

NOTICE TO PROPERTY OWNERS
PUBLIC HEARING ON PROPOSED MODIFICATION OF SEWER SERVICE CHARGES

The Napa Sanitation District Board of Directors will hold a public hearing to consider adopting a new rate structure for the calculation of sewer service charges. The public hearing on the proposed rate structure will be held as follows:

Date: Wednesday, March 31, 2021
Time: 6:00 P.M.
Place: Napa Sanitation District Board Room

IN COMPLIANCE WITH THE DIRECTIVES OF THE COUNTY HEALTH OFFICER, STATE, AND CENTER FOR DISEASE CONTROL AND PREVENTION (CDC), THE BOARD ROOM WILL BE CLOSED TO THE PUBLIC. THIS MEETING WILL BE CONDUCTED AS A TELECONFERENCE. THE MEETING CAN BE VIEWED LIVE VIA ZOOM AT THE FOLLOWING LINK:

Zoom Mtg info/Link here

Rate Structure Adjustment

The Napa Sanitation District (NapaSan) intends to adjust its current rate structure in order to meet its revenue needs and ensure that costs are equitably distributed among all customers. Revenue collected by NapaSan pays for the treatment of wastewater, the recovery of reusable resources (such as recycled water and energy), and the maintenance and rehabilitation of the sewer system. The Sewer Service Charge (SSC) is the amount you pay for sewer service to your property. NapaSan’s current rate structure uses an equivalent dwelling unit (“EDU”) approach for wastewater rates. An EDU is defined as the typical volume (currently 210 gallons per year) and the typical strength of wastewater generated (1.0 strength factor) by a single family home. The rate for one EDU is currently \$738.60.

Commercial and industrial customers are billed according to the number of EDUs utilized each year. The EDU calculation is based on measured potable annual water usage (which reflects wastewater generation) and the strength of the wastewater. Commercial and industrial customers typically generate more wastewater than a single family home, and the wastewater discharged can be stronger and more intensive to treat than the discharge coming from a single-family home. For this reason, NapaSan calculates bills for commercial customers by calculating the water usage for the year, dividing by the gallons associated with an EDU, and then adjusting it by a fixed strength factor specific to the type of business. Strength factors are a measure of the concentration of biochemical oxygen demand (BOD) and total suspended solids (TSS) in wastewater. Industrial customers’ bills are calculated in the same manner, but are based on an assumed strength factor or an actual strength factor calculated using measured BOD and TSS values.

A thorough rate study was conducted that included a review of wastewater generation by all customers to determine whether the current rate structure’s assumed flow and strength of wastewater from each customer class adequately represents the demand put on the system by those customer classes. The study found that assumptions made in the current rate structure regarding non-residential wastewater discharge should be amended. Currently, an EDU is based on 210 gallons of wastewater discharged per day and 76,650 gallons discharged in a year. Recent analysis showed that a more accurate figure to use as the benchmark for an EDU is 117 gallons per day, which equals discharge of 42,705 gallons in a year. Because NapaSan has experienced a decrease in wastewater flow, but has not experienced a decrease in wastewater strength, the rate study concluded that the assumed BOD and TSS values for single family residential should be increased to reflect the true strength of the wastewater being received. The following table reflects the current EDU flow assumptions and the proposed assumptions based on the rate study results.

EDU Flow Assumptions			
	FLOW	BOD	TSS
Current	210 gallons per day	175 mg/L	200 mg/L
Proposed	117 gallons per day	314 mg/L	359 mg/L

In addition, after a review of the costs of treating wastewater, the study concluded that the formula used to calculate the strength factor of wastewater discharge needs to change to more accurately allocate the costs of treatment. In the current formula, the percentage allocation was 50% to flow, 25% to BOD, and 25% to TSS. In the proposed new formula, the percentage allocation would be 58% to flow, 15% to BOD, and 27% to TSS. These changes to the strength factor calculation formula will result in a change in the proposed strength factor for many business types. A complete table of proposed strength factors can be found at www.napas.com/rates.

For non-residential customers, annual sewer service charges are calculated based on metered water usage for the prior year. NapaSan is proposing to use a three-year rolling average instead of just the past year's water usage. This should make annual bills more predictable for customers and make revenues more reliable for NapaSan.

Changes in the flow assumptions and the associated concentration changes will result in a sewer service charge increase for many non-residential customers. To minimize the impacts to customers, the flow and concentration changes will be phased in over 6 years. Additional information about the proposed rate structure changes described above can be found at www.napas.com/rates.

What is the process for NapaSan to approve the rate structure changes?

State law requires that NapaSan notify property owners about the proposed rate structure changes and associated rate increases and to hold a public hearing regarding the proposed changes. If written protests against the proposed rate adjustments are received by a majority of owners of the parcels affected, NapaSan will not approve the proposed rate structure changes and increases. If a majority protest is not received and the Board approves the new rate structure, each July 1 hereafter, through July 1, 2025, the SSC may increase up to the amounts shown in the table above.

HOW TO PROTEST THE RATE STRUCTURE CHANGES:

If you wish to protest the proposed rate structure changes you must submit a written protest, even if you plan to attend the public hearing via Zoom. Protests against the rate increase must be received in writing by the time of the end of the Public Hearing, must identify the owner(s) and the property or properties for which the protest is entered, and be signed by the property owner. If written protests against the proposed increase in the SSC are submitted by a majority of owners of the parcels affected, NapaSan will not approve the proposed rate changes.

Please send your written protest by mail to NapaSan, 1515 Soscol Ferry Road, Napa, CA 94558 prior to the Public Hearing at the date and time on the front page of this notice. Only one protest per parcel shall be counted.

If you are not in opposition to the proposed rates, no action is required on your part.

(Check box if you agree with statement.) I am protesting the proposed sewer rate structure change in accordance with Article XIII Section D of the California Constitution. I certify that I am the property owner and/or responsible for paying the sewer service assessment for this property.

APN Number _____ or Street Address _____
(from envelope of this notice)

Signature

Printed Name

Mail or in Person to: Napa Sanitation District
1515 Soscol Ferry Road
Napa, CA 94558