

Coastside County Water District



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 (\$69 Million planned for years 2024-2033) 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 20, 2025, January 19, 2026, and January 18, 2027

The Coastside County Water District ("District") Board of Directors will hold a Public Hearing at 7:00 PM on Tuesday, November 12, 2024, during a regular Board of Directors' meeting.

The Board of Directors will consider adoption of water rates that are proposed to be effective January 20, 2025, January 19, 2026, and January 18, 2027 that will affect all water customers. Interested persons are encouraged to attend the November 12, 2024 meeting and comment. The public may attend this meeting in person at the District Office located at 766 Main Street, Half Moon Bay and/or participate in the public meeting by joining the meeting through the Zoom Videoconference link or teleconference phone number provided on page 7 of this notice.

The District is proposing three years of rate increases for water services, as shown on pages 2 and 3 of this notice. The proposed rate increases will support the District's revenue requirement of up to an overall 8% annual increase in total operating revenues for each of the next three years, and if approved, the proposed rate increases will become effective on January 20, 2025 for year 1, on January 19, 2026 for year 2, and on January 18, 2027 for year 3.

In addition, the District is proposing adjustments to its Water Shortage Rates to be effective January 20, 2025 for year 1, January 19, 2026 for year 2, and January 18, 2027 for year 3 as shown on pages 4, 5 and 6.

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 2024 Water Rate Study, dated July, 2024 and prepared by the District’s water rate consultant Water Resources Economics, LLC. Copies of the 2024 Water Rate Study, the District’s Operations Budget for FY2024-2025, and the FY 2024-2025 to FY 2033-FY2034 Capital Improvement Program are available online at <https://coastsidewater.org/resources/reports-and-studies/>.

The 2024 Water Rate Study includes an updated cost-of-service analysis which is used to allocate and recover costs from customers in proportion to their use of the system, recognizing the impact of each customer class (residential, multi-family, and non-residential) on system facilities and operations. Because the District’s cost structure and customer usage characteristics have changed since the last cost of service study was completed in 2018, the adjustments to water rates across each customer class and residential tier will vary in magnitude. In other words, for the proposed increase effective January 20, 2025, some rates and charges will be lower or higher than the proposed up to 8% increase, and some customers will see lower or higher water bills than the proposed up to 8% increase to the District’s overall revenue requirement. For the proposed up to 8% increase to be effective on January 19, 2026 and on January 18, 2027, the increase will be applied proportionately across all of the previous year’s rates.

Table 1 shows examples of the impact on residential bills of the proposed rate changes by comparing current bills with the proposed bills as of January 20, 2025, at various levels of water usage for residences without fire service: the average single-family residential customer using 5 units monthly will pay an additional \$7.82 per month.

Table 1 - Example of Single Family Residential Monthly Water Bills Without Fire Service

Customer Usage Profile	Monthly Usage (units)	Current Bill	Proposed Bill 1/20/25	Difference (\$)	Difference (%)
Very Low Usage	1	\$47.21	\$50.67	\$3.46	7.3%
Low Usage	2	\$58.61	\$62.98	\$4.37	7.5%
Median Usage	4	\$81.41	\$87.60	\$6.19	7.6%
Average Usage	5	\$98.07	\$105.89	\$7.82	8.0%
High Usage	7	\$131.39	\$142.47	\$11.08	8.4%
Very High Usage	10	\$188.37	\$205.06	\$16.69	8.9%

- 1 unit = 748 gallons = 100 cubic feet = 1 hcf
- Bill amount includes base charge plus usage (quantity) charge.
- Rates effective January 19, 2026 will be 8% above the January 20, 2025 rates, and rates effective January 18, 2027 will be 8% above the January 19, 2026 rates.

Table 2 shows examples of single family residential bills at various levels of water usage for residences with fire service, once again by comparing current bills with the proposed bills as of January 20, 2025: the average single family residential customer using 5 units monthly will pay an additional \$9.18 per month.

Table 2 - Example of Single Family Residential Monthly Water Bills With Fire Service

Customer Usage Profile	Monthly Usage (units)	Current Bill	Proposed Bill 1/20/25	Difference (\$)	Difference (%)
Very Low Usage	1	\$55.22	\$60.04	\$4.82	8.7%
Low Usage	2	\$66.62	\$72.35	\$5.73	8.6%
Median Usage	4	\$89.42	\$96.97	\$7.55	8.4%
Average Usage	5	\$106.08	\$115.26	\$9.18	8.7%
High Usage	7	\$139.40	\$151.84	\$12.44	8.9%
Very High Usage	10	\$196.38	\$214.43	\$18.05	9.2%

Adjustments to Rates for Water Services

The proposed adjustments to rates for water services are necessitated by inflationary adjustments in operating expenses; funding of the District’s Capital Improvement Program; and maintaining the District’s reserves.

Table 3 - MONTHLY BASE CHARGES – Current and Proposed

Meter Size (inches)	Current Rates	Effective 1/20/25	Effective 1/19/26	Effective 1/18/27
5/8	\$35.81	\$38.36	\$41.43	\$44.75
3/4	\$52.92	\$53.32	\$57.59	\$62.20
1	\$87.10	\$83.26	\$89.93	\$97.13
1.5	\$172.59	\$158.09	\$170.74	\$184.40
2	\$275.18	\$247.89	\$267.73	\$289.15
3	\$600.02	\$532.27	\$574.86	\$620.85
4	\$1,078.79	\$951.34	\$1,027.45	\$1,109.65
6	n/a	\$2,028.96	\$2,191.28	\$2,366.59

Table 4 - WATER RATE QUANTITY CHARGE PER UNIT OF WATER – Current and Proposed

Customer Classification	Current Rates	Effective 1/20/25	Effective 1/19/26	Effective 1/18/27
Single Family Residential – Tier 1	\$11.40	\$12.31	\$13.30	\$14.37
Single Family Residential – Tier 2	\$16.66	\$18.29	\$19.76	\$21.35
Single Family Residential – Tier 3	\$20.16	\$22.15	\$23.93	\$25.85
Multi-Family	\$15.19	\$14.69	\$15.87	\$17.14
All Other Customers	\$16.19	\$17.60	\$19.01	\$20.54

Effective January 20, 2025, Fire Service Charges will be calculated utilizing an updated methodology that considers the fire capacity of the diameter of the pipe based on the Hazen-Williams equation rather than using the current existing linear factor.

Table 5 –MONTHLY FIRE SERVICE CHARGE – Current and Proposed

Meter Size (inches)	Current Rates	Effective 1/20/25	Effective 1/19/26	Effective 1/18/27
3/4	\$6.01	\$8.87	\$9.58	\$10.35
1	\$8.01	\$9.37	\$10.12	\$10.93
1.5	\$12.02	\$11.19	\$12.09	\$13.06
2	\$16.02	\$14.31	\$15.46	\$16.70
3	\$24.03	\$25.52	\$27.57	\$29.78
4	\$32.04	\$44.86	\$48.45	\$52.33
6	\$48.06	\$114.26	\$123.41	\$133.29
8	\$64.08	\$233.97	\$252.69	\$272.91
10	\$80.10	\$414.03	\$447.16	\$482.94

Adjustments to Water Shortage Rates

Living in California means that Californians may be faced with water shortages during drought conditions, natural disasters, or catastrophic infrastructure failures. In its current Water Shortage Contingency Plan*, adopted in June, 2021 (required by California Water Code Section 10632), District staff outlined recommended actions and procedures for managing water supply and demand during water shortages during each of six water shortage levels, described as stages.

*The District’s Water Shortage Contingency Plan 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/>.

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.

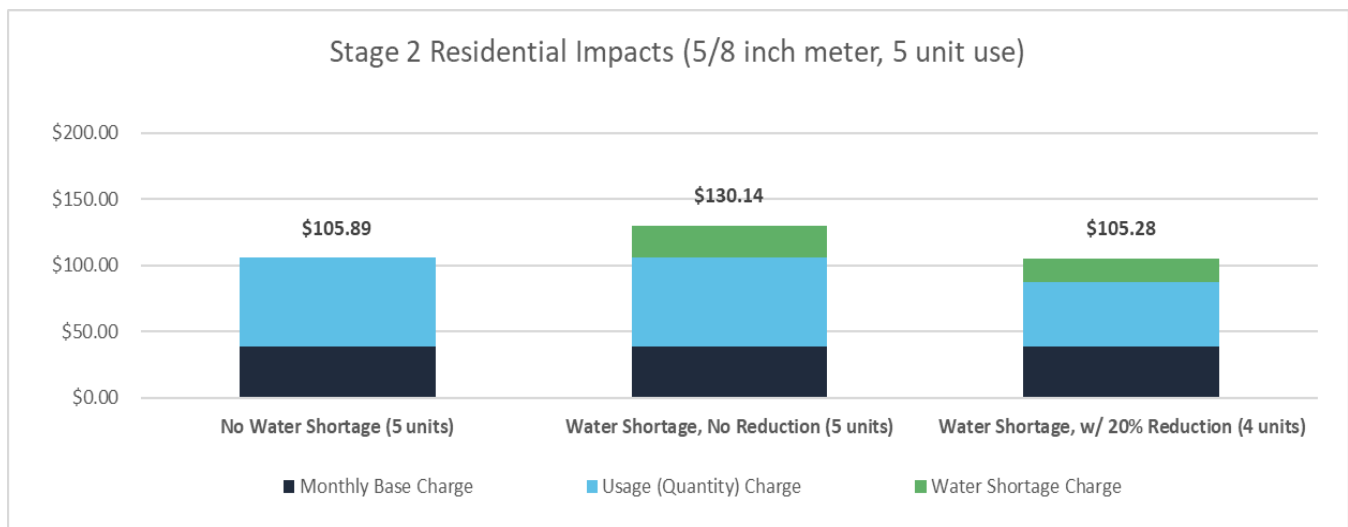
The District is proposing to adjust its Water Shortage Rates (that correspond to the six water shortage stages listed above and that are included in the District’s current Rate and Fee Schedule) to incorporate the update to rates for water services proposed in this public notice.

The basis for the proposed adjustment to the Water Shortage Rates is described in the 2024 Water Rate Study dated July, 2024 and prepared by Water Resources Economics, LLC.

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 6**. A typical single family residential customer in normal water years uses 5 units of water per month. In a Stage 2 Water Shortage, if this customer reduces water consumption by the required 20%, the customer will see a bill that is similar to what they received in normal water years. If the customer does not reduce consumption, then this customer would pay an additional \$24.25 for water service.

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

Bill Component	No Water Shortage	Water Shortage, No Reduction in Use	Water Shortage, 20% Reduction in use
Monthly Base Charge	\$38.36	\$38.36	\$38.36
Usage (Quantity) Charge	\$67.53	\$67.53	\$49.24
Water Shortage Charge	\$0	\$24.25	\$17.68
Total Monthly Bill	\$105.89	\$130.14	\$105.28



Implementation of Water Shortage Rates During a Water Shortage Emergency

Water Shortage Rates are not automatically applied during a water shortage. The decision to implement Water Shortage Rates is discretionary and made by the Board of Directors. The Water Shortage Rates represent the maximum rate levels that could be charged per unit during the six Water Shortage Emergency Stages. Water shortage rates can only go into effect if the Board of Directors takes the following two actions: 1) A Water Shortage Stage must be declared by the Board; 2) The Board must take action to implement the Water Shortage Rates. In addition, the District is required to provide written notice of the proposed rate changes to all customers 30 days prior to their effective date.

Table 7 shows the current and proposed incremental **Water Shortage Rates - Quantity Charge**, meaning these rates would be added to the District’s customers’ then-current “baseline” (non-shortage) **Water Rate Quantity Charge Per Unit** of Water shown in **Table 4** above.

Table 7 – Proposed Water Shortage Rates Quantity Charge (Monthly Rates Per Unit)

Customer Type	Baseline (no water shortage)	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
As of 1/18/24 (current)							
Single Family Residential							
Tier 1 (1-4 units)	\$0.00	\$2.57	\$4.58	\$6.48	\$9.03	\$13.67	\$27.17
Tier 2 (5-8 units)	\$0.00	\$3.75	\$6.69	\$9.47	\$13.20	\$19.98	\$39.71
Tier 3 (9+ units)	\$0.00	\$4.53	\$8.10	\$11.46	\$15.97	\$24.18	\$48.05
Multi-Family	\$0.00	\$3.42	\$6.10	\$8.64	\$12.03	\$18.22	\$36.20
All Other Customers	\$0.00	\$3.64	\$6.50	\$9.21	\$12.83	\$19.42	\$38.59
Effective 1/20/25 (proposed)							
Single Family Residential							
Tier 1 (1-4 units)	\$0.00	\$1.86	\$4.42	\$6.66	\$10.50	\$14.13	\$19.58
Tier 2 (5-8 units)	\$0.00	\$2.77	\$6.57	\$9.89	\$15.60	\$20.99	\$29.08
Tier 3 (9+ units)	\$0.00	\$3.35	\$7.95	\$11.97	\$18.89	\$25.42	\$35.22
Multi-Family	\$0.00	\$2.22	\$5.27	\$7.94	\$12.53	\$16.86	\$23.36
All Other Customers	\$0.00	\$2.66	\$6.32	\$9.51	\$15.01	\$20.20	\$27.98
Effective 1/19/26 (proposed)							
Single Family Residential							
Tier 1 (1-4 units)	\$0.00	\$2.01	\$4.78	\$7.20	\$11.34	\$15.27	\$21.15
Tier 2 (5-8 units)	\$0.00	\$3.00	\$7.10	\$10.69	\$16.85	\$22.67	\$31.41
Tier 3 (9+ units)	\$0.00	\$3.62	\$8.59	\$12.93	\$20.41	\$27.46	\$38.04
Multi-Family	\$0.00	\$2.40	\$5.70	\$8.58	\$13.54	\$18.21	\$25.23
All Other Customers	\$0.00	\$2.88	\$6.83	\$10.28	\$16.22	\$21.82	\$30.22
Effective 1/18/27 (proposed)							
Single Family Residential							
Tier 1 (1-4 units)	\$0.00	\$2.18	\$5.17	\$7.78	\$12.25	\$16.50	\$22.85
Tier 2 (5-8 units)	\$0.00	\$3.24	\$7.67	\$11.55	\$18.20	\$24.49	\$33.93
Tier 3 (9+ units)	\$0.00	\$3.91	\$9.28	\$13.97	\$22.05	\$29.66	\$41.09
Multi-Family	\$0.00	\$2.60	\$6.16	\$9.27	\$14.63	\$19.67	\$27.25
All Other Customers	\$0.00	\$3.12	\$7.38	\$11.11	\$17.52	\$23.57	\$32.64

Table 8 shows the current and proposed combined Water Shortage Rates - Quantity Charge plus the then-current Baseline Water Rate Quantity Charge per UNIT by Water Shortage Stage.

Table 8 – Proposed Combined Water Shortage Rates - Quantity Charge + Baseline Water Rate Quantity Charge
(Monthly Rates per Unit)

Customer Type	Baseline (no water shortage)	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
As of 1/18/24 (current)							
Single Family Residential							
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
All Other Customers	\$16.19	\$19.83	\$22.69	\$25.40	\$29.02	\$35.61	\$54.78
Effective 1/20/25 (proposed)							
Single Family Residential							
Tier 1 (1-4 units)	\$12.31	\$14.17	\$16.73	\$18.97	\$22.81	\$26.44	\$31.89
Tier 2 (5-8 units)	\$18.29	\$21.06	\$24.86	\$28.18	\$33.89	\$39.28	\$47.37
Tier 3 (9+ units)	\$22.15	\$25.50	\$30.10	\$34.12	\$41.04	\$47.57	\$57.37
Multi-Family	\$14.69	\$16.91	\$19.96	\$22.63	\$27.22	\$31.55	\$38.05
All Other Customers	\$17.60	\$20.26	\$23.92	\$27.11	\$32.61	\$37.80	\$45.58
Effective 1/19/26 (proposed)							
Single Family Residential							
Tier 1 (1-4 units)	\$13.30	\$15.31	\$18.08	\$20.50	\$24.64	\$28.57	\$34.45
Tier 2 (5-8 units)	\$19.76	\$22.76	\$26.86	\$30.45	\$36.61	\$42.43	\$51.17
Tier 3 (9+ units)	\$23.93	\$27.55	\$32.52	\$36.86	\$44.34	\$51.39	\$61.97
Multi-Family	\$15.87	\$18.27	\$21.57	\$24.45	\$29.41	\$34.08	\$41.10
All Other Customers	\$19.01	\$21.89	\$25.84	\$29.29	\$35.23	\$40.83	\$49.23
Effective 1/18/27 (proposed)							
Single Family Residential							
Tier 1 (1-4 units)	\$14.37	\$16.55	\$19.54	\$22.15	\$26.62	\$30.87	\$37.22
Tier 2 (5-8 units)	\$21.35	\$24.59	\$29.02	\$32.90	\$39.55	\$45.84	\$55.28
Tier 3 (9+ units)	\$25.85	\$29.76	\$35.13	\$39.82	\$47.90	\$55.51	\$66.94
Multi-Family	\$17.14	\$19.74	\$23.30	\$26.41	\$31.77	\$36.81	\$44.39
All Other Customers	\$20.54	\$23.66	\$27.92	\$31.65	\$38.06	\$44.11	\$53.18

San Francisco Public Utility Commission (SFPUC) Pass-Through Wholesale Water Shortage Rates or Surcharges: If the SFPUC imposes an additional wholesale charge to the cost of water as a result of a water shortage, the District may pass-through the additional SFPUC per unit wholesale charge as set forth in Section 3.P of the District's Rate and Fee Schedule.

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, November 12, 2024, 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

This meeting will be conducted by videoconference and in person. The public may attend this meeting in person at the District Office located at 766 Main Street, Half Moon Bay. ***The Meeting will begin at 7:00p.m. Pacific Time.*** The public also 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 teleconference phone number listed below.

Join Zoom Meeting

- <https://us06web.zoom.us/j/81277240724?pwd=XJ7TeJrfranJhOfbPSvqFqelky9RPI.1>
- Meeting ID: 812 7724 0724
- Passcode: 513540

One tap mobile:

- +16699006833,,81277240724#,,,,*513540# US (San Jose)

Dial by your location:

- +1 669 900 6833 US (San Jose)
- Meeting ID: 812 7724 0724
- Passcode: 513540
- Find your local number: <https://us06web.zoom.us/j/kb6E8hiiR>

Procedures to make a public comment with Zoom Video/Conference – All participants except the Board Members and Staff are muted on entry and video is disabled. Participants may not unmute themselves unless asked to unmute by the Moderator.

- ***From a computer:*** (1) Using the Zoom App. at the bottom of your screen, click on “Participants” and then “Raise Hand”. Participants will be called to comment in the order in which they are received.
- ***From a phone:*** Using your keypad, dial *9, and this will notify the Moderator that you have raised your hand. The Moderator will call on you by stating the last 4 digits of your phone number.