



## **Grizzly Lake Community Services District**

119 Delleker Road, Portola, CA 96122  
Tel: (530) 832-5225 • Fax: (530) 832-1319  
Email: glcsddelleker@gmail.com

### **Proposition 218 Notification Notice of Public Hearing Water and Sewer Rate Adjustment**

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**Hearing: November 14, 2022**

**Hearing Location: 119 Delleker Dr, Portola, CA 96122**

This letter is to advise you that the Grizzly Lake Community Services District (GLCSD) is proposing a water and sewer rate adjustment for all users connected to the GLCSD water system. The proposal will be considered by the Board of Directors at a Public Hearing on **11/14/2022, at 5:30 pm**) You are receiving this notice in compliance with the California Proposition 218 requirement that all impacted property owners be mailed notice of proposed rate changes at least 45 days prior to a public hearing.

**If you have any questions regarding this notice, please call GLCSD Monday through Friday, between the hours of 8:00 am – 5:30 pm at 530-832-5225.**

#### **BASIS OF PROPOSED RATE ADJUSTMENT**

(GLCSD) is required by State law and Board policy to collect revenues sufficient to fund current and future costs of operating, maintaining, and administering the existing water facilities as well as to fund the capital improvements and infrastructure replacement program. These revenues allow GLCSD to protect public health and safety and to reliably convey and treat water. By State law, GLCSD may not collect more revenue than is necessary to recover the costs of providing services. The proposed rates were developed through a comprehensive Water and Sewer Rate Study designed to meet all legal requirements and fairly and equitably recover the required revenue. The Water and Sewer Rate Study, which provides a detailed explanation of the projected inflationary impact on operating costs, was prepared by Rural Community Assistance Corporation (RCAC) and GLCSD and is available for review by the public on the GLCSD website ([grizzlylakecsd.com](http://grizzlylakecsd.com)).

#### **WHY Grizzly Lake Community Services District WATER and SEWER RATE MUST BE ADJUSTED**

Customer rates are the primary source of revenue to operate the GLCSD water and sewer system. These rates generate the revenue to operate the system and invest in necessary upgrades. Despite the continuing increase in costs to operate the water system GLCSD has not adjusted water and sewer rates since 2011, resulting in operating losses and the inability to fully fund reserve accounts for



emergencies, operating and capital improvements/replacements. To continue GLCSD's long tradition of providing reliable water and sewer services to our customers, rate increases are necessary to cover increasing operational costs and save for future system replacements and improvements.

**WHAT STEPS DID GLCSD TAKE TO REDUCE COST BEFORE CONSIDERING INCREASING CUSTOMER RATES?**

GLCSD conducted a comprehensive line by line review of the budgetary expenditures to maximize available resources and reduce operational costs to a minimum. Some of the cost cutting measures included reducing recommended emergency and operating reserves amounts and a comprehensive evaluation of general overhead expenses.

**RATE ADJUSTMENT HEARING PROCEDURE**

All property owners, water, and sewer customers of GLCSD and other interested persons are invited to attend the hearing and present written and/or oral comments. As an owner or water customer of record of a parcel subject to the imposition of the proposed rate adjustments, you may submit a written protest against the proposed rate changes. Only one written protest will be counted per identified parcel.

Written protests must include:

- Your signature and date
- Your name typed or printed under the signature
- The assessor's parcel number or street address of the property; and
- An affirmation that you are the owner or water customer of record of the property
- Only one protest will be allowed per parcel

Written protests will not be accepted by e-mail or fax. Verbal protests will not be counted. Protests must be received (not postmarked) prior to the close of the public hearing. Written protests may be submitted to:

**Delivered in Person**

119 Delleker Dr  
Portola, CA 96122

**Submitted by Mail**

119 Delleker Dr.  
Portola, CA 96122

GLCSD, after the close of the public hearing and provided that written protests from a majority of properties subject to the increased rates has not been received, will adopt the rates. The rates will not exceed the increases set forth herein. The adoption may not take place at the **11/14/2022**, meeting if time is needed to verify and count the letters of protest. It may occur at a subsequent Council meeting.

**PROPOSED MONTHLY RATE SCHEDULE**

The water and sewer rate will be increased as set forth on the following table beginning on December 1, 2022, and will increase by 5% for four subsequent years. The final

adjustment under this schedule will be implemented no later than (**December 1, 2027, 5 YEARS FROM THE TIME FIRST INCREASE WILL BE IMPLEMENTED**). Any subsequent rate adjustments that increase rates will be subject to a Proposition 218 hearing.

**PROPOSED MONTHLY RATE SCHEDULES**

**Current Water Rates:**

Customer	Pipe Size	Water Rate	Water Tank Surcharge	Administration Fee	Total Monthly Charges
Residential	¾"	\$ 35.75	\$ 4.00	\$ 0.00	\$ 39.75
Commercial	1"	\$ 42.50	\$ 4.00	\$ 8.00	\$ 54.50

**Rate Adjustment – Year One:**

Customer	Pipe Size	Water Rate	Water Tank Surcharge	Administration Fee	Total Monthly Charges
Residential	¾"	\$ 62.29	\$ 4.00	\$ 0.00	\$ 66.29
Commercial	1"	\$ 74.06	\$ 4.00	\$ 8.00	\$ 86.06

**Current Sewer Rates:**

Customer	Sewer Rate	Administration Fee	Total Monthly Charges
Residential	\$ 41.75	\$ 0.00	\$41.75
Commercial	\$ 42.50	\$0.00	\$42.50

**Rate Adjustment-Year One:**

Customer	Sewer Rate	Water Tank Surcharge	Administration Fee	Total Monthly Charges
Residential	64.71	\$0.00	\$0.00	<b>64.71</b>
Commercial	65.87	\$0.00	\$0.00	<b>65.87</b>

In an effort to provide transparency, information will be available as noted at Grizzly Lake Community Services District's Business Office located at 119 Delleker Dr and online at [grizzlylakecsd.com](http://grizzlylakecsd.com).

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**WATER AND SEWER RATE ADJUSTMENT**

Customer rates are the primary source of revenue to operate the Grizzly Lake water and sewer system. These rates provide the revenue to operate the system and invest in necessary upgrades. Due to the continuing increase in costs to operate the water system GLCSD has adjusted water and sewer rates 23%, resulting in operating costs and the inability to fully fund reserve accounts for