



NOTICE TO PROPERTY OWNERS

June 17, 2021 Public Hearing on Sewer Service Charge Increase

The District will hold a public hearing on its proposed 2021-22 and 2022-23 sewer rates on Thursday, June 17, 2021. Due to COVID-19 public health orders, the hearing will be held via Zoom video conference. The District is proposing a two-year sewer service charge increase, to become effective on July 1, 2021.

Rate Change Explained

The District is proposing a 9.0% increase for the first year of the two-year rate plan (of approximately \$7.25 per month per typical single-family residence); and a 9.0% increase for the second year (or approximately \$7.92 per month for a typical single-family residence). This increase is necessary in order to ensure the District continues providing high quality services and protection of the environment.

We recognize that the timing of this increase as we all continue to endure the pandemic and its economic effects is unfortunate. However, the need for ongoing operational and capital improvement did not diminish over the last year. Our rates remain below average among County sewer system operators (see chart on page 2).

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 increase will help fund:

- Continuation of the Secondary Plant Upgrade and Recycled Water Expansion Project
- Construction of a much-needed upgrade of our largest collection system pump station
- Replacement of the District's outdated operational control center building
- Crucial staff positions at the District
- A number of system asset improvements targeting infrastructure risks identified as part of a Master Plan Study currently underway

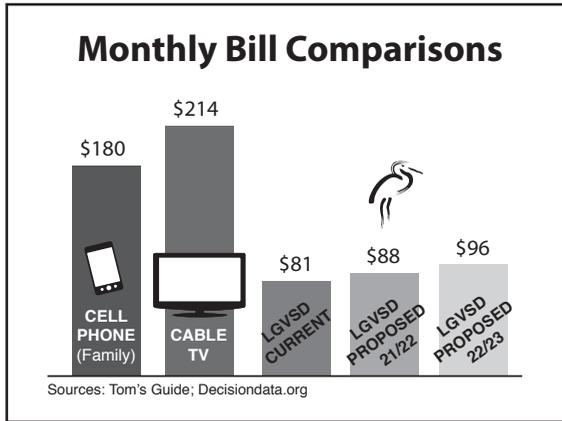
To cover the cost of these critical services and upgrades, the District proposes increasing the rate from \$968 to about \$1,055 per year per sanitary sewer unit (an increase of \$7.25 per month) effective July 1, 2021, and a second-year increase from \$1,055 to about \$1,150 per year per sanitary sewer unit (an increase of \$7.92 per month) effective July 1, 2022.

How the Funds are Being Used

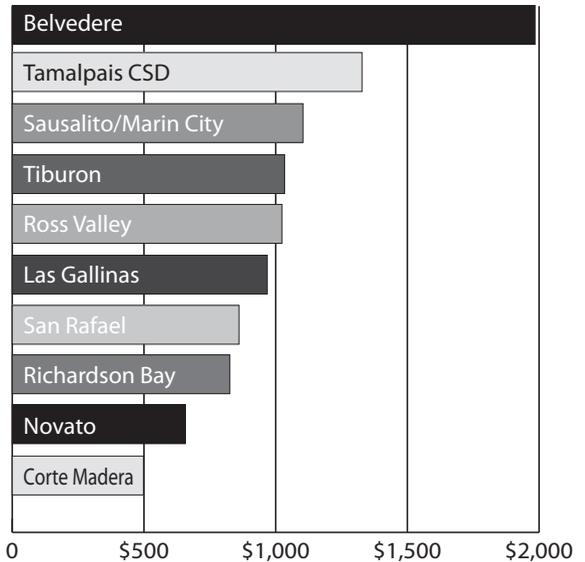
The majority of the funding is going into our capital improvement program, reinvesting into the District through modernization and upgrades throughout our aging systems. The Secondary Treatment Plant Upgrade and Recycled Water Expansion Project, which is currently underway, replaces old equipment and allows the District to meet increasing Federal and State regulatory compliance requirements. Phase 1 (of three phases) of the overall project was completed in March of this year, and included building of the new recycled water treatment facility which is now in operation. The new, more efficient facility increases the water recycling capacity from the previous 1.4 million gallons per day (MGD) to 5.4 MGD. A large portion of the District's recycled water is distributed to Marin Municipal Water District and North Marin Water District, which then sell it for use in landscape irrigation, car washes, cooling towers, commercial laundries, and toilet flushing. Other

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.



Sewer Rate Comparison in Marin County as of April 2021



"How the Funds are Being Used" continued from page 1...

amounts of recycled water are used to irrigate District pasture land, or is stored in the District's ponds for later release to Miller Creek, when permitted. The ability to produce a significantly-increased amount of recycled water for beneficial reuse contributes to the District's goals of environmental protection.

In late 2019 the District moved its administration and engineering departments to a temporary leased office site building where staff has adequate space, facilities, and capacity, until the new operational control center building can be built. The timing of this office move was very fortunate — without the move at that time, the pandemic would have impacted the District to a greater extent than it did. There would have not been enough space in the old building for both administrative and operational staff to work safely while adhering to COVID-19 distancing guidelines, and business interruption would most likely have

occurred. The planned new building at our treatment plant site will have enough room for our staff and the public, include additional parking, and provide a building the community can count on for the next 50 years. It will be a more practical and productive setting for staff and for the community members who visit the main office. Initial building concepts have been completed, and site selection for the precise location of the new building is anticipated to take place later this spring.

Funds are also used for rehabilitating sewer and lower lateral pipelines and pump stations, increasing capacity by expanding and replacing sewer mains, maintaining facilities to avoid equipment failure, making emergency repairs, replacing vehicles and equipment, and other activities.

For more information visit www.lgvsd.org/218.

Summary of LGVSD Sewer Service Charges for July 1, 2021 through June 30, 2023

Residential Rates Beginning July 1, 2021

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 calculated at 90% of the annual single family home sewer service charge.

Current Basic Rate: \$968 per year (\$81 per month)
 Proposed Basic Rate: 2021/22 - \$1,055 per year (\$88 per month)
 2022/23 - \$1,150 per year (\$96 per month)

Non-Residential Rates Beginning July 1, 2021

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.

How the District Keeps Costs Down

The District maintains a relatively small staff and proactively plans for and makes responsible investments in infrastructure and improvements. Good compliance with regulatory requirements has helped the District minimize costly fines.

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, 2019

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 17, 2021 at 3:30 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.

PARTICIPATE IN THE RATE HEARING: June 17, 2021 at 3:30 PM via Zoom video conference.

Go to www.lgvsd.org/218 for log-in 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.*