



NOTICE TO PROPERTY OWNERS

June 30, 2023 Public Hearing on Sewer Service Charge Increase

The District is proposing a schedule of sewer service charge increases for a four-year period (from fiscal year 2023-24 through fiscal year 2026-27) to become effective on July 1, 2023. A public hearing on these proposed sewer rate increases will be held on Friday, June 30, 2023 at 4:30 PM in the San Rafael City Schools Board Room, 310 Nova Albion Way, San Rafael, on the 2nd Floor.

Rate Change Explained

As a full-service wastewater agency, the Las Gallinas Valley Sanitary District is required to have the ability to treat all sewage that is discharged to our sewer system and treatment plant, based on its permitted capacity. To meet its obligations, the District is proposing to increase sewer rate revenue over a four year period. For single family homes, this will result in a \$9.25 per month increase in the first year; a \$10.25 per month increase in the second year; a \$11.33 per month increase in the third year; and finally a \$12.42 per month increase in the fourth year. These increases are necessary in order to ensure the District continues providing high quality services and protection of the environment.

Sewer service charges are primarily used for the wide variety of activities that ensure the District is up-to-date in critical regulatory, operational, and maintenance areas, and that our facilities meet the community's needs for today and the future. The proposed increases will help fund:

- Replacement of the District's outdated operations control center, built in 1958 and renovated in 1985 and 1992
- Construction of needed improvements to the District's largest collection system pump station
- Construction of the Smith Ranch combined force main sewer
- Ultraviolet (UV) disinfection system, flow equalization basin, and primary clarifier improvements
- Biosolids program to move from disposal to beneficial use

To cover the cost of these critical services and upgrades, the District proposes the following rates per year for single family dwellings:

Current rate: \$1,122 per year

<u>Effective</u>	<u>Proposed</u>	<u>Monthly increase</u>
July 1, 2023	\$1,233	\$9.25
July 1, 2024	\$1,356	\$10.25
July 1, 2025	\$1,492	\$11.33
July 1, 2026	\$1,641	\$12.42

The rates for multi-family and non-residential rates are described in the summary on page 3.

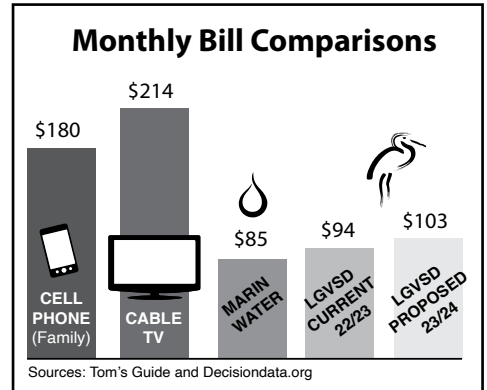
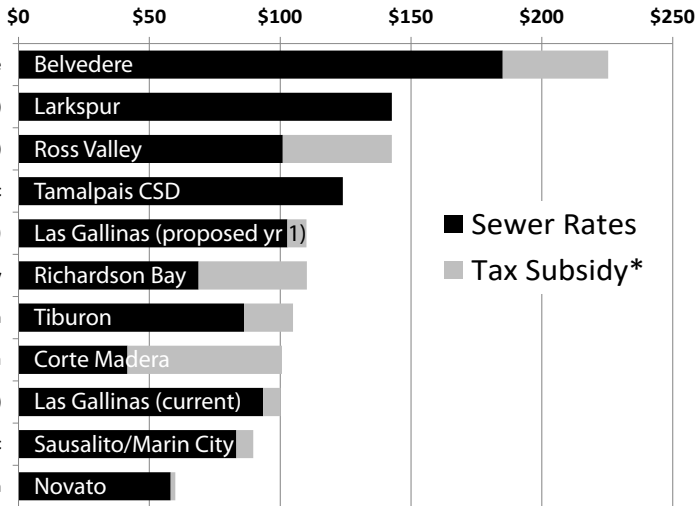
Why LGVSD is Proposing Increases in Sewer Service Charges

The proposed increases in sewer service charges will allow the Las Gallinas Valley Sanitary District to continue its long-term capital improvement plan to modernize and upgrade its aging infrastructure and facilities, safeguard public health, protect the environment, and comply with increasing State and Federal regulatory requirements. For the past decade, the District's Board of Directors has focused much of its attention on renovating and upgrading the District's aging collection and treatment infrastructure.

The District recently completed its Secondary Treatment Plant Upgrade and Recycled Water Expansion Project, increasing treatment and water recycling capacity to meet permit requirements. It was the largest project at the District since the original treatment plant was built in the 1950s. The next phase of upgrades identified at the treatment plant require additional infrastructure investment. Primary clarification and UV disinfection projects at

Monthly Bill Comparisons in Marin County as of April 2023

Monthly Sewer Rate Comparisons



* The value of tax subsidies have been estimated based on publicly available financial data. The exact subsidy by customer class may materially deviate from the assumptions of our methodology. The amount of property tax revenue a sanitary district receives can depend on a variety of factors, including the size of the district, the types of properties within the district, and local tax policies. An equitable comparison of the financial burden for providing sanitary sewer services requires consideration of both property taxes and sanitary sewer assessments imposed.

"Why LGVSD is Proposing Increases" continued from page 1...

the plant will allow the District to meet increasingly stringent water quality regulations. Flow Equalization and Treatment Plant Headworks projects will help the District weather large storm events during periods of heavy rain and prolonged ground saturation by allowing the extra wastewater that enters the sewer collection system, a process known as Infiltration & Inflow (I&I), to be held for treatment until the wastewater flow to the treatment plant subsides. Replacement of the digester and improving the solids process will round out the major improvements currently identified.

Plans are being considered for replacement of the original Administrative and Operations Building, which was built in the 1950s, as well as the laboratory, which is currently housed in a portable building, and need to be brought up to current standards. The District is in the process of planning for new operations and laboratory buildings, which will include an education center and board room, to be located at the treatment plant, pending design, regulatory, and environmental

approvals. The project will be financed with the debt service expected to be between 20 and 30 years.

The District operates a sanitary sewer collection system comprised of approximately 105 miles of gravity sewer lines, 6.7 miles of force mains, and 28 pump stations. There are 2,985 manholes and approximately 52.5 miles of privately owned laterals. The District is one of two full-service sanitary districts in Marin. The State Water Resources Control Board has ordered that the District implement a Sewer System Management Plan (SSMP) which requires funding for and rehabilitation of the sewer collection system to maintain its usefulness. Along with a program of sewer main rehabilitation and replacement, the District is funding a sewer I&I reduction program as part of its SSMP. Key projects in the collection system also include electrical system and communication upgrades for 7 pump stations, Lower Marinwood Trunk Sewer and Upper Terra Linda Truck Sewer and Siphon improvements, and Hwy 101 undercrossing projects.

Summary of LGVSD Sewer Service Charges for July 1, 2023 through June 30, 2027

Residential Rates: This is the annual sewer service charge for single family homes or similar residential units such as condominiums and mobile homes. Multi-family residential units such as apartments are equal to 90% of the single family home sewer service charge.

Current Basic Rate: \$1,122 per year (\$94 per month) for single family dwelling units

Residential (per dwelling unit per year)	<u>Proposed Effective Date:</u>			
	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026
Single Family	\$1,233	\$1,356	\$1,492	\$1,641
Multi-Family	\$1,109	\$1,220	\$1,342	\$1,476
Mobile Home	\$1,233	\$1,356	\$1,492	\$1,641

Non-Residential Rates: The sewer service charges for non-residential customers are calculated based on estimated sewer strengths, as explained below.

Non-Residential (per SSU per year)	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026
Domestic Strength	\$1,233	\$1,356	\$1,492	\$1,641
Elevated Strength	\$2,243	\$2,467	\$2,714	\$2,985
High Strength	\$3,331	\$3,664	\$4,030	\$4,433

Percentage of increases may vary by customer class in Year 1 due to modifications to the cost-of-service calculations and simplification of the User Classifications.

User Classification	Water Use Calculation
<p>Domestic strength users: These customers include (but are not limited to): Commercial, office buildings, retail, churches, halls, public agencies, laundromats, service stations, medical offices, hospitals, convalescent/nursing homes, barber/beauty shops, and car washes</p>	<p>The non-residential sewer service charges account for sewer strength and are based on monthly water usage. The District obtains the average of winter and summer monthly water usage for each non-residential customer from the Marin Municipal Water District. This data is then divided by 8 ccf (hundred cubic feet) in order to convert the usage to equivalent single family residential units (also known as “sanitary sewer units” or “SSUs”). The bill is calculated by multiplying the applicable sewer service charge by the number of SSUs. Each account shall pay a minimum of one (1) SSU. Rates are per SSU per year.</p> <p>Water which does not enter the sewer system, such as water not used for toilet flushing, laundry, and car washes, is excluded from the calculation.</p>
<p>Elevated strength users: These customers include (but are not limited to): hotels with food, commercial laundry, and mixed use.</p>	
<p>High strength users: These customers include (but are not limited to): restaurants, markets with food waste disposal, and bakeries.</p>	
Industrial and other higher-strength users	Contact the District for information and assistance
Schools without showers or cafeteria facilities	0.01 times the annual domestic sewer service charge rate per average daily attendance for students, faculty, and employees.
Schools with showers or cafeteria facilities	0.02 times the annual domestic sewer service charge rate per average daily attendance for students, faculty, and employees.



Because of legal noticing requirements, you may receive more than one copy of this notice. This notice applies to all properties receiving service from Las Gallinas Valley Sanitary District.

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San Rafael, CA 94903

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Our Commitment to Excellence

District Transparency Certificate of Excellence by the Special District Leadership Foundation, 2022

Excellence in Financial Reporting, Certificate of Achievement, 2021

How the District Keeps Costs Down

The District strives to keep costs down by making timely investments in its infrastructure and maintaining existing facilities. Compliance with regulatory requirements helps the District avoid costly fines.

To Protest the Proposed Changes

Protests against the proposed changes in the sewer service charge must be submitted in writing to the District before the end of the public hearing to be held on June 30, 2023 at 4:30 PM. Protests may be mailed/delivered to the District in advance to 101 Lucas Valley Road, Suite 300, San Rafael, CA 94903. Protests must identify the owner(s) of the property or properties for which the protest is entered, and be signed by the property owner. If a majority of owners of affected parcels within the District submit written protests against the proposed changes, the District will not approve the sewer service charge increases. **Please be advised that pursuant to Government Code Section 53759(d) there is a 120-day statute of limitation for any challenge to the new, increased or extended fee or charge.**

PARTICIPATE IN THE RATE HEARING:

Friday, June 30, 2023 at 4:30 PM in the San Rafael City Schools Board Room
310 Nova Albion Way, San Rafael, 2nd Floor

Go to www.lgvsd.org/218 for more information

WEB: www.lgvsd.org **PHONE:** 415-472-1734 **EMAIL:** info@lgvsd.org

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 472-1734 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

This notice is being sent pursuant to Government Code § 53756(d). • *Printed on recycled paper using soy ink.*