

South San Luis Obispo County Sanitation District

NOTICE OF PROPOSED SERVICE CHARGE AND CONNECTION FEE INCREASE

Dear Property Owner:

This is a notice to explain the proposed increases in service charges and connection fees for the South San Luis Obispo County Sanitation District (SCSD). This notice is being sent to all property owners within the District or who currently receive service outside the District. The proposed rate increases will be recommended for adoption by the SCSD's Board of Directors at a public hearing described in this notice.

NOTICE OF PUBLIC HEARING

At a public hearing the SCSD will consider proposed increases for service charges and connection fees. The proposed changes are listed in this notice. The public hearing will be held on November 29th, 2006 at 6 o'clock p.m. at the Oceano Community Services District office building located at : 1655 Front Street Oceano, CA.

Annual rate increases beginning in January 2007 through May 1st, 2010 with subsequent inflationary adjustments will be recommended for adoption by the Board of Directors at the November 29th, 2006 public hearing. If approved, these rate increases will take effect January 1st, 2007.

Customers may voice their support or opposition to the proposed rate changes during the public hearing. In addition, customers may support or protest the proposed rates by filing a written statement with the District's secretary at or before the time set for the public hearing. A written statement of support or protest should include the property owner's name and address and which portion of the rate changes are being supported or protested and mailed to SCSD P.O. Box 339 Oceano, CA 93445.

The SCSD Board of Directors will be discussing the proposed rates on November 1st at the Board's regular meeting at 6 P.M. at 1655 Front Street Oceano, CA. The public will also have the opportunity to ask questions of the District Staff and make comments to the Board at that meeting.

WHY CHANGE THE SEWER RATES

Providing reliable and affordable sewer service is the mission of the District. The District is required to provide service primarily through user rates. It receives no other funding by property taxes or otherwise for the provision of sewer service. The proposed sewer rate increases are needed to:

1. Provide sufficient funds for ongoing operation and maintenance.
2. Support rehabilitation and upgrade of the facilities, which provide service and to comply with governmental regulations.
3. To maintain reserves to reduce risk and prudently manage Districts' resources.

What follows is additional information for your consideration. First you will see the current and proposed service charges. Following you will see a comparison of current and proposed connection fees.

HOW THE TYPICAL SEWER BILL BE AFFECTED

Current and Proposed Monthly Wastewater Service Rates

	Customer Classification	Existing Rates	Future Rate As of Jan 1, 2007	Future Rate As of May 1, 2007	Future Rate As of May 1, 2008	Future Rate As of May 1, 2009	Future Rate As of May 1, 2010
a.	Residences and Apartments	\$6.50	\$8.93	\$10.70	\$12.31	\$13.52	\$14.86
b.	Hotel Units with Kitchens	5.20	9.41	11.29	12.98	14.28	15.71
c.	Motel Units without Kitchens	4.40	6.02	7.22	8.30	9.12	10.02
d.	Hotel Room	4.55	6.22	7.46	8.58	9.42	10.36
e.	Commercial Establishments	6.73	4.59	5.51	6.26	6.97	7.65
	Each additional employee above 5	0.44	0.92	1.10	1.25	1.39	1.53
f.	Beauty Shops	8.66	8.49	10.19	11.60	12.73	13.97
	Each additional operator above 6	0.86	1.41	1.70	1.93	2.12	2.33
g.	Eating Establishments w/o Grinders	9.31	9.11	10.92	12.56	13.79	15.16
	Each additional 5 seats above 30	1.01	1.52	1.82	2.09	2.30	2.53
h.	Restaurants (w/ Grinders) less than 30 seats	14.78	17.30	20.67	24.31	28.12	31.07
	Restaurants (w/ Grinders) seats over 30	18.29	22.18	26.51	31.17	36.06	39.84
i.	Laundromats - per washing machine	2.96	5.83	7.01	7.98	8.85	9.71
	minimum charge	8.71	17.50	21.03	23.93	26.54	29.14
j.	Service Stations - no wash/rack	7.86	23.26	27.91	31.84	34.11	37.41
	Service Stations - with wash/rack	12.47	34.18	41.06	46.56	49.65	54.40
k.	Factories	12.47	13.34	16.02	18.30	20.08	22.05
	Each additional employee above 20	0.38	0.66	0.80	0.91	1.00	1.10
l.	Churches	6.71	7.57	9.10	10.34	11.44	12.56
	Per ADA with elementary school	0.21	0.21	0.25	0.28	0.31	0.34
	Per ADA with other school	0.30	0.30	0.36	0.42	0.46	0.51
m.	Bottling Plants	12.47	13.34	16.02	18.30	20.08	22.05
n.	Schools (Non-boarding)	3.25	4.27	5.13	5.83	6.44	7.07
	Per ADA with elementary school	0.21	0.20	0.24	0.27	0.30	0.33
	Per ADA with other school	0.30	0.31	0.38	0.43	0.47	0.52
o.	Schools (Boarding)	3.25	4.27	5.13	5.83	6.44	7.07
	Per ADA with elementary school	0.38	0.43	0.51	0.59	0.65	0.71
	Per ADA with other school	0.48	0.57	0.68	0.78	0.86	0.95
p.	Trailer/Mobile Home Space	6.50	2.52	3.02	3.47	3.81	4.19
q.	RV Dump Stations - Less Than 50 services	21.00	25.22	30.15	35.20	38.75	42.69
r.	Brine (per gallon)	\$0.01125	\$0.01125	\$0.01125	\$0.01125	\$0.01125	\$0.01125

FY 2006-07 rates to be implemented January 1. All other rates to be implemented May 1 of fiscal year. After FY 2010-11, rates increase by the change in CPI. Rate adjustments reflect changes in capital cost allocations with the addition of capital improvements to fixed assets.

Comparison of Existing and Proposed Connection Fees

Dwelling Unit or Meter Size	Existing Connection Fee	Proposed Connection Fee
Single Family Dwelling unit	\$2,000	\$2,475
Apartment Complex (Bachelor, 1 or 2 bedrooms)	\$1,500	\$1,856
Apartment Complex (3 or more bedrooms)	\$2,000	\$2,475
Motel/Hotel (per room)	\$1,000	\$1,237
Hybrid Use	\$1,500	\$1,856
Condominium (per unit)	\$2,000	\$2,475
Mobile Home Parks (per space)	\$2,000	\$2,475
Travel Trailer (per space)	\$1,000	\$1,237
5 / 8 inch (meter)	\$2,000	\$2,475
3 / 4 inch (meter)	\$2,800	\$3,712
1 inch (meter)	\$4,900	\$6,187
1 to 1 1 / 2 inch (meter)	\$11,000	\$13,612
2 inch (meter)	\$19,500	\$24,131
3 inch (meter)	\$44,000	\$54,450