



3570 Airline Highway
Hollister, CA 95023-9702

PARCEL NUMBER

Special Notice June 24, 2024

**Proposition 218 Notification
NOTICE OF PUBLIC HEARING ON PROPOSED WATER RATES**

***Why a Rate Adjustment
is Needed***

Water Quality Requirements:

Sunnyslope is meeting the water quality goals of the urban water management plan. Both the Westhills and Lessalt water treatment plants are fully operational and meeting drinking water quality goals of less than 120 milligrams per liter of hardness and less than 500 milligrams per liter of total dissolved solids.

Cost of Service:

Sunnyslope water rates have not increased since July 2018. The Sunnyslope Board of Directors choose to hold water rates static throughout the COVID 19 pandemic to respect the challenges of all customers. During the past 5 years the cost to provide water service to residents and businesses in the Sunnyslope service area has increased significantly because of the cost of energy, chemicals, materials and imported water.

Potable Water Capital Projects:

Water capital projects are needed over the next five years to continue to distribute high quality water. Additional water capital projects will be needed to meet the long-range goals of water quality and service.

Hearing Date & Time:

**August 6th at 5:15 PM
or as soon thereafter as possible**

Hearing Location:

**Sunnyslope County Water District
3570 Airline Highway, Hollister, CA 95023**

Basis of Proposed Rates

The District is required by state law and District policy to collect revenues sufficient to cover the costs of operating the water system. These costs include electricity, equipment, supplies, ongoing repairs & maintenance, meter replacements, water treatment chemicals, and salaries & benefits for water enterprise staff. Additionally, revenue generated from these water rates will be used to meet project costs associated with the San Benito County Urban Area Water Supply Master Plan (UAWSMP).

A study by an independent consulting firm concluded that the proposed rates will provide enough funds for the District to recover the cost of operation, maintenance, administration, and capital improvement projects and maintain the level of service required by State regulators.

Water Rates

The District currently charges customers a monthly service charge based on the size of the water meter, plus a monthly consumption rate based on the amount of water consumed. The monthly consumption rate is charged as an inclining block with three tiers.

Current Water Rates			
Monthly Service Charge			
Meter Size	Inside District and SBCWD	Inside District and Outside SBCWD Zone 3	Outside District
5/8"	\$32.54	\$32.54	\$32.54
3/4"	\$32.54	\$32.54	\$32.54
1"	\$32.54	\$32.54	\$32.54
1 1/2"	\$53.22	\$53.22	\$53.22
2"	\$78.02	\$78.02	\$78.02
3"	\$156.60	\$156.60	\$156.60
4"	\$272.39	\$272.39	\$272.39
6"	\$549.45	\$549.45	\$549.45
8"	\$1,004.35	\$1,004.35	\$1,004.35
Monthly Consumption Rate (per HCF)			
Single Family Residential			
Tier 1: 1 - 10 hcf	\$3.17	\$3.23	\$3.23
Tier 2: 11 - 20 hcf	\$4.70	\$4.76	\$4.76
Tier 3: >20 hcf	\$6.97	\$7.03	\$7.03
All Other Classes			
All Use	\$4.22	\$4.28	\$4.28

The first proposed 15% increase would follow the current billing structure. Subsequent increases are calculated to not exceed 8%.

Proposed Rates - Effective 8/1/2024			
Monthly Service Charge			
Meter Size	Inside District and SBCWD	Inside District and Outside SBCWD Zone 3	Outside District
5/8"	\$36.21	\$36.21	\$36.21
3/4"	\$36.21	\$36.21	\$36.21
1"	\$36.21	\$36.21	\$36.21
1 1/2"	\$65.91	\$65.91	\$65.91
2"	\$101.55	\$101.55	\$101.55
3"	\$214.43	\$214.43	\$214.43
4"	\$380.77	\$380.77	\$380.77
6"	\$778.80	\$778.80	\$778.80
8"	\$1,669.92	\$1,669.92	\$1,669.92
Monthly Consumption Rate (per HCF)			
Single Family Residential			
Tier 1: 1 - 10 hcf	\$3.77	\$3.77	\$3.77
Tier 2: 11 - 20 hcf	\$5.78	\$5.78	\$5.78
Tier 3: >20 hcf	\$6.99	\$6.99	\$6.99
All Other Classes			
All Use	\$5.09	\$5.09	\$5.09

HCF = one hundred cubic feet = 750 gallons

Starting in August 2024 single family residential customers will continue to be billed a monthly service charge based on meter size plus a monthly consumption charge based on the continued three tier structure. All non-single family water customers (multi-family, commercial, industrial, government, landscape) will be billed a monthly service charge based on meter size plus a uniform consumption charge for all water consumed.

Customers with separate fire meters or residential customers with over sized water meters for fire sprinklers will be charged a monthly service charge based on the size of the meter.

<u>Current Fire Meter Charge</u>	
Connection Size	\$/mo
1"	\$8.73
1 1/2"	\$11.24
2"	\$18.09
3"	\$68.61
4"	\$87.33
6"	\$130.98
8"	\$180.90

<u>Proposed Fire Meter Charge</u> Effective August 1, 2024	
Connection Size	\$/mo
1"	\$8.27
1 1/2"	\$11.62
2"	\$17.42
3"	\$38.21
4"	\$74.07
6"	\$202.77
8"	\$424.76

Calculating Your Single Family Residential Water Bill

A single family residence inside the District and San Benito County Water District (SBCWD) with a 5/8" meter consuming 18 HCF of water per month would have a monthly water bill of \$120.15, under the proposed water rates on August 6th, 2024.

Monthly service charge: 5/8" water meter				\$36.21
Monthly water consumption: 18 hcf	Tier 1 (0-10 HCF)	10 HCF	* \$3.77 per HCF	\$37.70
	Tier 2 (11-20 HCF)	8 HCF	* \$5.78 per HCF	\$46.24
			Monthly Water Bill:	\$120.15

A single family residence inside the District and SBCWD with an oversized 2" water meter for fire sprinkler service would pay the monthly service charge for a 5/8" water meter plus a 2" fire meter. A typical new single family residence in the District has a 1" water meter per fire code. But in cases where the fire code requirements mandate a 2" meter to supply water to fire sprinklers.

Monthly service charge: 5/8" water meter				\$36.21
Monthly service charge: 2" fire meter				\$17.42
Monthly water consumption: 18 hcf	Tier 1 (0-10 HCF)	10 HCF	* \$3.77 per HCF	\$37.70
	Tier 2 (11-20 HCF)	8 HCF	* \$5.78 per HCF	\$46.24
			Monthly Water Bill:	\$137.57

Calculating Your Non-Single Family Water Bill

A non-single family water customer (multi-family, commercial, industrial, government, landscape) inside the District and SBCWD with a 1” meter consuming 25.0 HCF of water per month would have a monthly water bill of \$155.43, under the proposed water rates on August 6th, 2024.

Monthly service charge: 1" water meter							\$36.21
Monthly service charge: 2" fire meter							\$17.42
Monthly water consumption: 20hcf	Tier 1 (0-10 HCF)	10 HCF	*	\$5.09	per HCF		\$50.90
	Tier 2 (11-20 HCF)	10 HCF	*	\$5.09	per HCF		\$50.90
Monthly Water Bill:							\$155.43

Compliance with Proposition 218

In 1996 California voters approved Proposition 218, which amended the state constitution as it relates to the passage of property related fees. Today, “Prop 218” requires that all local governments follow a defined process when setting fees such as water bills. The District must 1) inform property owners that a proposed rate increase is being considered, 2) clearly demonstrate the basis on which these fees are calculated (the rate study), and 3) hold a public hearing at least 45 days after notice where the District hears all protests to the rate increase. Water rates are subject to “majority protest” meaning they **cannot be passed** if a majority of property owners impacted by the rate change submit written protests opposing the increase.

Concerns, Please Contact Us

If you have questions or comments about the proposed water rate increases or wish to protest, you may:

Write: Written protests against the proposed rate change have to identify the address, or the parcel number (APN, which can be found on the front of this notice) of the affected property and include the signature(s) of the owner(s) of record. If the party signing the protest is not shown on the last equalized assessment roll for San Benito County as the owner of record, the protest must contain, or be accompanied by, written evidence that such party is the current owner of the parcel(s). Written protests must be received by the District at 3570 Airline Highway, Hollister, CA 95023 before the time set for the public hearing. If the District receives written protests against the proposed water rates by a majority of the affected property owners prior to the end of the hearing, the Board will not approve the change. Only one protest for each property will be counted.

Address the Board: Attend the Public Hearing on August 6th, 2024

Questions: If you have any question about this notice, please call the District at (831) 637-4670 during regular business hours.