

NOTICE OF PUBLIC HEARING PROPOSED SEWER RATE INCREASE

July 11, 2023 at 5:00 pm

**Humboldt Community Services District
5055 Walnut Drive, Eureka, CA 95503**

Notice is hereby given that at the date, time, and place shown above, the Board of Directors of the Humboldt Community Services District will hold a public hearing to consider proposed sewer rate increases for the next five (5) years (Fiscal Years 2023/24 through 2027/28). If approved by the Board of Directors, rates will increase effective August 1, 2023.

The District charges sewer rates to fund its costs to provide sewer service, including operating costs and treatment costs at the City of Eureka Wastewater Treatment Plant (WWTP). Increases to sewer rates will enable the District to continue providing safe and reliable sewer service and perform needed capital improvements such as repair and replacement of sewer mains and lift stations, and perform a condition survey of critical sewer lines, among other important projects.

All customers pay a monthly fixed service charge, a fixed service charge per living unit and a volumetric rate (\$/hundred cubic feet (hcf), which is 748 gallons) based upon the customer’s average water use from December through March. The proposed new charges are shown in the rate table below. The “*Projected Increase in Rate Revenue per Financial Plan*” shown in this table are percentage increases in total annual District rate revenues. Sewer charges are billed monthly.

Sewer Rate Schedule	Current Rates	Recommended Monthly Fixed Sewer Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		14.00%	14.00%	14.00%	14.00%	14.00%
Monthly Fixed Service Charge						
Customer Service Charge Per Account	\$4.28	\$3.84	\$4.38	\$5.00	\$5.70	\$6.50
Monthly Fixed Service Charge Per Living Unit (LU)						
Residential:						
Single Family Residential (1-3)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Multi-Family (4 or more)	\$15.27	\$22.42	\$25.56	\$29.14	\$33.22	\$37.88
Mobile Homes	\$16.61	\$18.26	\$20.82	\$23.74	\$27.07	\$30.86
Trailer Parks	\$16.61	\$18.26	\$20.82	\$23.74	\$27.07	\$30.86
Commercial:						
Commercial - Light Strength (< 370 mg/liter)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Commercial - Medium Strength (370-500 mg/liter)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Commercial - Heavy Strength (>500 mg/liter)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Volumetric Charge (\$/HCF)^{1,2}						
Residential³						
Single Family Residential (1-3)	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Multi-Family (4 or more)	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Mobile Homes	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Trailer Parks	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Commercial³						
Commercial - Light Strength (< 370 mg/liter)	\$10.79	\$10.10	\$11.52	\$13.14	\$14.98	\$17.08
Commercial - Medium Strength (370-500 mg/liter)	\$11.97	\$17.63	\$20.10	\$22.92	\$26.13	\$29.79
Commercial - Heavy Strength (>500 mg/liter)	\$13.26	\$22.50	\$25.65	\$29.25	\$33.35	\$38.02

1. One Unit is equal to one HCF (Hundred Cubic Feet) or 748 gallons.
 2. Rate is charged based on the monthly average winter water use of the previous calendar year (December - March) for each account.
 3. Volumetric Charges apply to each unit (hcf) billed to all customer classes.

The Board of Directors will also consider approving the pass-through in future years of costs other agencies charge the District, including wastewater treatment plant (WWTP), or City of Eureka (COE) operating/maintenance costs (these adjustments may vary from year-to-year). If approved, the District may adjust volumetric rates (\$/hcf) periodically until June 30, 2028¹ based on the following formula:

¹ Although the District intends to adjust rates as of July 1, 2023, adjustment may occur at other times in some years if wastewater treatment costs are increased after July 1.

New Volumetric Surcharge = Volumetric Rate (from table) * (A/B – 1) * A/C * 1.67, where

A = Prior Year CoE WWTP, O&M and CIP actual costs

B = Prior Year CoE WWTP, O&M and CIP costs used in rate study calculations

C = Total Actual Prior Year District Sewer system costs

1.67 = adjustment factor reflecting that 60% of revenue is collected through volumetric charges

If the Board of Directors approves this formula, it will not need to hold additional public hearings to adjust rates pursuant to that formula over the next five years, although approvals will occur at noticed District Board meetings.

Written protests from sewer customers or property owners may be submitted in writing before the closing of the public hearing on July 11, 2023. Protests may be mailed to the District, hand-delivered to District offices, or brought to the public hearing. Protests will be accepted and counted pursuant to procedures the Board of Directors adopted on May 12, 2009, a copy of which is posted to the District's website at www.humboldtcsd.org and can be reviewed in the District office. Under California Government Code Section 53755(a)(3)(b), *only one written protest will be counted per parcel*. If protests are received from property owners or customers with respect to a majority of the affected parcels (50 percent plus one), then the Board cannot approve the proposed rate increases. *To be included in the protest count, a protest must be signed, include the address of the owner or customer submitting the protest, be timely submitted, and state that it is protesting the proposed sewer rate increase. Protests must be received by the District before the close of the July 11, 2023 Public hearing.* You may contact the District at 707-443-4550 or by email at ratestudy@humboldtcsd.org if you have any questions about this notice or the proposed sewer rate increase.

Address written protests as follows: **HCSO – Sewer Rate Protest**
Post Office Box 158
Cuttan, CA 95534