



Town Hall Meeting

A Public Forum to Discuss the GCSD Sewer Rate Increase Proposal
Peter J. Kampa, GM | Groveland CSD | July 18, 2018

GCSD Mission

Our mission is to provide environmentally sound, economic, and compliant services that meet our customer's needs for water and wastewater treatment, fire protection, and park facilities in the unincorporated township of Groveland, California.

Purpose of Meeting

- Understand the GCSD and its Functions and Funding
- Explain Why Increased Sewer Rates are Needed (and options)
- Identify How the Money Will be Spent
- Review the Proposed Rates
- Next Steps
- Question and answer

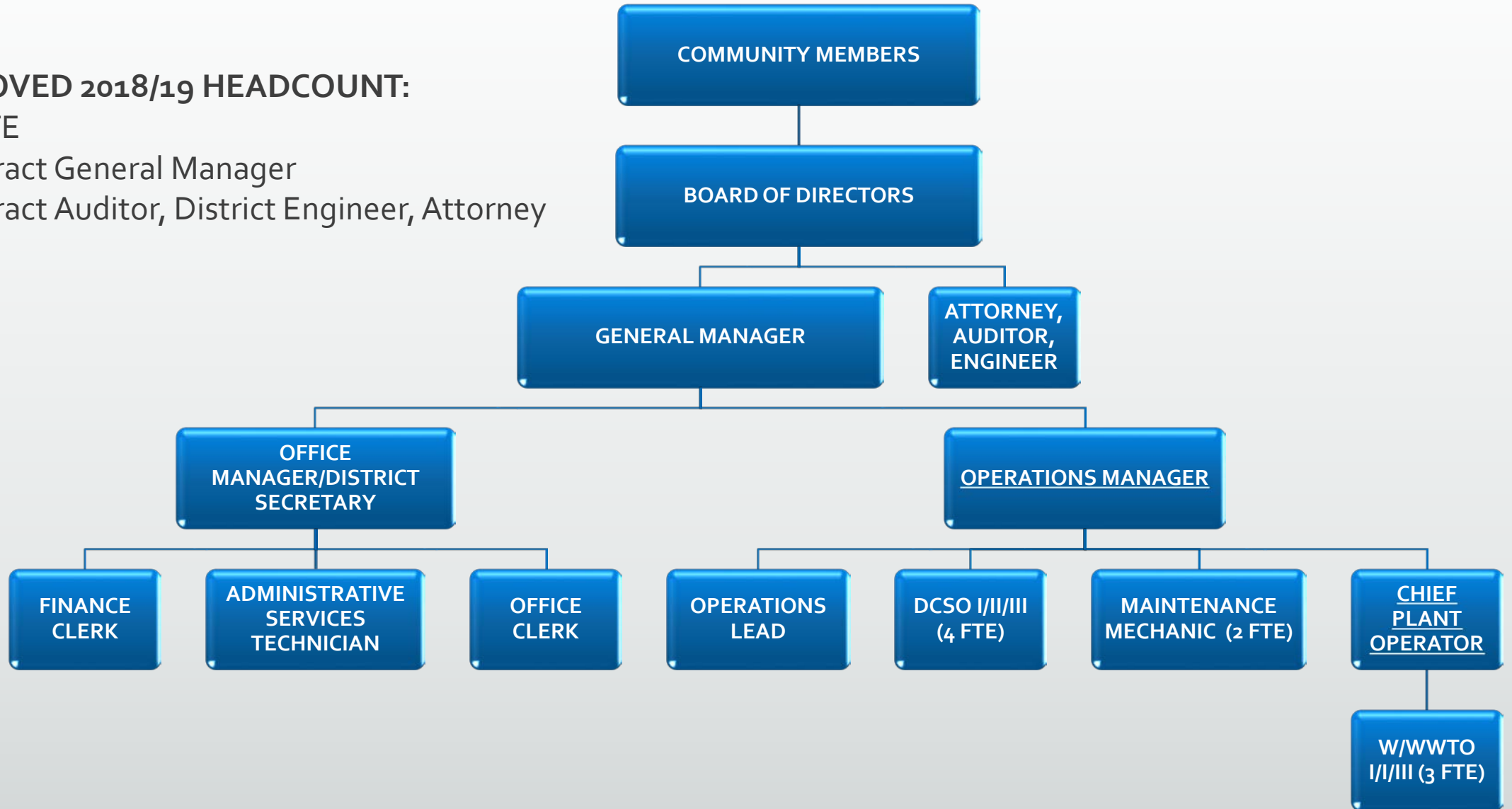
Who is GCSD

- Local government – closest to the people
- Formed by a vote of local residents to provide specific services
 - Water
 - Sewer
 - Fire
 - Parks
- Governed by state laws and regulations, state permits and standards
- You elect the Board to govern your special district
 - Board appoints a GM to implement their policy

GCSD Organizational Chart – Current

APPROVED 2018/19 HEADCOUNT:

- 16 FTE
- Contract General Manager
- Contract Auditor, District Engineer, Attorney



How are GCSD Services Funded?

- Sewer service – rates, charges and fees
- Water - rates, charges and fees
- Park – Property tax
- Fire – Property tax

State constitution and laws prohibit comingling of funds among services

What Makes Sewer Service so Expensive

- Strict state environmental regulations
 - No relief regardless of circumstances
- Strict state permitting regulations
 - Mandatory minimum penalties
- Public Health and safety
- Highly mechanical system
- Low customer count compared to miles of main

What do our Sewer Rates Cover?

- Labor
- Materials and supplies
- Power and utilities
- State permits
- Engineering evaluation and project design
- Equipment and infrastructure replacement

Why are Rate Increases Needed?

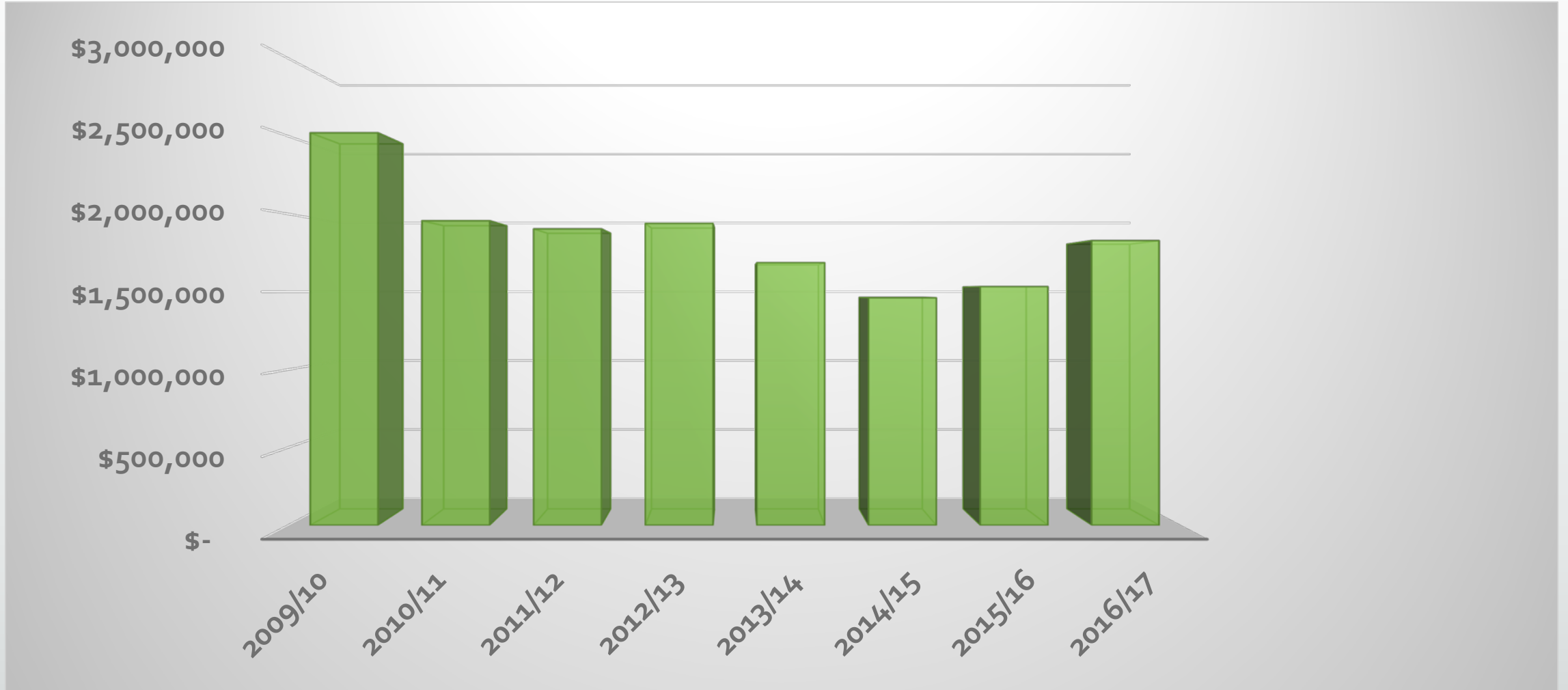
- Last rate increase was 2010
- Complete immediate system improvements to ensure regulatory compliance
- Complete replacements and improvements to increase efficiency
 - Safety
 - Labor Cost
 - Power
- Set aside funding for future infrastructure replacements



Why Such a Sharp Increase?

- Best practice is to increase rates up to 6% each year
- Had GCSD increased rates each year from 2010 to current by 6%:
 - We would only need a 6% increase to be where we plan to be
 - We would have \$890,000 more invested in infrastructure replacement and reserves

What Has Been Done to Control cost?



Where will the Money be Spent?

- **\$100,000** set aside in a restricted reserve
- **\$300,000** allocated annually for system improvements
- **\$61,394** in new annual loan payments
- Pay for comprehensive sewer master plan

Upgrade Sewer Lift Stations



Upgrade Treatment Plant



Upgrade Sludge Drying Capacity



Example of Projects to be Completed in 2018/19

SEWER CAPITAL OUTLAY		
Project	17/18 Budgeted	18/19 Proposed
Sewer Collection Main Ext300' (Replaced with Sludge Drying Bed Concrete Slab, Resolution 10-18)		60,000
Replace STP Reservoir 1 Valves	-	20,000
LS 2 Upgrades and Recoating	-	100,000
Wastewater Pump Replacements	-	45,000
Building Upgrades/Repairs	-	32,000
Road Repairs/Maintenance	-	48,000
Truck #9 Replacement	-	9,600
CIP Contingency	-	45,400
TOTAL CAPITAL OUTLAY	357,000	360,000

Proposed Residential Sewer Rates

	Current	2018/19	2019/20	2020/21	2021/22*	2022/23*
Residential		17%	17%	15%	3%	3%
Monthly Fixed Charge	\$53.10	\$62.13	\$72.69	\$83.59	\$86.10	\$88.68
Debt Service Charge - PML	\$25.75	\$20.42	\$20.42	\$20.42	\$20.42	\$20.42
Volume Charge (\$/gal)	\$0.00698	\$0.00817	\$0.00955	\$0.01099	\$0.01132	\$0.01166

Typical Residential Bill

	Current	2018/19	2019/20	2020/21	2021/22*	2022/23*
Typical Residential Bill (3100 gals) - Groveland/BOF	\$74.74	\$87.44	\$102.31	\$117.66	\$121.18	\$124.82
Typical Residential Bill (3100 gals) - PML	\$100.49	\$107.86	\$122.73	\$138.08	\$141.60	\$145.24

Proposed Commercial Sewer Rates

	Current	2018/19	2019/20	2020/21	2021/22*	2022/23*
Commercial		17%	17%	15%	3%	3%
Monthly Fixed Charge	\$53.10	\$62.13	\$72.69	\$83.59	\$86.10	\$88.68
Debt Service Charge - PML	\$25.75	\$20.42	\$20.42	\$20.42	\$20.42	\$20.42
Volume Charge (\$/gal)	\$0.01121	\$0.01312	\$0.01535	\$0.01765	\$0.01818	\$0.01872

Typical Commercial Bill

	Current	2018/19	2019/20	2020/21	2021/22*	2022/23*
Typical Commercial Bill (4000 gals) - Groveland/BOF	\$97.94	\$114.59	\$134.07	\$154.18	\$158.81	\$163.57
Typical Commercial Bill (4000 gals) - PML	\$123.69	\$135.01	\$154.49	\$174.60	\$179.23	\$183.99

Rate Increase Requirements

- Public Notice
 - Describes the rates, how calculated and how they apply to you
- Public Hearing
 - August 15 at 6:00 PM
- If no majority protest on August 15, Board considers adoption of new rates

Questions??

- Call the office 962-7151
- Email info@gcsd.org
- Review the 2018/19 Preliminary Budget on:
www.gcsd.org