



## PROPOSITION 218 NOTICE

### NOTICE OF PUBLIC HEARING TO CONSIDER INCREASE IN SEWER RATES

**Hearing Date and Time: Thursday, June 1, 2023 at 5:30 pm**

**Hearing Location: GWSD Board Room, UCSB Campus Parking Lot 32, Santa Barbara, CA 93106**

Notice is hereby given that the Goleta West Sanitary District (District) will conduct a public hearing to consider adopting rate increases for sewer service. The purpose of the public hearing is to consider all oral testimony and written protests against adoption of the proposed rates.

The District is located in and serves the western Goleta Valley and unincorporated areas of Santa Barbara County, providing wastewater collection and treatment services to over 6,000 residential and non-residential customers within the District's service area. You are receiving this Notice because you are a property owner and/or tenant of real property within the District.

The District discharges wastewater to the Goleta Sanitary District (GSD) for treatment and disposal. GSD, the regional wastewater treatment plant, has commenced a multi-year, multi-million dollar project to upgrade capital facilities which are meeting the end of their useful life (Biosolids & Energy Strategic Plan [BESP] project). Goleta West Sanitary District, as a Contractual Partner to GSD, is responsible for paying 40.8% of Capital Improvement and Operating Costs at the plant. The District has incurred a debt of \$14 million to fund its share of the BESP project costs. GSD has also incurred a debt of \$14 million to pay its share of project costs. You can learn more about the GSD BESP project on our website at [www.goletawest.org](http://www.goletawest.org).

The proposed rate increases are the result of a cost of service analysis conducted by Raftelis Financial Consultants, an independent third-party financial advisor that has recommended this rate increase in order to fund the cost of service, which has increased primarily due to the cost of the BESP project, along with other capital projects. The Raftelis report is posted on the District's website at [www.goletawest.org](http://www.goletawest.org). If you have questions regarding how your rates will be affected, you may also call (805) 968-2617.

The District's current wastewater rates include a fixed charge per equivalent residential unit (ERU) for its residential users and a separate set of fixed surcharges for its non-residential customers, which vary according to the associated strength loadings and estimated wastewater discharge volumes for each non-residential class.

The District's existing rates for its residential and non-residential customers are shown in the table below. An ERU (Equivalent Residential Unit) is currently defined as 74,600 gal per year of water use. With a 90 percent return to sewer, this equates to 184 gal/day (gpd) of wastewater flow ( $74,600/365 \times 90\%$ ). Water usage for residential customers has been decreasing for a variety of reasons including drought, conservation and low flow appliances and fixtures as confirmed by water usage records from Goleta Water District. Correspondingly, the wastewater generated by residential customers has also decreased. To account for this decrease, based on analysis of data from Goleta Water District, Raftelis recommends that the District redefine the ERU to 64,900 gallons of water per year. With 90 percent discharged to sewer, this adjustment equates to 160 gpd of wastewater flow to sewer ( $64,900/365 \times 90\%$ ). This change will result in an increase of ERUs based on water usage for non-residential customers.

Residential customers are assigned one ERU per dwelling unit, as defined by the County of Santa Barbara, and non-residential customers are charged a fee based on the number of ERUs equivalent to their annual water

usage based on records obtained from Goleta Water District, in addition to surcharges per ERU based on the associated strength loadings for each non-residential class.

In order to ensure that the District will have adequate revenues to fund wastewater operating and capital expenses and maintain sufficient reserves, Raftelis has recommended the fixed rates and commercial surcharges for FY 2023-2024 through FY 2026-2027 shown below. If approved, these rates would be effective on July 1st of each fiscal year analyzed in the study, beginning on July 1, 2023.

**Current and Proposed Annual Wastewater Rates**

Customer Class	Current (\$/ERU/year)	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026
<b>Residential (assigned one ERU/dwelling unit)</b>	\$262.00	\$308.00	\$388.00	\$484.00	\$559.00
<b>All Non-Residential Customers (per ERU)</b>	\$262.00	\$308.00	\$388.00	\$484.00	\$559.00
<b>Non-residential Surcharge Rates (per ERU)<sup>1</sup></b>					
<b>Hospitals and Convalescent Homes</b>	\$10.00	\$12.00	\$16.00	\$21.00	\$23.00
<b>Service Stations without trailer dump facilities, machine shops, auto repair</b>	\$15.00	\$18.00	\$23.00	\$30.00	\$34.00
<b>Hotels, motels, boarding, dorms lodging house</b>	\$26.00	\$33.00	\$43.00	\$57.00	\$63.00
<b>Service stations with trailer dump facilities</b>	\$84.00	\$111.00	\$144.00	\$190.00	\$209.00
<b>Take out or drive-in, churches with food service facilities, factories, industrial plants, etc.</b>	\$136.00	\$180.00	\$235.00	\$310.00	\$341.00
<b>Markets with garbage disposals, mortuaries</b>	\$260.00	\$344.00	\$448.00	\$592.00	\$650.00
<b>Restaurants, food service facilities</b>	\$276.00	\$367.00	\$477.00	\$630.00	\$693.00

Any property owner (or tenant responsible for paying sewer charges) who will be subject to the proposed rate increases may submit a written protest against the rate increase. In order to be counted, written protests must include:

- An indication that the property owner or tenant opposes the proposed rate increase;
- Identification of the parcel served (by assessor’s parcel number or street address); and,
- The name and signature of the property owner or tenant submitting the protest.

In compliance with Prop 218, written protests submitted by fax or email will not be accepted.

Upon conclusion of the public hearing, the District’s Board of Directors will consider adoption of the proposed rate increases. Protests will be tabulated at the hearing, and protests received after the hearing will not be accepted. If written protests against the proposed increases are not submitted by a majority of property owners (or tenants) of the parcels upon which these rates will be imposed, the Board will be authorized to adopt these rates. Only one written protest per affected property will be counted toward the majority protest. Although oral comments at the public hearing will not qualify as a formal protest unless accompanied by a written protest, the Board welcomes input from the community during the public hearing.

Submit your written protest by mail or in person prior to the close of the public hearing on June 1, 2023, to:

In person:	OR	Mail to:
Goleta West Sanitary District		Goleta West Sanitary District
Attn: Rate Protest		Attn: Rate Protest
UCSB Campus, Parking Lot 32		PO Box 4
Santa Barbara, CA 93106		Goleta, CA 93116-0004

<sup>1</sup> Non-Residential ERUs will be computed at 64,900 gallons of water use per year instead of 74,600 gallons per year.