



May 1, 2020

NOTICE TO PROPERTY OWNERS

June 18, 2020 Public Hearing on Sewer Service Charge Increase

The District will hold a public hearing on its proposed 2020-21 sewer rates on Thursday, June 18, 2020, at 4:30 PM at the District's office, 101 Lucas Valley Road, Suite 300, San Rafael, CA 94903. The District is proposing a one-year sewer service charge increase, to become effective on July 1, 2020. Proposed increases for two additional years will be determined and reviewed by the Board in late 2020 or early 2021.

Rate Change Explained

The District is proposing a 4.4% increase for the first year of an eventual three-year rate plan of approximately \$3.42 per month (per typical single-family residence). This increase is necessary in order to ensure the District becomes more efficient and resilient, and has the staff and facilities to continue providing high-quality services with a focus on protecting the environment.

This first-year increase is calculated to help mitigate rate increases in the coming years. Our goal is to avoid future rate volatility. We anticipate that any necessary increases in the subsequent two years will be moderated by this initial increase. We recognize that the timing of this increase—as we all endure the pandemic and its economic fallout—is unfortunate. Our customers can be assured, though, that they are getting great value for their rates, which remain below average among Marin County sewer system operators (see chart on page 2).

Some of this increase will fund the long-overdue addition of several crucial staff positions at the District, including an Environmental Compliance Manager. Sewer service charges are mainly 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.

To cover the cost of these critical services and upgrades, the District proposes increasing the rate from \$927 to about \$968 per year per sanitary sewer unit (an increase of \$3.42 per month) effective July 1, 2020.

How the District Keeps Costs Down

The District maintains a small staff and proactively plans for and makes responsible investments in infrastructure and improvements. Good compliance with regulatory requirements has helped the District avoid costly fines that have been imposed on other sanitary agencies.

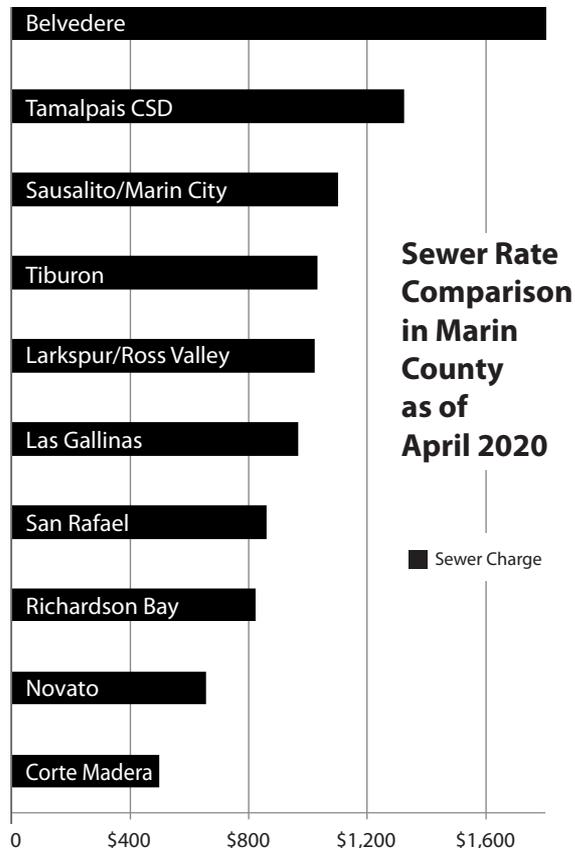
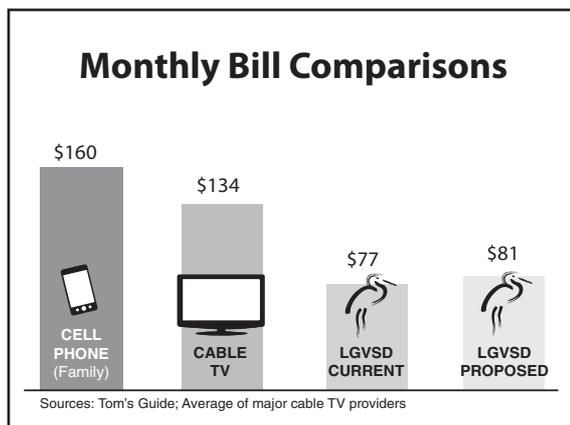
How the Funds are Being Used

The majority of the funding is being used for the current \$64 million expansion and upgrade of the treatment plant. Additionally, LGVSD has completed, or is working on, these projects:

- Rehabilitation of: sewer and lower lateral pipelines; pump stations; the primary digester to improve solids decomposition and increase methane production for power generation and vehicle fuel.
- Increasing capacity of sewer mains for high flow events.
- Maintaining facilities to avoid equipment failure, make emergency repairs when necessary, and replace vehicles and equipment.
- Increasing staff capacity to help reduce risk from aging assets.

LGVSD Rates Remain Below Marin County Average

The annual cost of sewer service for a typical District single family residential customer (or sanitary sewer unit) are below the average median of comparable Marin County communities.



Secondary Treatment Plant Upgrade and Recycled Water Expansion Project to Provide Higher Capacity, More Efficiency

In order to address critical issues (aging infrastructure, changes in wastewater content, and new regulations), the District is in the midst of one of the largest projects in its history—the Secondary Treatment Plant Upgrade and Recycled Water Expansion Project. Construction started in January 2019. When complete, LGVSD will be able to deliver full secondary biological treatment capacity for flows up to 18 million gallons per day (MGD) and raise the elevation of the secondary treatment facilities to make the plant more resilient against flooding and the impacts of sea level rise.

In addition, the District and Marin Municipal Water District (MMWD) are expanding the existing LGVSD Recycled Water Treatment Facility. The expanded facility will replace the existing MMWD facility which has reached the end of its useful life, allowing LGVSD to operate a single recycled water treatment plant. The expansion will improve efficiency and increase the water recycling capacity from 1.4 to 5.4 million gallons per day.

Summary of Las Gallinas Valley Sanitary District Sewer Service Charges for July 1, 2020 through June 30, 2021

The amount and method for calculating charges for various classes of customer are outlined below.

Residential Rates Beginning July 1, 2020

Residential Rates: The annual sewer service charge for single family homes or similar residential units such as condominiums and mobile homes will be set at an amount of no more than \$968 per living unit, effective July 1, 2020. Multi-family residential units such as apartments are charged 90% of the annual single family home sewer service charge.

Non-Residential Rates Beginning July 1, 2020

Non-Residential Rates: The rates for non-residential customers are proportional to the increase in residential rates. Rates are calculated individually for each type of non-residential use as described below.

User Classes	Rate Calculation	Water Use Calculation
Domestic strength users: Commercial, office buildings, retail, churches, halls, public agencies, laundromats, service stations, medical offices, hospitals, convalescent/nursing homes, barber/beauty shops, and car washes	The annual sewer service charge rate times the average summer and winter water use times a strength factor of: 1.0	To calculate water use, the District obtains the average of winter and summer water usage for each non-residential customer from the Marin Municipal Water District. This data is then converted to equivalent single family residential units (or sanitary sewer units). Water used solely for irrigation and recycled water which does not enter the sewer system, i.e. water not used for toilet flushing, laundry, commercial car washes, etc., is excluded from the calculation.
High strength users: Bakeries	3.2	
Markets with disposals	2.6	
Restaurants/Cafes	2.4	
Mortuaries, mixed uses/ other, hotels with restaurants	2.0	
Industrial and other high-strength users	Contact the District for information and assistance	
Schools without showers or cafeteria facilities	0.01 times the annual sewer service charge rate per average daily attendance for students, faculty, and employees	
Schools with showers or cafeteria facilities	0.02 times the annual 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, 2019

Excellence in Financial Reporting, Certificate of Achievement, 2018

Public Education and Outreach Award Three-County Area 2012, 2013, 2014, 2015, 2016

Collection System of the Year Three-County Area 2008, 2010, 2012, 2016

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 18, 2020 at 4:30 PM. Protests may be submitted during the public hearing or mailed/delivered to the District in advance at the address below. 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.

ATTEND THE RATE HEARING: June 18, 2020 at 4:30 PM at the District's office,
101 Lucas Valley Road, Suite 300, San Rafael, CA 94903

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.

Please Note: If the COVID-19 shelter-at-home public health order is extended or reinstated by the date of the public hearing, then the hearing will be held via Zoom video conference. Please check the District's website at www.lgvsd.org for updated information and instructions.

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