

Coastside County Water District



October 27, 2022

Coastside County Water District is committed to providing our customers with reliable, high-quality drinking water and services, while maintaining its facilities and infrastructure. The District's capital improvement program (\$68 Million planned for 2023-2032) provides that the District's infrastructure is replaced at the end of its life cycle and upgraded to meet current seismic standards.

Notice of Public Hearing

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Notice of Public Hearing

Proposed Amendments to the Rate and Fee Schedule Effective January 19, 2023 and January 18, 2024

The Coastside County Water District ("District") Board of Directors will hold a Public Hearing at 7:00 PM on Tuesday, December 13, 2022, during a regular Board of Director's meeting.

The Board of Directors will consider adoption of the proposed water rates effective January 19, 2023, and January 18, 2024, affecting all water customers. Interested persons are encouraged to attend and comment. This meeting will be conducted by teleconference. Board members and members of the public may also attend this meeting in person at the District Office located at 766 Main Street, Half Moon Bay. **The public may watch and/or participate by joining the Zoom Video conference link provided on page 6 of this notice.**

The District is proposing two years of rate increases for water services, as shown on pages 2 and 3 of this notice. If approved, a proposed increase of up to 6% (maximum 6%) will become effective on and after January 19, 2023, for year 1, and a proposed increase of up to 6% (maximum 6%) will become effective on and after January 18, 2024, for year 2.

In addition, the District is proposing adjustments to its Water Shortage Rates (Water Shortage Rates were formerly called Water Shortage Contingency Stage Rates) to be effective January 19, 2023, for Year 1 and January 18, 2024, for year 2 as shown on pages 3, 4, and 5.

All references to "rates" in this notice include both rates for Water Services and Water Shortage Rates.

Basis for Proposed Adjustments to All Rates

The basis for the proposed increase in rates is described in the Water Financial Plan and Rate Study Update Report, dated October 5, 2022, prepared by the District's water rate consultant Raftelis Financial Consultants, Inc. Copies of the Water Financial Plan and Rate Study Update Report, Operations Budget for FY2022-2023, and the FY 2023-2024 to FY 2032-FY2033 Capital Improvement Program are available online at <https://coastsidewater.org/resources/reports-and-studies/>.

Adjustments to Rates for Water Services

The proposed adjustments to rates for water services are necessitated due to inflationary adjustments in operating expenses; funding of the District's Capital Improvement Program; and maintaining the District's reserves. As of January 19, 2023, a typical single-family residential customer using 6 units monthly will pay an additional \$6.13 per month. Table 1 shows examples of the impact of residential bills at various levels of water usage.

Table 1

Example of Single Family Residential Monthly Water Bills With 6% Adjustment

Units of Water Billed	Current Bill Amount	Effective January 19, 2023 Proposed Bill Amount	Additional Monthly Cost	Effective January 18, 2024 Proposed Bill Amount
2	\$52.15	\$55.28	\$3.13	\$58.61
4	\$72.43	\$76.78	\$4.35	\$81.41
6	\$102.09	\$108.22	\$6.13	\$114.73
9	\$149.69	\$158.68	\$8.99	\$168.21
12	\$203.51	\$215.74	\$12.23	\$228.69

Note: Bill amount includes base charge plus consumption (quantity) charge.

1 unit = 748 gallons = 100 cubic feet = 1 ccf

Table 2			
MONTHLY BASE CHARGE			
Meter Size	Current	Proposed Effective January 19, 2023	Proposed Effective January 18, 2024
5/8 inch	\$31.87	\$33.78	\$35.81
3/4 inch	\$47.09	\$49.92	\$52.92
1.0 inch	\$77.52	\$82.17	\$87.10
1.5 inch	\$153.60	\$162.82	\$172.59
2.0 inch	\$244.91	\$259.60	\$275.18
3.0 inch	\$534.02	\$566.06	\$600.02
4.0 inch	\$960.12	\$1,017.73	\$1,078.79

Table 3

SINGLE FAMILY RESIDENTIAL MONTHLY QUANTITY CHARGE PER UNIT

Tier	Current Tiers Monthly	Current Charge Per Unit	Proposed Charge Per Unit Effective January 19, 2023	Proposed Charge Per Unit Effective January 18, 2024
1	1 - 4 Units	\$10.14	\$10.75	\$11.40
2	5 - 8 Units	\$14.83	\$15.72	\$16.66
3	9+ Units	\$17.94	\$19.02	\$20.16

Table 4			
WATER RATE QUANTITY CHARGE PER UNIT OF WATER			
Customer Type	Current	Proposed Effective January 19, 2023	Proposed Effective January 18, 2024
Multi-Family	\$13.52	\$14.33	\$15.19
All Other Customers	\$14.41	\$15.27	\$16.19

Table 5		
Fire (MONTHLY SERVICE CHARGE (Service Line Size))		
Current	Proposed Effective January 19, 2023	Proposed Effective January 18, 2024
Per Inch	Per Inch	Per Inch
\$7.13	\$7.56	\$8.01

Table 6			
Portable (Hydrant) Meters			
	Current	Proposed Effective January 19, 2023	Proposed Effective January 18, 2024
Monthly Rental Charge	\$100.00	\$106.00	\$112.36
Quantity Charge Per Unit	\$14.41	\$15.27	\$16.19

Adjustments for Water Shortage Rates

Living in California means that Californians are faced with water shortages during drought conditions, natural disasters, or catastrophic infrastructure failures. In its current Water Shortage Contingency Plan (required by California Water Code Section 10632), District staff outlined recommended actions and procedures for managing water supply and demand during water shortages with six water shortage levels described as stages. These stages are:

- 1) Water Shortage Advisory | Up to 10% water shortage
- 2) Water Shortage Emergency Warning | Up to a 20% water shortage
- 3) Water Shortage Emergency | Up to 30% water shortage
- 4) Water Shortage Severe Emergency | Up to 40% water shortage
- 5) Water Shortage Extreme Emergency | Up to 50% water shortage
- 6) Water Shortage Catastrophic Emergency | > 50% water shortage

Successful water rationing programs result in reduced water sales and increased costs to incorporate changes to the District's water supply sources. Expenditures do not decline in proportion to reduced sales because a large part of expenditures are related to fixed capital costs, maintenance, and operations.

The District is proposing to adjust its Water Shortage Rates (that correspond to the six water shortage stages listed above and that are included in the District's current Rate and Fee Schedule) to incorporate the update to rates for water services proposed in this public notice.

The basis for the proposed adjustment to the Water Shortage Rates is described in the Water Financial Plan and Rate Update Study Report dated October 5, 2022, prepared by Raftelis Financial Consultants, Inc.

The Water Shortage Rates allow for the District to reliably recover the necessary revenue to fully fund the water system in times of requested and mandated reductions in water use.

An example of the impact of Water Shortage Rates is shown in table 7. A typical single family residential customer in normal water years uses 6 units of water per month. In a Stage 2 Water Shortage, if this customer reduces water consumption by the required 21%, the customer will see a similar bill as in normal water years. If the customer does not reduce consumption, then this customer would pay an additional \$30.26 for water service.

Table 7

Single Family Residential (5/8" Meter, 6ccf, Stage 2 Water Shortage)



Implementation of Water Shortage Rates

Water Shortage Rates are not automatically applied during a water shortage or drought. The decision to implement Water Shortage Rates is discretionary and made by the Board of Directors.

The Water Shortage Rates show the maximum rate levels that could be charged per unit during the six Water Shortage Emergency Levels. The decision to implement Water Shortage Rates is discretionary by the District’s Board of Directors. Water Shortage Rates could be implemented upon 30 day written notice to all customers prior to the effective date during water shortage emergency situations including drought, natural disasters, and other water supply interruptions.

The six stages of water shortage emergencies are described in more detail in the District’s Water Shortage Contingency Plan which can be found in the District’s Urban Water Management Plan. Both plans can be found on the District’s website at <https://coastsidewater.org/resources/reports-and-studies/> .

“Baseline” for tables 8 through 10 is defined as the quantity charge per unit before the Water Shortage Rate is added to each tier at the water shortage stages of 1 through 6.

Table 8								
Current Water Shortage Rates In Effect 1/12/2022 MONTHLY QUANTITY CHARGE PER UNIT – at each Water Shortage Stage								
Customer Type		Baseline	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Single Family								
Tier 1	1-4 units	\$10.14	\$12.38	\$14.15	\$15.84	\$18.10	\$22.23	\$34.18
Tier 2	5-8 units	\$14.83	\$18.10	\$20.70	\$23.17	\$26.47	\$32.51	\$49.98
Tier 3	9+ units	\$17.94	\$21.89	\$25.03	\$28.03	\$32.02	\$39.32	\$60.46
Multi-Family:		\$13.52	\$16.50	\$18.87	\$21.12	\$24.13	\$29.63	\$45.57
Non-Residential:		\$14.41	\$17.58	\$20.11	\$22.51	\$25.72	\$31.58	\$48.57
Note: The stage rate for the six stages above equals baseline plus Water Shortage Rate								

Table 9								
Proposed Water Shortage Rates To Be Effective 1/19/2023 MONTHLY QUANTITY CHARGE PER UNIT – at each Water Shortage Stage								
Customer Type		Baseline	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Single Family								
Tier 1	1-4 units	\$10.75	\$13.22	\$15.12	\$16.89	\$19.27	\$23.60	\$36.17
Tier 2	5-8 units	\$15.72	\$19.32	\$22.11	\$24.70	\$28.18	\$34.51	\$52.88
Tier 3	9+ units	\$19.02	\$23.38	\$26.75	\$29.89	\$34.09	\$41.75	\$63.99
Multi-Family:		\$14.33	\$17.62	\$20.15	\$22.52	\$25.69	\$31.45	\$48.21
Non-Residential:		\$15.27	\$18.77	\$21.48	\$24.00	\$27.37	\$33.52	\$51.37
Note: The stage rate for the six stages above equals baseline plus Water Shortage Rate								

Table 10								
Proposed Water Shortage Rates To Be Effective 1/18/2024 MONTHLY QUANTITY CHARGE PER UNIT – at each Water Shortage Stage								
Customer Type		Baseline	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Single Family								
Tier 1	1-4 units	\$11.40	\$13.97	\$15.98	\$17.88	\$20.43	\$25.07	\$38.57
Tier 2	5-8 units	\$16.66	\$20.41	\$23.35	\$26.13	\$29.86	\$36.64	\$56.37
Tier 3	9+ units	\$20.16	\$24.69	\$28.26	\$31.62	\$36.13	\$44.34	\$68.21
Multi-Family:		\$15.19	\$18.61	\$21.29	\$23.83	\$27.22	\$33.41	\$51.39
Non-Residential:		\$16.19	\$19.83	\$22.69	\$25.40	\$29.02	\$35.61	\$54.78
Note: The stage rate for the six stages above equals baseline plus Water Shortage Rate								

How to Protest

Proposition 218 allows a property owner/customer responsible for paying the water bill to respond to proposed rate increases prior to the close of the public hearing. If you wish to protest the proposed rate changes, the District must receive your **written** protest prior to the close of, or during, the public hearing on **Tuesday, December 13, 2022**, at 7:00pm. You may deliver the protest in advance of the public hearing by first class mail or deliver it to the District's payment drop box to:

General Manager
Coastside County Water District
766 Main Street, Half Moon Bay, CA 94019

Email protests will not be accepted. For your protest to be counted, please include one of the following; address(es), Assessor Parcel Number(s) of the property(ies) you own, or the utility account number(s) for active utility accounts that are subject to the proposed rate adjustments. Protests are limited to one per parcel. If written protests are submitted by a majority of the District's property owners/customers, the proposed rate increases shall not be imposed.

Statute of Limitations for Challenging Proposed Rates

Pursuant to California Government Code section 53759, there is a 120-day statute of limitations for challenging all rates set forth in this notice from the date the Board of Directors adopts the resolution approving these rates.

Public Hearing

Due to the Covid-19 pandemic, and in accordance with Assembly Bill 361, which modifies California Government Code Section 54953, this meeting will be conducted by teleconference. Board members and members of the public also may attend this meeting in person at the District Office located at 766 Main Street, Half Moon Bay.

The public may watch and/or participate in the public meeting by joining the meeting through the Zoom Videoconference link provided below. The public may also join the meeting by calling the below listed teleconference phone number.

Whether you participate online or by telephone, you may wish to "arrive" early so that staff can address any technology questions prior to the start of the meeting.

Join Zoom Meeting

<https://us06web.zoom.us/j/88691894625?pwd=UFBnaVYrSUNtUTE3NHIRZDFrVDhnZz09>

Meeting ID: 886 9189 4625

Passcode: 182549

One tap mobile

+16699006833,,88691894625#,,,,*182549# US (San Jose)

Dial by your location

+1 669 900 6833 US (San Jose)

Meeting ID: 886 9189 4625

Passcode: 182549

Find your local number: <https://us06web.zoom.us/u/kbyQAbTp4H>

