Sonoma Water

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SPRING 2021 NEWS

Vol. 9, Issue #1


# SOUTH PARK COUNTY SANITATION DISTRICT

Sonoma Water and the City of Santa Rosa (City) are several years into a multi-year transition period that will result in the city taking over operation and management of the South Park County Sanitation District (District). Currently, Sonoma Water manages and operates the District, which provides sewer services for customers in south Santa Rosa. The District includes the Roseland area, which was annexed into the City in 2017.

During the transition period, Sonoma Water has been implementing a new rate structure that sets sewer rates based partially on the District's fixed costs and partially on an estimate of the amount of sewage generated by each household, which is based on water usage during winter months. Each year, the fixed-costs portion of the sewer bill will decrease, and the portion based on water usage during winter months (volumetric) will increase. The schedule for this adjustment process is as follows:

**FY 2018-19:** 80% Fixed-cost, 20% Volumetric

**FY 2019-20:** 60% Fixed-cost, 40% Volumetric

**FY 2020-21:** 40% Fixed cost, 60% Volumetric

**FY 2021-22:** 40% Fixed cost, 60% Volumetric

**FY 2022-23:** 20% Fixed cost, 80% Volumetric

The rate structure in the final year of the transition period is consistent with the City's billing method. This change provides customers greater control over their sewer bill because it is based on water usage during winter months, a time when outdoor irrigation is not in use and provides an accurate estimate of average usage. Sewer service charges for District customers will continue to be reflected on their annual property tax statements until FY 2022-23 when the District plans to contract with the City to facilitate implementation of monthly customer billing.

During the transition period the District is also evaluating the potential cost of long-term capital projects and using that information to calculate and update the capacity charges that customers pay to connect to the sewer system.

The District's sewer collection system serves approximately 4,352 Equivalent Single-Family Dwellings within a 1,460-acre service area. Wastewater collected by the District is treated at the Laguna Wastewater Treatment Plant. Most of the treated water is reused for power generation and irrigation.

# HOW YOUR SEWER SERVICE FEES ARE SPENT

Service fees collected from property owners are used to operate and maintain the sanitation facilities that are managed by Sonoma Water. This graphic depiction provides a snapshot of types of activities that are required to operate our facilities in an environmentally responsible and fiscally prudent manner, to replace worn out equipment before it fails.

CONSTRUCTION
8¢

OPERATIONS AND MAINTENANCE
88¢

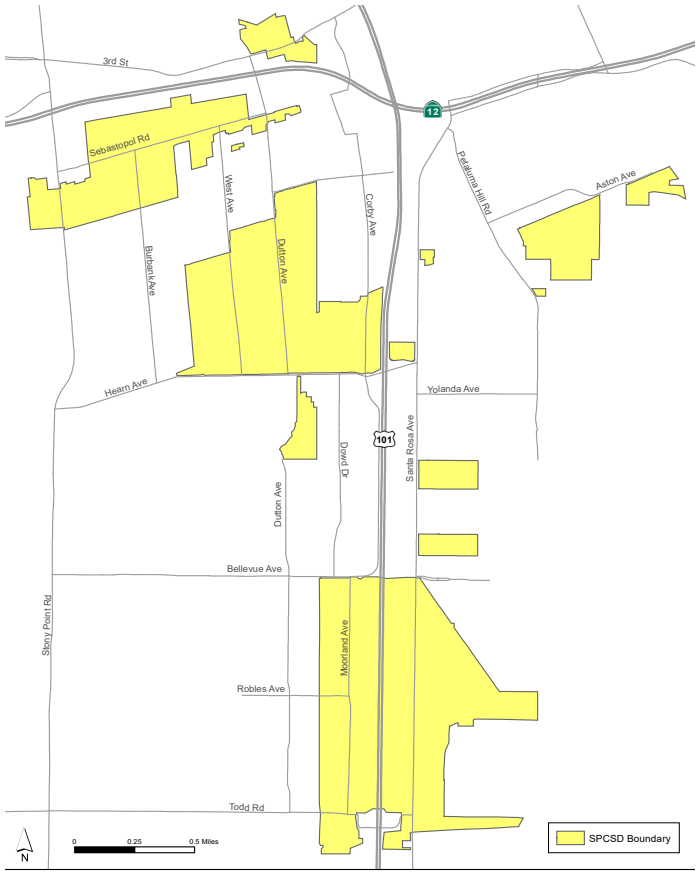
ENGINEERING, ADMINISTRATION, AND REGULATORY COMPLIANCE
4¢

## BUDGET APPROVAL

After the proposed budgets and rates are developed, the budgets are available for public review at the end of March. Due to COVID-19 restrictions, the draft proposed budgets for all sanitation districts and zones will be available for review at Sonoma Water's office located at 404 Aviation Boulevard, Santa Rosa, California 95403, and on Sonoma Water's website at sonomawater.org/current-budget . In addition, notices of the proposed rates are mailed to the owners of the properties in the districts and zones at that time. The public can protest rate increases up to the date of the rate hearings, which this year are scheduled for May 18 at the Board of Supervisors chambers. (A protest form and rate hearing information are available on pages 5-7 of this notice).

## ABOUT YOUR DISTRICT

In 1995 Sonoma Water assumed responsibility from the County of Sonoma for managing the county sanitation zones and districts, including your District. The collection system serves approximately 4,352 Equivalent Single- Family Dwellings within a 1,460-acre service area. Wastewater collected by the District is treated at the Laguna Wastewater Treatment Plant. Most of the treated water is reused for power generation and irrigation.



# COVID-19'S IMPACT ON BUDGETS AND SEWER SERVICE CHARGES

To Our Ratepayers,

We know that the COVID-19 pandemic has had a devastating effect on many residents and businesses throughout our county and beyond. As managers of eight small sanitation districts and zones, we are well aware of the financial burden of rising sanitation charges during these difficult times and we are making every effort to soften the impacts as much as possible.

The eight sanitation zones and districts managed by Sonoma Water are all experiencing financial constraints. Revenues are decreasing as some property owners are unable to pay their sewer service charges, and we anticipate that there will be more delinquencies as the economic impact of the pandemic continues. The districts and zones are faced with tight budgets, but we will work hard to maintain our facilities and continue to operate the systems in a safe and reliable manner. While we remain committed to operate and maintain the systems in a responsible manner, protect public health and the environment, and comply with regulatory requirements, the costs to meet those requirements continue to increase.

This year we have made several adjustments to keep rate increases at a minimum, including cutting overhead costs, deferring maintenance where it is possible, and delaying studies and capital improvement projects.

One of the challenges inherent with small districts and zones is that there are a limited number of residents and businesses to share the costs of operations, maintenance, and project implementation. With a smaller rate base, costs are borne by fewer customers. As the manager of these districts and zones, Sonoma Water continues to advocate for special districts and rural counties to receive COVID support and we are actively seeking support from state and federal sources.

Our hearts go out to the many individuals, families, businesses and communities who are suffering during this pandemic. We will continue to provide critical sanitation services to you and find ways to limit the cost of these services. As always, we will continue to keep public safety and system reliability our top priorities.

Sincerely,

Grant Davis
General Manager, Sonoma Water

# WATER REBATES IN YOUR DISTRICT

## SANITATION DISTRICT WATER SAVING REBATE PROGRAMS AVAILABLE

As a sanitation customer, you have some water saving tools at your fingertips! Please take advantage of water saving programs which are offered on a first-come, first-served basis through the City of Santa Rosa.

For more information visit, email or call: srcity.org/wue • wue@srcity.org • 707.543.3985

## RECEIVE REBATES FOR:

High-Efficiency Clothes Washers, Recirculating Hot Water Pumps, Cash for Grass Program, Irrigation Upgrades, Graywater Reuse, Rainwater Harvesting, and Sustained Water Reduction.

# *PROPOSITION 218*

## South Park County Sanitation District

## NOTICE OF PUBLIC HEARING REGARDING PROPOSED SEWER SERVICE FEE INCREASE

## Date, Time, and Place of Public Hearing

On **May 18, 2021 at 1:30 p.m.** or as soon thereafter as the matter may be heard, the Board of Directors (Board) of the South Park County Sanitation District (District) will conduct a public hearing to consider increasing the annual sewer service charge (Sewer Charge) and make rate structure modifications. If approved, the increased Sewer Charge will become effective on July 1, 2021.

**Please note:** the Board of Supervisors Meeting will be facilitated virtually through Zoom and due to the pandemic, and in accordance with Executive Orders N-25-20 and N-29-20, the May 18, 2021 Board of Directors meeting will be held virtually. MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON. Information regarding public online participation will be available on the Board's agenda 72 hours prior to the meeting at https://sonoma-county.legistar.com/Calendar.aspx

The Sewer Charge will be imposed on each parcel with one or more structures that are connected to the system. The Sewer Charge will be collected on the general property tax bill administered by Sonoma County. Payment of the Sewer Charge will be the responsibility of the owner of the parcel.

## Reasons for the Sewer Charge and Use of the Funds Collected

The Sewer Charge is imposed to pay for the cost of providing safe and reliable sewer service to your property in conformance with legal requirements, and is necessary: (a) to finance the ongoing operation and maintenance costs of the system; (b) to pay the capital replacement program costs of the system, which provides for the long-term replacement of system facilities as they wear out; and (c) to maintain sufficient reserves. The District recognizes the far reaching financial impacts of COVID-19 on its customers, and has gone to great lengths to cut operations and maintenance costs, defer maintenance where practicable, delay studies and capital improvement projects, and reduce the rate increase while continuing to keep public safety and system reliability our top priorities.

## Calculation of the Sewer Rate Increase

The District is working with the City of Santa Rosa on a multi-year transition process to turn over the operation and management of the District to the City. The District's rate structure historically included only fixed charges. Last year, the District moved to a new rate structure that includes both (A) fixed charges; and (B) volumetric charges that are based on the amount of water used by the customer. This rate structure is designed to fund the cost of District services and it also provides customers greater control over their sewer bill. It is also consistent with industry best practices and is similar to the City's rate structure. The proposed rate increase is 3.5% compared to the current year.

### *A. Fixed Charge Calculation*

The fixed charge is calculated based on usage of a standard "equivalent single-family dwelling" (ESD). A standard single-family home constitutes one ESD which is defined as what an average single family home would use in a given year. Properties that are not single family homes are converted to ESDs based on industry standard methods and more information about this conversion is available from the District. The fixed charge funds 40 percent of the District's costs to provide sewer services, including costs associated with the sewage treatment and collection system that are incurred regardless of increased or decreased sewage flow into the system.

Effective July 1, 2021, the District proposes a fixed charge of $410.26 per ESD per year. The fixed charge has decreased relative to the volumetric charge this year but the overall rate increase will be 3.5%. All District customers will pay the fixed charge. The proposed fixed charge component of the Sewer Charge will be calculated as follows:

**$410.26 per ESD x Number of ESD's = Fixed Charge Component of the Sewer Charge**

The number of ESDs for your parcel is included in this newsletter in the box to the left of your mailing address.

***B. Volumetric Charge Calculation***

The volume-based charge recovers 60 percent of the District's costs to provide sewer services, including the costs associated with the sewage treatment and collection system that vary with the amount of sewage conveyed and treated. The District will use City of Santa Rosa water usage data to calculate the annual volumetric charge portion of the Sewer Charge. The volume-based charge has increased relative to the fixed charge this year but the overall rate increase will be 3.5%. All District customers will pay an annual volumetric charge. The Volume-Based Component of the Sewer Charge has two parts, which are multiplied together:

**Annual Water Usage x Charge per thousand gallons = Volume-Based Component of Sewer Charge**

The District has four categories of customers for the volumetric charge calculation:

1. Residential Customers with a City of Santa Rosa Water Connection
2. Residential Customers with No City of Santa Rosa Water Connection
3. Non-Residential Customers with a City of Santa Rosa Water Connection
4. Non-Residential Customers with No City of Santa Rosa Water Connection

The calculations for each are described below. Annual Water Usage calculations will be based on water consumption from the prior year. For Residential Customers, average winter water usage will be used because it provides the best available estimate of indoor water usage since outdoor irrigation is minimal during the winter months. For Non-Residential Customers, annual water usage is based on actual water usage.

**Table 1: Residential Customers: Annual Water Usage and Charge Per Thousand Gallon Calculation**

| Sewer Customers | Calculation of Annual Water Usage | Charge Per Thousand Gallons |
|---|---|---|
| With a City of Santa Rosa Water Connection | • District will calculate Customer's average monthly water usage during the billing periods of November through March.<br>• For each month of the prior fiscal year, the District will select either the customer's winter average water usage or the customer's actual water used, whichever is lower.<br>• District will add up the customer's monthly water usage to arrive at the total annual water usage. | $12.00 |
| With No City of Santa Rosa Water Connection part or all of the time | • District will average the winter water usage during the billing periods of November through March of similar residential customers that have a City of Santa Rosa water connection.<br>• Water use will be estimated based on household size and water use data from comparable metered customers.<br>• Average winter water usage will be multiplied by 12 to determine annual water usage. | $12.00 |

**Table 2a: Non-Residential Customers: Annual Water Usage Calculation**

| Sewer Customers | Calculation of Annual Water Usage | Charge Per Thousand Gallons |
|---|---|---|
| With a City of Santa Rosa Water Connection | • For each month of the prior fiscal year, District will add up the customer's actual monthly water usage to arrive at the total annual water usage. | Based on estimated wastewater strength, shown in Table 2b below |
| With No City of Santa Rosa Water Connection part or all of the time | • District will average annual water usage from similar customers based on City of Santa Rosa water usage data.<br>• Water use will be estimated based on household size, if applicable, or on the type and size of use. Additional information on estimation methodologies is available from the District. | Based on estimated wastewater strength, shown in Table 2b below |

**Table 2b: Non-Residential Users: Examples of Charge Per Thousand Gallon Calculation**

| Categories of Wastewater Strength and Examples of Types of Uses | Charge per Thousand Gallons |
|---|---|
| **Low Strength** - car wash, glass products | $10.32 |
| **Standard Strength** – multi-family (except duplex) complexes, condominium complexes, mobile home parks, warehouses, general commercial/industrial including retail, schools, churches, auto sales, dental and medical offices. | $12.00 |
| **Medium Strength** – mixed use commercial; hotel/motel, convenience store, bar, winery, brewery, auto repair. | $13.80 |
| **High Strength** – bakery, restaurant, coffee shop, meat and food processing, miller, hospital, veterinary clinic. | $17.04 |

***C. Fixed Charge and Volumetric Charge Calculation Combined for Total Sewer Charge***
Each Residential Customer with a sewer connection will be charged an annual Sewer Charge calculated as follows:

**$410.26 per ESD X Number of ESDs (Fixed Charge Component) +**
**$12.00 per thousand gallons x Annual Water Usage in thousand gallons (Volumetric Charge Component)**

Each Non-Residential Customer with a sewer connection will be charged an annual Sewer Charge calculated as follows:

**$410.26 per ESD X Number of ESDs (Fixed Charge Component) + Annual Water Usage x Applicable Charge per thousand gallons shown in Table 2b (Volumetric Charge Component)**

The draft proposed budget for fiscal year 2021-22 describes the total annual expenses in detail and is available for review at the South Park County Sanitation District, c/o the Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, California 95403, and on Sonoma Water's website at www.sonomawater.org/current-budget

## Further Information Available Prior to the Hearing

At the hearing, the Board will consider adoption of an ordinance that will establish the increased Sewer Charge. A copy of the ordinance is on file and available for review at the Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, CA 95403. In addition, the following person may be contacted at the Agency at (707) 526-5370 for further information and/or obtaining copies of the draft proposed budget for fiscal year 2020-21: Kathy Badger, Administrative Aide

## Protest Procedure

This notice has been mailed to you because records of the Sonoma County Assessor list you as an owner of one or more parcels within the District that will be subject to the Sewer Charge while connected to the system. In the event you have sold property you may have owned within the District, please send this notice to the new owner. This document can be found in the spring newsletter online at: www.sonomawater.org/spcsd

Prior to the public hearing, property owners, or tenants who are directly liable for the payment of the Sewer Charges, may submit written protests respecting the Sewer Charge. At the public hearing, the Board will consider all written protests that have been received by the prescribed deadline. In order to be considered, a written protest must be made on the attached form. Only one protest will be counted per parcel. Only protests signed by the current owner(s), or tenant(s) directly liable for paying the Sewer Charge, will be allowed and protests must be received no later than the following deadlines:

*If submitted by mail, they must be received (NOT postmarked) no later than 5:00 p.m. on Monday, May 17, 2021 at the mailing address on the form.*

*If hand delivered, they must be delivered no later than 5:00 p.m. on Monday, May 17, 2021 at the mailing address on the form.*

Sonoma Water
404 Aviation Blvd.
Santa Rosa, CA 95403

**Date of this Notice: March 29, 2021**

# RATE PROTEST FORM

**NOTE: IN ORDER TO BE CONSIDERED, ANY PROTEST MUST BE ON THIS FORM**

## WRITTEN PROTEST

I am the parcel owner of the property located at the address on the back of this form, or a tenant that is directly liable for paying the Sewer Charge for the property. I am submitting this form to protest the proposed Sewer Charge increase.

Additional Comments: _____

_____

_____

Use opposite side or attach additional sheets if needed.

_____
Signature of Property Owner Required

_____
Print Name

*Fold Here First*

Place Postage Here

South Park County Sanitation District
c/o Sonoma Water
404 Aviation Blvd
Santa Rosa, CA 95403

*Fold Here Second*

South Park County Sanitation District
c/o Sonoma Water
404 Aviation Blvd.
Santa Rosa, CA 95403

## IMPORTANT
## Sewer service fee NOTICE

(Prop 218) enclosed for
South Park County
Sanitation District

### HEARING DATE

May 18, 2021 at 1:30 p.m.

### HEARING DETAILS

The Hearing will be held virtually through Zoom.
Hearing details can be found at
https://sonoma-county.legistar.com/Calendar.aspx

## ATTENTION
### IMPORTANT SEWER RATE INFORMATION INSIDE

## INCLUDED IN THIS ISSUE

Proposition 218 Notice for proposed
Fiscal Year 2021-2022 sewer rates.

The Notice with information about the proposed rates
is included on pages 5-6 of this newsletter.
The return protest form is located on page 7.

Sonoma Water

Clean. Reliable. Essential. Every day.

www.sonomawater.org/SPCSD