



**April 29, 2022**

**Notice To All Owners of Property Served By a BCPUD Water and/or Sewer Connection**

Article XIII D, Section 6, of the California State Constitution requires that the Bolinas Community Public Utility District (“BCPUD”) notify you of any proposed increases in BCPUD fees/charges for the parcel number shown on the address label used for this mailing (or for the new parcel number if your property has been consolidated or merged within the past 10 months).

Enclosed with this notice is a copy of the *proposed* BCPUD budget for the 2022-23 fiscal year, which begins on July 1, 2022. **If the budget is adopted by the BCPUD Board of Directors at its July 20, 2022 regular meeting with no further changes, increases in the annual charge for water service and the annual charge for sewer service will be necessary.** The BCPUD is not proposing any increase to the quarterly metered water delivery charges. The BCPUD is proposing to *decrease* the annual charge for services related to septic systems and drainage on the Gridded Mesa.

**The proposed *annual* increase in the service charge for water is \$132, which represents a nine percent (9%) increase over the existing charge. As a result, the annual service charge for water service will increase from \$1,468 per year to \$1,600 per year.**

**The proposed *annual* increase in the service charge for sewer is \$131, which represents a nine percent (9%) increase over the existing residential service charge. As a result, the annual service charge for residential sewer service will increase from \$1,453 per year to \$1,584 per year. The annual service charge for commercial sewer service will increase from \$1,478 - \$1,903 per year to \$1,609 - \$ 2,034 per year.**

The proposed decrease in the charge for services related to septic systems and drainage on the Gridded Mesa is \$5, which represents a 12.5% decrease below the existing charge; as a result, the annual septic/drainage charge would decrease from \$40 per year to \$35 per year. The Board is proposing this decrease because it has determined the district has sufficient funds in reserve to cover budgeted expenditures not met by the reduced service charge revenue.

*Please note that the amounts of these proposed increases are subject to change during the budget process.*

The BCPUD has determined it is necessary to increase the annual water and sewer service charges in order to keep up with annual cost of living increases (the Consumer Price Index for the San Francisco Bay Area rose 5.2% over the twelve month period between February 2021 and February 2022), including but not limited to the price increases charged by vendors and suppliers, and to continue to provide high quality water and sewer service to our customers, to design, plan and install important capital improvement projects, and to repay the district’s debt. The BCPUD Board of Directors has adopted a detailed Five-Year Capital Improvement Plan, a copy of which is available on the district’s website ([www.bcpud.org](http://www.bcpud.org)), which sets forth the specific capital improvement projects planned across the district’s enterprises for the upcoming fiscal year, as well as the four fiscal years thereafter, and explains the detailed process undertaken by the district to formulate the Five-Year Capital Improvement Plan and identify the most critically needed capital improvement projects. The Five-Year Capital Improvement Plan is updated annually and posted on the BCPUD’s website as soon as it is available.

**Reasons for the proposed increase in the annual water service charge:** raw water collection, water treatment and water distribution system capital improvements, operations, maintenance and repair projects planned for implementation during the 2022-23 fiscal year, debt repayment obligations, replenishment of reserves, as well as rising costs in all areas of BCPUD operations, including employee services, as well as the equipment and supplies needed to operate, maintain and improve the raw water collection, water treatment and water distribution systems. Among other things, during the 2022-23 fiscal year the district plans to collect an additional portion of the funds needed to pay for the rehabilitation of the district's West Tank (one of the two drinking water storage tanks located on Mesa Road east of the Woodrat Water Treatment Plant) and the remaining funds needed to purchase a placement backhoe, which is a critical piece of equipment for water operations. In addition, the district will replenish general water reserves expended during the current fiscal year on emergency repairs and unbudgeted professional consulting expenses related to the on-going drought conditions (specifically, expenses incurred to seek permission from the State Water Resources Control Board to add two emergency groundwater wells to the district's water system, as well as funds spent to prepare an application to the California Department of Water Resources for grant funds to install the necessary treatment facilities for the wells).

**Reasons for the proposed increase in the annual sewer service charge:** sewage collection, sewage treatment and spray disposal capital improvement, operations, maintenance and repair projects planned for implementation during the 2022-23 fiscal year, as well as rising costs in all areas of BCPUD operations, including employee services, as well as equipment and supplies needed to operate, maintain and improve the sewer collection, treatment and spray disposal systems. Among other things, during the 2022-23 fiscal year the district plans to collect an additional portion of the funds needed to pay for the rehabilitation of the lift station wet well and installation of a proposed manhole grinder, as well as the final costs of the irrigation pump station upgrade project. In addition, the district will replenish general sewer reserves expended during the current fiscal year on emergency repairs, unbudgeted consulting expenses related to a regulatory review of the district's sewage treatment permit operating permit, and unbudgeted funds expended to replace the emergency back-up generator at the lift station.

BCPUD Account numbers **10109000, 10131000 through 10296010, and 10304030** will be subject to increased charges approved for both **water and sewer** service. Account numbers **10101000 through 10130020 (except 10109000)** and **10297000 through 30685010** will be subject to increased charges approved for **water** service only. Please check your account number on any recent water bill to determine which potential increases may affect your property.

**There will be a public hearing on the draft budget and the proposed service charge increases at the June 15, 2022 regular meeting of the BCPUD Board of Directors. The meeting will begin promptly at 7:30 p.m., at the District office, 270 Elm Road, Bolinas (if possible under then-applicable public health orders related to the Coronavirus pandemic), or via teleconference or Zoom.** The public hearing on the proposed budget will be the third item of business, following the Manager's Report, and Community Expression. **Approval of the fiscal year 2022-23 budget is tentatively scheduled for the July 20, 2022 regular meeting of the BCPUD Board of Directors,** following further public discussion at that meeting.

A copy of the draft budget is enclosed with this notice. It is also on the District's website at [www.bcpud.org](http://www.bcpud.org).

Article XIII D, Section 6, Subparagraph (2) of the California Constitution states: "If written protests against the proposed fee or charge are presented by a majority of owners of the identified parcels, the agency shall not impose the fee or charge." If you elect to protest the BCPUD's proposed increased charges, your written protest must be received by the BCPUD at the address at the top of this notice prior to the close of the June 15<sup>th</sup> hearing. You must submit your protest in writing, including a description of your assessor parcel and/or BCPUD account number, even if you plan to attend the June 15<sup>th</sup> hearing.

<b>EXPENDITURES</b>					
<b>Employee Services</b>	<b>Water</b>	<b>Sewer</b>	<b>Septic/ Drainage</b>	<b>RRP</b>	<b>Total</b>
Administrative/clerical	156,564	20,687	3,612	4,317	185,180
Chief Operator Transition	9,750	9,750			19,500
Operators	234,665	41,614	5,207	72,842	354,328
Benefits	248,599	41,194	2,174	2,071	294,038
Workers Compensation Insurance	19,568	3,451	429	5,364	28,812
Employer Taxes	8,279	2,345	335	6,290	17,249
<b>subtotal - employee services</b>	<b>677,425</b>	<b>119,041</b>	<b>11,757</b>	<b>90,884</b>	<b>899,107</b>
<b>Maintenance</b>					
Association Dues	18,129	9,455			27,584
Audit	10,838	1,913	263	263	13,275
Bookkeeping	12,060	2,128	276	644	15,108
Building / Grounds	9,000	10,000		3,167	22,167
Director Fees	15,000				15,000
Election Expense	2,500				2,500
Fuel	11,050	1,950		1,900	14,900
Insurance	24,469	2,421		430	27,319
Legal	14,420	5,184			19,604
Miscellaneous	600	50	89	4,500	5,239
Office Expenses	16,810	1,402	543	774	19,528
Contractual Services/Projects/Engineers & Consulting	56,962	31,013	4,000	30,900	122,875
Plant	75,000	35,000			110,000
Power	14,049	9,000			23,049
Roads	6,000				6,000
Lab supplies / analyses	17,002	6,910			23,912
Telephone/Fax	26,447	1,385	262		28,094
Tools / Supplies	11,318	1,754			13,072
Travel/Education	1,445	200	50		1,696
Uncollectible Accounts	500				500
Vehicles / Mobile Equipment	5,253	2,154		557	7,964
<b>subtotal - maintenance</b>	<b>348,851</b>	<b>121,919</b>	<b>5,482</b>	<b>43,135</b>	<b>519,385</b>

<b>Debt</b>	<b>Water</b>	<b>Sewer</b>	<b>Septic/ Drainage</b>	<b>RRP</b>	<b>Total</b>
Loan Repayment	30,400				30,400
Bond Principle and Interest					0
CREB's (solar bonds)	37,812	14,125			51,937
<b>Capital</b>					
Capital Improvement Projects (not incl. staff time)	200,000	69,725			269,725
Capital Purchases	50,000				50,000
Beach/Groin Repair Project					0
<b>subtotal - debt + capital</b>	<b>318,212</b>	<b>83,850</b>	<b>0</b>	<b>0</b>	<b>402,062</b>
<b>Reserves</b>					
Water, Sewer, Drainage/Septic	60,102	72,000			132,102
Hazardous Trees					0
Groin/Seawall Maintenance	5,000				5,000
Solar	38,906				38,906
<b>subtotal - Reserves</b>	<b>104,008</b>	<b>72,000</b>	<b>0</b>	<b>0</b>	<b>176,008</b>
<b>Total - All Expenditures</b>	<b>1,448,496</b>	<b>396,811</b>	<b>17,239</b>	<b>134,019</b>	<b>1,996,563</b>
<b>R E V E N U E</b>					
Annual Service Charges	926,395	258,152	12,285		1,196,833
General Obligation Bonds					0
Interest	2,000	1,000			3,000
Prior Period Revenue					0
Other Income	5,000				5,000
LAIF Reserve Funds	28,850				28,850
Property Rentals	1,000				1,000
Water, Sewer, Septic/Drainage Designated Funds			4,954		4,954
RRP (chipping/green waste)				133,919	133,919
Water/Product Sales	76,840			100	76,940
Taxes	370,598	123,533			494,131
Solar Designated Funds	37,812	14,125			51,937
Beach/Groin Designated Fund					0
<b>Total - All Revenue</b>	<b>1,448,496</b>	<b>396,810</b>	<b>17,239</b>	<b>134,019</b>	<b>1,996,563</b>