



# Ramona Municipal Water District

A Public Agency Organized August 15, 1956

## NOTICE OF PUBLIC HEARING

### Concerning Setting Rates for Recycled Water in the San Vicente Service Area

**NOTICE IS HEREBY GIVEN THAT** the Board of Directors of the Ramona Municipal Water District (“the District”) will conduct a public hearing at **2:00 p.m. on April 3, 2018** at the Ramona Community Center, 434 Aqua Lane, Ramona, California 92065, following which it will consider adopting rates for recycled water. If adopted, the proposed rates would go into effect April 4, 2018 and will only be charged to customers who use recycled water.

#### **Background**

Ramona Municipal Water District’s San Vicente Wastewater Service Area serves a population of roughly 10,000 located primarily within San Diego Country Estates, a planned community initially developed in the 1970s that includes the San Vicente Resort and Golf Course. Wastewater from this service area is conveyed to the San Vicente Water Reclamation Plant for treatment and effluent disposal as part of the District’s sewer service. 100% of the effluent produced by the San Vicente Water Reclamation Plant is disposed of as recycled water. The treatment plant produces both secondary and tertiary effluent. The District incurs a range of costs for producing recycled water, which must undergo additional treatment and purification beyond secondary treatment that would normally be required with other wastewater treatment and effluent disposal alternatives.

#### **Purpose and Basis of Proposed Recycled Water Rate**

The District engaged an independent consulting firm, Bartle Wells Associates (“BWA”), to develop updated recycled water rates that reflect the cost of providing service. BWA reviewed the operations costs, maintenance requirements, and infrastructure needs of the District’s recycled water system, and analyzed appropriate and proportional recycled water rates.

The BWA study calculates the cost of providing recycled water from an “incremental” cost perspective. Under the approach used, the cost of providing recycled water only includes costs in excess of those incurred for secondary wastewater treatment and borne as a cost of effluent disposal, and limits cost recovery to three basic components:

- Operating and maintenance expenses related to a) the additional treatment required for recycled water production beyond secondary treatment, and b) recycled water storage and distribution.
- A conservative estimate of administrative and overhead costs allocable to recycled water.
- Capital cost recovery based on a conservative estimate of the cost of recycled water infrastructure and assets.

The District will need to set rates to fund (1) current and projected operations and maintenance costs for the recycled water system; (2) capital infrastructure replacements and improvements needed to keep the District’s recycled water system in good operating condition; and (3) the costs of compliance with state and federal regulatory requirements for the recycled water system.

Based upon BWA's study, the proposed not-to-exceed recycled water rate is as follows:

\$2.86 per Unit (one hundred cubic feet, or 748 gallons) effective April 4, 2018

The proposed rates, as calculated from the 2018 study by BWA, will not exceed the cost of providing recycled water service to District customers. The cost of providing recycled water service includes not only immediate operating costs, but long-term operating and capital needs as well. Recycled water rates are used by the District to provide ongoing recycled water service to District customers, in proportion to the costs necessary to provide recycled water service to customers.

### **Public Hearing**

At the public hearing, the Board of Directors will consider objections and protests to the proposed rates. Any property owner or any tenant of a parcel of real property upon which the proposed rate is sought to be imposed may submit a written protest to the proposed rates; provided, however, that only one protest will be counted per identified parcel. Any written protest must: (1) state that the identified property owner or tenant is opposed to the proposed recycled water rate; (2) provide the location of the identified parcel (by assessor's parcel number or street address); and (3) include the name and signature of the property owner or tenant submitting the protest. Written protests explaining the nature of any objection will be given due consideration by the Board.

Written protests may be submitted by mail or in person to the Ramona Municipal Water District, 105 Earham Street, Ramona, California 92065, or at the public hearing on **April 3, 2018**, so long as they are received prior to the close of the public hearing, which will occur when public testimony on the proposed rate is concluded. Protests submitted via e-mail or other electronic means will not be accepted. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the District, that the enclosed protest is for the public hearing on the Proposed Rates for Recycled Water. If you challenge the rates in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the District at, or prior to, the public hearing.

The District's Board of Directors will hear and consider all properly presented written and verbal protests to the proposed rates at the public hearing. Verbal comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. Upon the conclusion of the public hearing, the Board of Directors will consider adoption of the proposed rates. If written protests against the proposed rates are not presented by a majority of the property owners or customers, the Board of Directors will be authorized to adopt the proposed rates.

As noted above, the public hearing is scheduled for **2:00 p.m. on April 3, 2018** at the Ramona Community Center, 434 Aqua Lane, Ramona, California 92065.

Thank you,

**Ramona Municipal Water District**  
**105 Earham Street**  
**Ramona, CA 92065-1599**  
**Attn: Public Hearing – 2018 Recycled Water Rates**  
**(760) 788-2203**