



# Lake Oroville Area Public Utility District

## Wastewater Rates Public Hearing

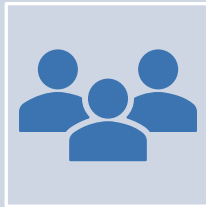
July 9, 2024



# Presentation Overview



**Legal Requirements (Proposition 218)**



**Wastewater Enterprise Background**



**Wastewater Rate Survey and Bill  
Impacts**

# Legal Requirements (Proposition 218)

Procedural		Substantive		
Must mail a notice of the proposed rate increases to all affected property owners	Must hold a public hearing prior to adopting the proposed rate increases not less than 45 days after the required notices are mailed.	The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.	Revenues derived from the fee or charge cannot exceed the funds required to provide the service.	Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.

# Wastewater Enterprise Background

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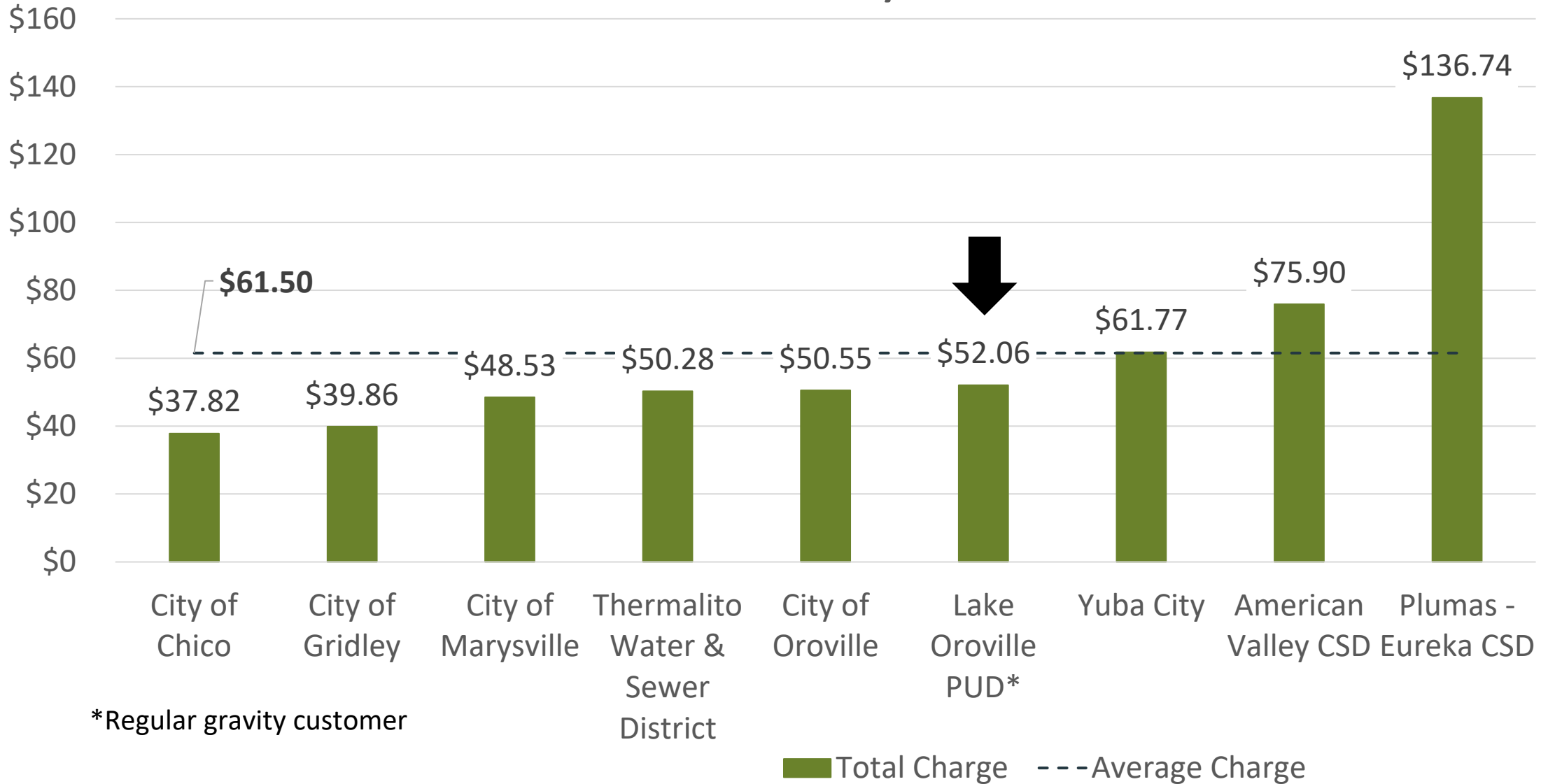


The District provides wastewater collection and conveyance , while Sewerage Commission - Oroville Region (“SCOR”) provides wastewater treatment. The District collects and passes on treatment charges to SCOR.

# Current Wastewater Rates

<b>Current Wastewater Rates</b>	<b><u>\$/Equivalent Dwelling Unit (EDU)</u></b>	
<u>LOAPUD Rate Component</u>	<u>Fixed Monthly Rate</u>	<u>Applies To</u>
Sewer Service Charge	\$23.31	All Users
RDA Charge	\$4.90	All Users
Villa Verona Charge	\$4.85	Villa Verona Only
Pumping Charge	\$5.85	Pumped without assessment
KRE Pumping Charge	\$3.37	KRE pumped (also pay \$2.48 pumping assessment)
<u>Total LOAPUD Charge \$/EDU</u>	<u>LOAPUD Monthly Rate</u>	<u>Total Monthly Bill*</u>
Regular Gravity Flow	\$28.21	\$52.06
KRE Gravity Flow Sewer w/ pumping	\$31.58	\$55.43
Regular Gravity Flow Sewer w/ pumping	\$34.06	\$57.91
Villa Verona	\$33.06	\$56.91
<i>*Includes SCOR Treatment Charge \$/EDU</i>	\$23.85	

## Monthly Single Family Residential Sewer Bills Conducted July 2024



# Reasons for Wastewater Rate Increase

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- District is projected to incur approximately \$750,000 per year for wastewater enterprise collection system capital improvement projects.
- Pass through for treatment costs (SCOR treatment plant upgrade project).
- Increase in staffing costs and projected future inflation in operating costs (5% per year).

# Equivalent Dwelling Unit Changes

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- SCOR adopted new EDU definitions for multi-family and mobile home units.
- Multi-family is equal to 0.88 EDUs per unit and mobile home units are equivalent to 0.85 EDUs. (Previously 1 EDU).
- The change is based on regional census data which shows less people per unit on average for multi-family and mobile home units.
- The change results in a difference of 94 EDUs for the District (1.5%).
- BWA projects 1% annual growth in the next 5 years.



# Proposed LOAPUD Collection Rates

<b>Proposed Monthly Bills (Excludes SCOR Treatment Charge)</b>	<b>Current</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
		<b>Proposed Rate Increases</b>				
<b><u>\$ EDU/Month</u></b>						
<b>Regular Gravity Flow</b>	<b>\$28.21</b>	<b>\$29.83</b>	<b>\$31.08</b>	<b>\$32.39</b>	<b>\$33.76</b>	<b>\$35.20</b>
\$/month increase		\$1.62	\$1.25	\$1.31	\$1.37	\$1.44
<b>KRE Gravity Flow Sewer w/ pumping</b>	<b>\$31.58</b>	<b>\$33.42</b>	<b>\$34.66</b>	<b>\$35.97</b>	<b>\$37.35</b>	<b>\$38.79</b>
\$/month increase		\$1.84	\$1.24	\$1.31	\$1.38	\$1.44
<b>Regular Gravity Flow Sewer w/ pumping</b>	<b>\$34.06</b>	<b>\$35.90</b>	<b>\$37.14</b>	<b>\$38.45</b>	<b>\$39.83</b>	<b>\$41.27</b>
\$/month increase		\$1.84	\$1.24	\$1.31	\$1.38	\$1.44
<b>Villa Verona</b>	<b>\$33.06</b>	<b>\$34.92</b>	<b>\$36.43</b>	<b>\$38.00</b>	<b>\$39.66</b>	<b>\$41.39</b>
\$/month increase		\$1.86	\$1.51	\$1.57	\$1.66	\$1.73

# SCOR Pass Through Treatment Rate

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<b>Monthly Treatment Rate</b>	<b>Current</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
<b>SCOR Treatment Charge \$/EDU</b>	<b>\$23.85</b>	<b>\$24.49</b>	<b>\$25.71</b>	<b>\$27.00</b>	<b>\$28.35</b>	<b>\$29.77</b>
\$/month Increase		\$0.64	\$1.22	\$1.29	\$1.35	\$1.42

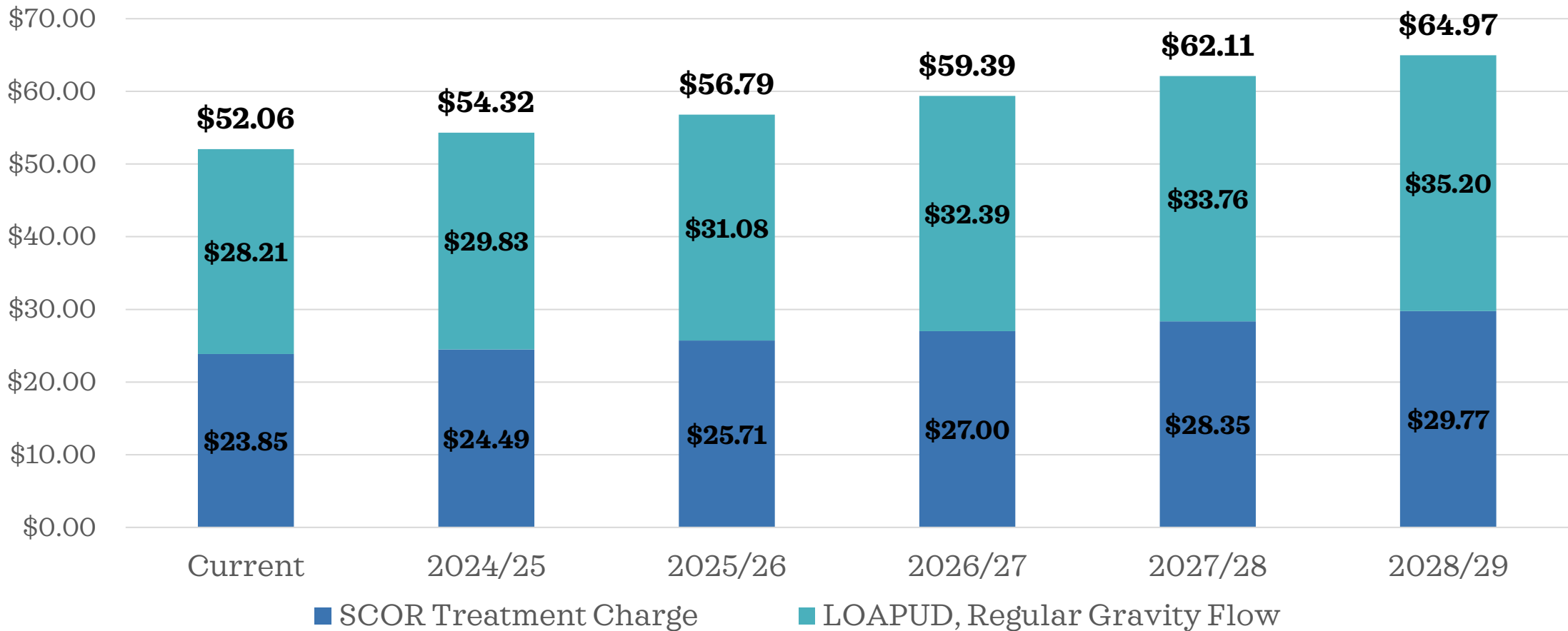
# Total Bill Impacts (\$ per EDU)

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<b>Total Monthly Bill (Collection + Treatment)</b>	<b>Current</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
<b>Regular Gravity Flow</b>	<b>\$52.06</b>	<b>\$54.32</b>	<b>\$56.79</b>	<b>\$59.39</b>	<b>\$62.11</b>	<b>\$64.97</b>
\$/month Increase		\$2.26	\$2.47	\$2.60	\$2.72	\$2.86
<b>KRE Sewer With Pumping</b>	<b>\$55.43</b>	<b>\$57.91</b>	<b>\$60.37</b>	<b>\$62.97</b>	<b>\$65.70</b>	<b>\$68.56</b>
\$/month Increase		\$2.48	\$2.46	\$2.60	\$2.73	\$2.86
<b>Regular Sewer With Pumping</b>	<b>\$57.91</b>	<b>\$60.39</b>	<b>\$62.85</b>	<b>\$65.45</b>	<b>\$68.18</b>	<b>\$71.04</b>
\$/month Increase		\$2.48	\$2.46	\$2.60	\$2.73	\$2.86
<b>Villa Verona</b>	<b>\$56.91</b>	<b>\$59.41</b>	<b>\$62.14</b>	<b>\$65.00</b>	<b>\$68.01</b>	<b>\$71.16</b>
\$/month Increase		\$2.50	\$2.73	\$2.86	\$3.01	\$3.15

# Total Monthly Bill Impacts

Monthly Bill impacts Single Family Home (1 EDU)





# Questions & Comments



## Current and Proposed Wastewater Rates

### Fixed Monthly Rates Per Equivalent Dwelling Unit (EDU)<sup>1</sup>

<u>Wastewater Collection Charge<sup>2</sup></u>	<u>Current</u>	<u>July 1, 2024</u>	<u>July 1, 2025</u>	<u>July 1, 2026</u>	<u>July 1, 2027</u>	<u>July 1, 2028</u>
Regular Gravity Flow	\$28.21	\$29.83	\$31.08	\$32.39	\$33.76	\$35.20
KRE Sewer With Pumping <sup>3</sup>	\$31.58	\$33.42	\$34.66	\$35.97	\$37.35	\$38.79
Regular Sewer With Pumping	\$34.06	\$35.90	\$37.14	\$38.45	\$39.83	\$41.27
Villa Verona	\$33.06	\$34.92	\$36.43	\$38.00	\$39.66	\$41.39
<b>Wastewater Treatment Charge<sup>4</sup></b>	\$23.85	\$24.49	\$25.71	\$27.00	\$28.35	\$29.77
<b><u>Total Bill (Collection + Treatment)</u></b>						
Regular Gravity Flow	\$52.06	\$54.32	\$56.79	\$59.39	\$62.11	\$64.97
KRE Sewer With Pumping <sup>3</sup>	\$55.43	\$57.91	\$60.37	\$62.97	\$65.70	\$68.56
Regular Sewer With Pumping	\$57.91	\$60.39	\$62.85	\$65.45	\$68.18	\$71.04
Villa Verona	\$56.91	\$59.41	\$62.14	\$65.00	\$68.01	\$71.16

1 Proposed mobile home units are equivalent to 0.85 EDUs and multifamily units 0.88 EDUs. (Currently 1 EDU).

2 Current and proposed rates include a \$4.90 per EDU charge for USDA Rural Development Agency debt.

3 Kelly Ridge Estates customers are also subject to an assessment of \$2.48 per month for pumping costs.

4 Sewerage Commission – Oroville Region provides wastewater treatment for the District.

<b><u>City of Oroville</u></b>	<b><u>Current</u></b>	<b><u>2024/25</u></b>	<b><u>2025/26</u></b>	<b><u>2026/27</u></b>	<b><u>2027/28</u></b>	<b><u>2028/29</u></b>
Wastewater Collection	\$23.56	\$26.06	\$27.88	\$29.83	\$31.92	\$34.15
<u>Wastewater Treatment</u>	<u>\$23.85</u>	<u>\$24.49</u>	<u>\$25.71</u>	<u>\$27.00</u>	<u>\$28.35</u>	<u>\$29.77</u>
Total	\$47.41	\$50.55	\$53.59	\$56.83	\$60.27	\$63.92
<b><u>Thermalito Water &amp; Sewer</u></b>	<b><u>Current</u></b>	<b><u>2024/25</u></b>	<b><u>2025/26</u></b>	<b><u>2026/27</u></b>	<b><u>2027/28</u></b>	<b><u>2028/29</u></b>
Wastewater Collection	\$20.90	\$25.79	\$30.95	\$32.19	\$33.48	\$34.82
<u>Wastewater Treatment</u>	<u>\$23.85</u>	<u>\$24.49</u>	<u>\$25.71</u>	<u>\$27.00</u>	<u>\$28.35</u>	<u>\$29.77</u>
Total	\$44.75	\$50.28	\$56.66	\$59.19	\$61.83	\$64.59
<b><u>Lake Oroville Public Utility District*</u></b>	<b><u>Current</u></b>	<b><u>2024/25</u></b>	<b><u>2025/26</u></b>	<b><u>2026/27</u></b>	<b><u>2027/28</u></b>	<b><u>2028/29</u></b>
Wastewater Collection	\$28.21	\$29.83	\$31.08	\$32.39	\$33.76	\$35.20
<u>Wastewater Treatment</u>	<u>\$23.85</u>	<u>\$24.49</u>	<u>\$25.71</u>	<u>\$27.00</u>	<u>\$28.35</u>	<u>\$29.77</u>
Total	\$52.06	\$54.32	\$56.79	\$59.39	\$62.11	\$64.97

*\*Gravity flow customer. Pumped customers are proposed to pay an additional \$6.07 per month.*