$47.44	18 Units	\$198.90	\$213.48
5 Units	\$55.25	\$59.30	19 Units	\$209.95	\$225.34
6 Units	\$66.30	\$71.16	20 Units	\$221.00	\$237.20
7 Units	\$77.35	\$83.02	21 Units	\$232.05	\$249.06
8 Units	\$88.40	\$94.88	22 Units	\$243.10	\$260.92
9 Units	\$99.45	\$106.74	23 Units	\$254.15	\$272.78
10 Units	\$110.50	\$118.60	24 Units	\$265.20	\$284.64
11 Units	\$121.55	\$130.46	25 Units	\$276.25	\$296.50
12 Units	\$132.60	\$142.32	26 Units	\$287.30	\$308.36
13 Units	\$143.65	\$154.18	27 Units	\$298.35	\$320.22
14 Units	\$154.70	\$166.04	28 Units	\$309.40	\$332.08
15 Units	\$165.75	\$177.90	29 Units	\$320.45	\$343.94
16 Units	\$176.80	\$189.76	30 Units	\$331.50	\$355.80