

FINAL REPORT | JANUARY 2024

# FY 2023-2024 WATER RATE STUDY REPORT

PREPARED FOR

WILD WINGS CSA



PREPARED BY



**Luhdorff &  
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Consulting Engineers

**FY23-24 Wild Wings CSA  
Water and Wastewater Rate Update Project**

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- Exhibit B Total Charge Information (Water, Wastewater, and Golf Course)
- Exhibit C Fee Diagram
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- Exhibit E 2024 Proposition 218 Notice
- Exhibit F Water Use Charge Summary

## LIST OF ACRONYMS AND ABBREVIATIONS

Acronym	Meaning
AWWA	American Water Works Association
DWR	California Department of Water Resources
LAFCO	Yolo Local Agency Formation Commission
LSCE	Luhdorff and Scalmanini Consulting Engineers
MCL	Maximum Contaminant Level
O&M	Operations and Maintenance
SDWA	Safe Drinking Water Act
Wild Wings CSA, CSA	Wild Wings County Service Area

# 1. INTRODUCTION

## 1.1. Background

The Wild Wings County Service Area (Wild Wings CSA) (CSA 15) was established in May 2004 to provide water and sewer services to the community. The Wild Wings CSA operates the only County-run Wastewater Treatment Plant that is fully self-sustained and complies with mandatory state regulations. The CSA also operates the corresponding Water System, which includes water supply wells, water storage, and water distribution network facilities.

In March 2009, the Wild Wings CSA acquired the Wild Wings Golf Club. The golf course was recently managed for the CSA by KemperSports, a leader in the golf course management industry with over 30 years of experience. Moving forward, Wild Wings will be managing the golf course in coordination with the County.

The CSA is funded by collecting fees for these services. The County bills Wild Wings customers for water and wastewater service through annual charges applied to the property tax bill for these services. Additional annual charges are collected in association with the golf course through Measure O, which establishes maximum golf course fees.

The Wild Wings CSA is governed by the Yolo County Board of Supervisors and the policies and procedures of the County of Yolo (which are available upon request) and is advised by the Wild Wings CSA Advisory Committee. The Wild Wings Golf Course Sub-Advisory Committee advises on golf course activities. Those interested in applying to serve on an advisory committee can apply. Services provided in the Wild Wings CSA are coordinated through the Yolo County CSA Administrative Support Team.

The County retained Luhdorff and Scalmanini Consulting Engineers (LSCE) to develop a long-term financial plan and 5-year rate recommendations for the water utility enterprise. The last water rate study was completed in 2018, and the County last increased the water rates in FY23/24, adjusting for inflation. The major objectives of this study include:

- Ensuring continued financial health and stability of the Wild Wings CSA water utility system.
- Developing updated water system operating and capital revenue requirements (2024-2029).
- Recommending updated water rates that meet the updated water revenue requirements.
- Phasing in water rate adjustments, if possible, to minimize the annual impact on ratepayers.
- Calculating water rate and total charge impacts on the CSA utility customers.
- Maintaining user class equity and complying with all legal requirements (e.g., Prop. 218).
- Keeping total water, wastewater, and golf course charges during the 2024-2028 period as low as possible with annual increases not exceeding inflation adjustments if possible.

**Exhibit A** contains the project Technical Memorandum for the water rate update process, which addresses the basis for updated revenue projections and provides a transparent budget based on meeting operational and capital project water system objectives and requirements.

## 1.2. Summary of Findings

**Financial Overview** - Overall, the Wild Wings CSA water system revenues need to be updated to reflect the higher costs of providing service for both operational and capital improvement projects experienced since the 2018 Water Rate Study was prepared. Labor costs have increased by about 25% since 2018, and chlorine prices have increased by 100%. In order to keep the Wild Wings CSA water enterprise in good financial condition, water rates must be increased in 2024 to cover the increased costs associated with inflationary pressures since 2018. Water enterprise reserves are adequate and will continue to be added to in order to cover the future costs of water system repair and replacement costs. Once water rates are increased in 2024, annual inflation adjustments are expected in years 2 through 5 through FY28/29. The combination of increasing water rates in 2024 to reflect the current costs of service and prudent fiscal management will allow the CSA to cover expenditures and maintain fund reserves, which, as of July 1, 2023, totaled approximately \$2.3 million.

**Capital Needs** - The 5-year water capital improvement program from FY24/25 through FY28/29 includes about \$1,108,547 in potential water system improvements consistent with the County's 2021 Water Reserve Report recommendations. All the proposed capital project costs are projected to be funded through Wild Wing CSA customer water rate charges. The capital improvement budget reflects the application of California Department of Water Resources (DWR) grant funds approved in 2022 to cover the costs of specified water system improvements during the 2022-2025 period.

**Debt** - The CSA water utility enterprise has no outstanding loans or bond issues thanks in part to the DWR Small Community Drought Relief grant funds secured by the County for needed water system improvements for investment during the 2022-2025 period.

The financial plan contained in this report assumes that the CSA will not have to issue any new debt to fund any portion of future planned capital improvements. Final updates to the financial plan will account for new bid results and DWR grant funding levels. The County will continue to pursue grant and low-interest loan opportunities as needed to keep future water rates as low as possible.

**Water Rate Adjustments** – Water rate increases are needed to keep rates in line with higher cost inflation for labor, commodities, supplies, materials, equipment, treatment systems, supply-chain issues, and related factors that have increased the costs of service for water utility operations substantially since 2018. Once the initial water rate increase is implemented in 2024, annual inflation adjustments are expected over years two through five to provide sufficient revenues for CSA operating and capital program costs while promoting overall conservation. Rate adjustments will take effect on July 1st, 2024, and each July 1st of each following year through FY2028-29.

**Exhibit A** contains the Technical Memorandum prepared by LSCE documenting the updated water revenue projections process and captures the cost increases that need to be included in the water rates proposed for the FY24/25 through FY28/29 period (available upon request).

## 1.3. Proposed Rates

**Table 1-1** provides the proposed water rate schedule for FY24/25. Water rates are proposed to increase in accordance with the County's Water Reserve Report CPI index per year over years 2 through 5 during

the FY24/25 to FY28/29 period. The typical Wild Wings single-family residential customer receiving water service through the CSA uses, on average, about 180,000 gallons per year. This is equivalent to about 150 billing units per month (1 billing unit = 100 gallons) and pays an average monthly water bill of \$94.19. Following the proposed water rate increase on July 1, 2024, the typical residential bill will increase to about \$162.70 per month. Keep in mind that total charges for water, wastewater, and golf course will only increase slightly compared to FY23/24 as the golf course fee will be reduced.

<b>Table 1-1. Proposed FY24-25 Wild Wings Water Rates</b>	
<b>Water Meter Charge Calculation</b>	<b>Per Account</b>
Fixed Rate Revenue Requirements	\$297,958
Number Of Residential Meters (1-inch)	338
Number of Commercial Meters (2-inch)	1
Projected Annual Meter Charge-Residential	\$875.32
Projected Annual Meter Charge-Commercial	\$2,100.76
Projected Meter Charge Revenue	\$297,958
<b>Tier 1 Quantity Rate Calculation</b>	<b>Per 100-gals.</b>
Tier 1 Variable Revenue Requirements	\$300,634
Tier 1 Total Billing Units (100-gals.)	500,360
Projected Tier 1 Charge/ 100-gallons	\$0.605
Projected Tier 1 Charge Revenue	\$300,634
<b>Tier 2 Quantity Rate Calculation</b>	<b>Per 100-gals.</b>
Tier 2 Variable Revenue Requirements	\$130,895
Tier 2 Total Billing Units (100-gals)	104,533
Projected Tier 2 Charge/ 100-gallons	\$1.25
Projected Tier 2 Charge Revenue	\$130,895

The additional Tier 2 rate is charged for annual water used in excess of 180,000 gallons per year, which allocates higher water service costs for providing peak water capacity to those who place the highest demands on our water system by using greater amounts of water and, therefore, generate additional costs to the CSA for providing water service.

The tiers are designed to recover the incremental costs incurred by the CSA in sizing, operating, and maintaining the water system to meet the consumption demand of those who use the most water and place the greatest demands on the water system—i.e., more water and pumping capacity to maintain a high peak water demand when people are using large volumes of water (e.g., summer months when higher users drive the need to provide additional water capacity). The rates also incidentally encourage people to conserve by sending a price signal that the more they use, the more they will pay.

For this rate study, it is assumed that the Wild Wings CSA will continue to bill for utility services on an annual basis through Yolo County's property tax assessment process. Recommended charges will be updated each year to meet utility revenue needs and fund necessary operational and capital improvement costs to keep the utilities operating efficiently in accordance with Federal and State regulatory requirements. Updated water rates will be based on the standard Wild Wings billing unit, where 1 unit equals 100 gallons. The annual water use for each customer will be based on regular meter readings totaling annual water use between July 1 and June 30 per annum. The annual water charges will be based on the fixed meter charge plus the appropriate consumption charges based on the actual water use by each account. The County will work to make water use data available to accountholders for billing and water management purposes.

## 2. RATE SETTING LEGISLATION AND PRINCIPLES

### 2.1. Constitutional Rate Requirements

The water rates developed in this Water Rate Study are designed to comply with Articles 13C and 13D of the California Constitution. In accordance with the constitutional provisions, the proposed rates are designed to a) recover the County's cost of providing water service and b) allocate costs in proportion to the cost of serving each customer class.

### 2.2. Article 13D, Section 6 (Proposition 218)

Proposition 218, adopted by California voters in 1996, added Articles 13C and 13D to the California Constitution. Article 13D, Section 6 governs property-related charges, which the California Supreme Court subsequently ruled includes ongoing utility service charges such as water, sewer, and garbage rates. Article 13D, Section 6 establishes a) procedural requirements for imposing or increasing property-related charges and b) substantive requirements for those charges. Article 13D also requires voter approval for new or increased property-related charges but exempts rates for water, sewer, and garbage service from this voting requirement.

The County must adhere to the procedural requirements of Proposition 218 for all water rate increases. These requirements include:

- 1. Noticing Requirement** - The County must mail a notice of the proposed rate increases to all affected property owners. The notice must specify the fee amount, the basis upon which it was calculated, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
- 2. Public Hearing** - The County must hold a public hearing prior to adopting the proposed rate increases. The public hearing must be held not less than 45 days after the required notices are mailed.

**3. Rate Increases Subject to Majority Protest** - At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners (50% plus 1) submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established several substantive requirements that apply to water rates and charges, including:

**1. Cost of Service** - Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the “cost of service.”

**2. Intended Purpose** - Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.

**3. Proportional Cost Recovery** - The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.

**4. Availability of Service** - No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the property owner.

**5. General Government Services** - No fee or charge may be imposed for general governmental services, such as police or fire services, where the service is available to the public at large in substantially the same manner as it is to property owners.

A subsequent appellate court decision in 2011 further clarified that agencies must demonstrate, satisfactory to a court’s independent judgment, that property-related fees and charges meet the substantive requirements of Section 6 (3b). This rate study provides that justification. The water rates derived in this report are based on a cost-of-service methodology that fairly apportions costs to all customers.

## 2.3. Use of Industry Standard Rate-Making Principles

The rates developed in this Water Rate Study employ a straightforward methodology to establish equitable system charges that recover the cost of providing service and fairly apportion costs to each rate component. In reviewing the County’s water rates and finances, LSCE utilized the following criteria in developing our recommendations:

**1. Revenue Sufficiency** - Rates should recover the annual cost of service and provide revenue stability.

**2. Rate Impact** - While rates are calculated to generate sufficient revenue to cover operating and capital costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.

**3. Equitable** - Rates should be fairly allocated among all customer classes based on their estimated demand characteristics. Each user class only pays its proportionate share.

**4. Practical** - Rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer, and easy to understand.

**5. Provide Incentive** - Rates provide price signals which serve as indicators to use water efficiently.

## 3. WATER UTILITY OVERVIEW

### 3.1. Water System Overview

The water system consists of two water wells, three monitoring wells, wellhead treatment, well pumps, storage tanks, booster pumps, hydro-pneumatic tanks, electrical and telemetry systems, well site improvements, 6-inch, 8-inch and 10-inch water distribution mains, valves, fire hydrants, water meters, and other associated infrastructure. The Pintail well currently serves homeowners and common areas with domestic water. The Canvas Back well was taken offline for domestic service and shifted to standby status in 2009 due to the detection of arsenic slightly exceeding the State Maximum Contaminant Level (MCL) threshold of 10 micrograms/l (ppm). The Canvas Back well serves as a backup drinking water supply source for the community; however, it is currently primarily used to supplement the irrigation needs of the golf course. This is due to insufficient treated wastewater supply from the wastewater treatment system to meet the demands of the golf course.

Both the Pintail and Canvas Back wells have historically had arsenic levels that are close to and periodically exceed the Safe Drinking Water Act (SDWA) primary drinking water arsenic MCL of 10 ppm. The Canvas Back well continues to periodically exceed the SDWA MCL standard for arsenic. Planned water system improvements in this study period include a capital improvement project to install wellhead treatment for arsenic removal at the Pintail well. This treatment will ensure a reliable water source for the domestic water system that complies with SDWA requirements. An arsenic treatment facility located at the Pintail well site will be able to treat water from both the Canvas Back well and the new Wood Duck well, in addition to the Pintail well.

The State of California mandates that the Wild Wings community have two potable water wells available for water supply reliability. Consequently, this report includes estimates for arsenic treatment facilities to bring the Canvas Back well back into fully commissioned operations for domestic use. This report also estimates the inclusion of the new Wood Duck to serve as a backup source for the potable water system, given that the Canvas Back has periodically gone dry over the past few years. The projected cost for annual maintenance of the arsenic treatment facility has been included in Section 4 (Revenue Requirements) under both the Capital Improvement Plan and Operations budget. The costs to design and construct the Pintail well arsenic treatment system have been covered by DWR grants (approved through the Small Community Drought Relief Funding Program) and arsenic treatment funds set aside for this purpose, collected through the arsenic water charge. A portion of the Canvas Back and Wood Duck well improvements will be covered by DWR grants and water fund reserves, with this project expected to be implemented in phases over the five-year rate period.

### 3.2. Current Water Rates

The current annual water charges stand at \$1,371.31 (\$114.27 per month) for the first 250,000 gallons of metered water consumption. Customers who use more than 250,000 gallons per year pay an additional \$0.30 per 100 gallons. Most customers do not incur the higher tier consumption charge as their total consumption remains below 250,000 gallons per year. Water rates are billed based on every 100 gallons of water used, with one billing unit equal to 100 gallons for Wild Wings CSA water charges, as opposed to the traditional hundred cubic feet (ccf) billing unit equal to 748 gallons. The higher use charge for those exceeding 250,000 gallons annually was established in 2004 based on average water use at that time. The consumption portion aims to charge higher amounts for water use exceeding 250,000 gallons per year to provide a conservation price signal. Customers are also currently charged a flat rate of \$241/year for the arsenic treatment savings fund.

### 3.3. Water Customers

The Wild Wings CSA currently provides water service to approximately 339 connections, plus the Wild Wings golf course. Of the total 339 water services, 338 are residential, and one (1) is commercial. Residential services are metered with 1-inch meter sizes, while commercial service is metered with a 2-inch meter size. The Wild Wings CSA is built out, with no additional services expected to be added to the Wild Wings CSA service area in the future. Over 99% of the Wild Wings CSA service connections are residential, with the majority of total domestic water used for residential purposes.

### 3.4. Water Use and Tier Structure

**Table 3.4** provides water usage data for the most recent fiscal year (FY22/23). Based on an analysis of the Wild Wings CSA metered water use data, LSCE recommends implementing a two-tier rate structure to enhance the conservation pricing signal compared to the current rate structure, which impacts only a small number of customers using more than 250,000 gallons per year. Tiered rate structures are the most common type of water rate structure in place in the water industry. A two-tier rate structure is recommended to achieve the conservation objective while maintaining simplicity in understanding and implementation of water rates. The County is working on providing customers with personalized water use data to help address leaks and reduce overwatering as appropriate. The majority of tier two water use occurs in the May through October period.



**Figure 3-1. Wild Wings Residential Water Consumption  
FY22-23 Annual Usage (gallons)**

The additional Tier 2 rate is charged for annual water used in excess of 180,000 gallons per year to allocate higher water service costs for providing peak water capacity to those who place the highest demands on our water system by using greater amounts of water and, therefore, generate additional costs to the CSA for providing water service.

## 4. WATER REVENUE REQUIREMENTS

### 4.1. Updated Revenue Projection Assumptions

LSCE developed cash flow projections to determine annual revenue requirements and required rate adjustments over the 2024-2029 period. The first five years considered in this rate study are shown in Table 4.1. Rate adjustments are designed to 1) ensure a balanced budget in which revenues cover expenses; 2) meet operational and capital budget reserve levels; (3) only take on debt service if coverage requirements are met; and 4) meet water fund targets identified in the County’s 2021 Water Reserves Report during the rate period.

Future projections incorporate the latest information available as well as a number of reasonable and slightly conservative assumptions. LSCE interviewed County staff, SUSP (the private water system operator), and vendors and suppliers serving the water industry to ensure that updated revenue

projections reflected the current and projected costs of service and the cash flows only include ratepayers' share of capital improvement projects. Key assumptions include:

- Rate increases are effective based on the fiscal year (July 1 through June 30).
- The projections include annual inflation adjustments of 2.5%.
- Interest on fund reserves is estimated to be 1.5% per year.
- The financial projections include no debt financing through FY28/29. The County's actual debt issuances from year to year may vary based on actual financing needs and analysis at the time debt may be issued.
- The financial projections assume a minimum water operating fund reserve target equal to 15% of annual operating and maintenance costs, not including transfers or ongoing capital, plus \$35,000 for professional services for technical and compliance assistance. Maintaining a prudent minimal level of fund reserves provides a financial cushion for dealing with unanticipated expenses, revenue shortfalls, and non-catastrophic emergency capital repairs. The fund reserve target will escalate over time as the water system's expenses gradually increase with aging infrastructure. It is acceptable if reserves fall below the target on a temporary basis, provided action is taken to achieve the target over the longer run. The targets are met in all projected years.

The water industry has experienced above average inflationary pressures since 2018 on the major elements of service, including significant cost increases in wages, salaries, and benefits for utility staffing, chlorine compound supplies, steel products used in water system infrastructure, materials and supplies, and supply chain cost impacts. The updated revenue projections presented in Table 4.1 reflect the additional costs of service that water utilities must account for in future rate adjustments. The annual 2.5% annual inflation adjustment for rates in years 2 through 5 is consistent with the inflation rates used in the 2021 Water Reserves Report. Planners hope that inflation regresses towards to the 2% federal target during the upcoming five-year planning period.

**Table 4-1. WILD WINGS WATER SYSTEM - Updated Revenue Projections**  
**Five-year DRAFT Water System Operational Budget - With CIP Implementation/SDWA Compliance Costs**

5-Year Revenue Projection Inflation Adjustment		2.50%	2.50%	2.50%	2.50%
Cost Category-Water Operations & Maintenance (O&M) Costs	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<b>Personnel/Staffing Costs</b>					
Admin/Mgmt. - County	\$29,500	\$30,238	\$30,975	\$31,713	\$32,450
Operations-SUSP (with Arsenic Treatment)	\$108,132	\$110,835	\$150,289	\$153,867	\$157,445
<b>Personnel/Staffing Costs - Subtotal</b>	<b>\$137,632</b>	<b>\$141,073</b>	<b>\$181,264</b>	<b>\$185,579</b>	<b>\$189,895</b>
<b>Legal Costs</b>					
Legal Services - County Agency costs	\$15,000	\$15,375	\$15,750	\$16,125	\$16,500
Legal Services - Outside Counsel costs	\$0	\$0	\$0	\$0	\$0
<b>Legal Costs - Subtotal</b>	<b>\$15,000</b>	<b>\$15,375</b>	<b>\$15,750</b>	<b>\$16,125</b>	<b>\$16,500</b>
<b>Direct Costs</b>					
State SWRCB Annual Permit Cost (Annual Fee)	\$3,361	\$3,445	\$3,529	\$3,613	\$3,697
Energy Costs (PG&E) - w/ 15% rate increase projected for 2024	\$75,900	\$77,798	\$79,695	\$81,593	\$83,490
Additional Treatment Costs - Arsenic Treatment (Acid/Caustic)			\$31,980	\$32,780	\$33,599
Chemical Costs (Chlorination, Treatment)	\$5,195	\$5,325	\$5,455	\$5,585	\$5,715
Chemical Costs (Arsenic Filter Media Replacement)					\$70,000
Water Quality Sampling/Analysis	\$9,668	\$9,910	\$10,151	\$10,393	\$10,635
Annual Consumer Confidence Report	\$5,000	\$5,125	\$5,250	\$5,375	\$5,500
Water Facilities Maintenance - ex. meters/valves/hydrants/pipes	\$26,021	\$26,672	\$27,322	\$27,973	\$28,623
Water Meter Reading Costs - reading/billing	\$13,800	\$14,145	\$14,490	\$14,835	\$15,180
Technology - Cell phones/computers/software costs	\$4,465	\$4,577	\$4,688	\$4,800	\$4,912
SCADA/Operations Software-Apps: Maintenance and Upgrades	\$5,000	\$5,125	\$5,250	\$5,375	\$5,500
Insurance (assuming no claims over next five years)	\$0	\$0	\$0	\$0	\$0
<b>Direct Costs - Subtotal</b>	<b>\$148,410</b>	<b>\$152,120</b>	<b>\$187,811</b>	<b>\$192,320</b>	<b>\$266,850</b>
<b>Professional Services</b>					

**Table 4-1. WILD WINGS WATER SYSTEM - Updated Revenue Projections**  
**Five-year DRAFT Water System Operational Budget - With CIP Implementation/SDWA Compliance Costs**

	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Planning/Design/Operations/Compliance (Outside Engineering)	\$35,000	\$35,875	\$36,750	\$37,625	\$38,500
<b>Reserve and Contingency</b>					
Water O&M Reserves (2 months of O&M costs, 15%)	\$95,563	\$97,952	\$120,960	\$123,851	\$147,749
<b>Water O&amp;M Costs Sub-total</b>	<b>\$431,605</b>	<b>\$442,395</b>	<b>\$542,534</b>	<b>\$555,501</b>	<b>\$659,494</b>
<b>Cost Category-Water CIP Project Summary</b>	<b>FY24-25</b>	<b>FY25-26</b>	<b>FY26-27</b>	<b>FY27-28</b>	<b>FY28-29</b>
<u>1000 - Paving</u>					
200 - Slurry Coat the Pintail and Canvas Back Sites	\$3,340			\$3,774	
<u>2000 - Structural Repairs</u>					
100 - Misc Building Repairs				\$5,943	
<u>3000 - Site Facilities</u>					
100 - Concrete Slabs for Key Pads	\$3,975				
200 - Concrete - For Coils	\$4,859				
200 - Coils for Key Pads	\$884				
<u>23000 - Mechanical Equipment</u>					
200 - HVAC - Replacement Units at Pintail and Canvas Back		\$7,354			
400 - Solar - 3 Panels and Batteries - 3 Ponds	\$23,180				
<u>28000 - Water System</u>					
124 - Rebuild Control Valves	\$12,063	\$12,063			
130-Install 5 Backflow devices	\$13,402	\$13,402	\$13,402		
214 - Install transducers in all three monitoring wells	\$7,500				
214- Equip all three monitoring wells with sample pumps		\$15,000			
260 - Pintail Well: modify electrical			\$131,250	\$306,250	
262 - Install new Pintail Arsenic Treatment System (Fully funded)	\$1,350,000	\$645,000			
264 - Install new pump and station at Wood Duck (based on DWR grants)	\$541,065	\$451,065	\$0	\$38,500	\$275,000
266 - Efficiency and Performance testing	\$2,000	\$3,000	\$3,075	\$3,152	\$3,231

**Table 4-1. WILD WINGS WATER SYSTEM - Updated Revenue Projections**  
**Five-year DRAFT Water System Operational Budget - With CIP Implementation/SDWA Compliance Costs**

268 - Replace Packing Seals on Pintail and Canvas Back Pumps		\$4,000			
270 - Replace Jockey Pump at Pintail Pump Station	\$97,500				
272 - Replace four booster pumps		\$62,545	\$62,545	\$62,545	
304 - Water Storage: Recoat the existing storage tank		\$50,000	\$83,091	\$83,091	
308 - Water Storage: Replace Cathodic Protection system at Pintail			\$28,162		
312 - Water Storage: Replace air compressors at Pintail & Canvas Back				\$5,500	
316 - Water Storage: Coating Pintail and Canvas Back Hydro Tanks		\$13,402	\$13,402		
400 - Electrical Panel: Replace 2 Panels		\$243,681	\$243,681	\$487,361	
874 - Water Meters: new meter stand				\$16,500	
880 - Flow Meters: 2 instrumentation, flow meters	\$33,115	\$33,115			
900 - Miscellaneous: Replace 2 MCC Units		\$268,192	\$268,192		
908 - Miscellaneous: Metering Pumps (2)				\$38,500	\$38,500
Water CIP Funding (Services to Obtain Grants & Loans for CIP Projects)	\$25,000	\$20,300	\$25,000	\$13,000	\$0
Water CIP DWR Grant Funding Allocation	(\$1,350,000)	(\$1,400,000)			
Water CIP Reserves (Application of Arsenic Reserves)	(\$470,000)	(\$145,000)	(\$348,000)	\$0	(\$214,500)
Water CIP Reserves (Water Only)	\$0	\$0	(\$316,600)	(860,000)	
Water CIP Project Summary Costs Sub-total	\$297,883	\$297,117	\$207,200	\$204,116	\$102,231
<b>Cost Category-Water System Debt Service</b>	<b>FY24-25</b>	<b>FY25-26</b>	<b>FY26-27</b>	<b>FY27-28</b>	<b>FY28-29</b>
Water System Loan - No current financing	\$0	\$0	\$0	\$0	\$0
<b>Water System Debt Service Sub-total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL WILD WINGS WATER BUDGET (O&amp;M/Capital/Debt Service)</b>	<b>\$729,487</b>	<b>\$739,512</b>	<b>\$749,734</b>	<b>759,617</b>	<b>\$761,725</b>

## 5. COST ALLOCATION

**Table 5-1** shows an allocation of water system costs to various water rate components, including fixed meter charges, base usage, and peak usage. LSCE recommends recovering 40% of total system costs from fixed meter charges and 60% from volumetric charges. While collecting greater than 70% of costs from volumetric charges is generally recommended to encourage conservation, LSCE believes the 40/60 cost allocation between fixed and variable costs improves the conservation pricing signal compared to the current rate structure. Additionally, LSCE recommends recovering about 30% of variable system costs from peak usage, as peak use incurs significant capital costs for oversizing facilities and additional operations and maintenance expenses.

<b>Table 5-1. Wild Wings Water System - Cost Allocation Summary For Tiered Rate Option</b>					
<b>Water System Facilities Cost Allocation Item</b>	<b>FY24-25 Total Expenses</b>	<b>% Fixed Costs</b>	<b>\$ Fixed Costs</b>		
<b>Expenses Recovered By Base Rate:</b>					
O&M - Staffing and Legal Costs	\$152,632	55%	\$83,947.60		
O&M - Direct Costs	\$148,410.00	40%	\$59,364		
O&M- Professional Services	\$35,000.00	50%	\$17,500		
O&M - Reserve & Contingency	\$95,563	50%	\$47,782		
Water CIP Costs - Blg/Equip/Veh/Misc	\$297,882	30%	\$89,365		
Debt Service	\$0	0%	\$0		
<b>Total</b>	<b>729,487</b>		<b>\$297,958</b>		
<b>Expenses Recovered By Quantity Charge:</b>				<b>Variable Cost Allocation:</b>	
				<b>% Peaking</b>	<b>\$ Peaking</b>
O&M - Staffing and Legal Costs	\$152,632	45%	\$68,684	0%	\$0
O&M- Direct Costs	\$148,410	60%	\$89,046	25%	\$22,262
O&M- Professional Services	35,000	50%	\$17,500	25%	\$4,375
O&M- Reserve & Contingency	\$95,563.00	50%	\$47,782	0%	\$0
Water CIP Costs - Other Projects	\$297,882	70%	\$208,517	50%	\$104,259
Debt Service	\$0	0%	\$0	0%	\$0
<b>Total</b>	<b>\$729,487</b>		<b>\$431,529</b>		<b>\$130,895</b>

Furthermore, tiered rates are structured based on average water use over the past two fiscal years, which is representative of typical water use patterns in the Wild Wings CSA service area with water conservation mandates in place. Over the past two years, the average annual water use has been about 180,000 gallons. Tier 1 consumption charges collect the average costs of operating the water system, while Tier 2 consumption charges collect the peaking costs associated with operating the water system, imposing additional facility sizing and operational cost factors due to higher-than-average water use.

The Wild Wings CSA has successfully reduced its annual average water use by about 30% since 2004 through more efficient water use. The recent drought cycle created awareness that resulted in lower but stable water use patterns that are expected to continue over the upcoming five-year period. The County will continue to monitor water use patterns and provide customers with updated water use information. This proactive approach ensures timely leak repairs and feedback on irrigation efficiency to maintain efficient water use over time.

## 6. PROPOSED WATER RATES

### 6.1. Fixed Meter and Tiered Rate Water Charges

**Table 6-1** shows the updated Wild Wings CSA water service charges for FY24/25 based on the updated revenue projections and cost allocation of water system costs to the various water rate components, including fixed meter charges, Tier 1 (base usage), and Tier 2 (peak usage). In years 2 through 5, the water rates would be increased by inflation for the given year.

<b>Table 6-1. Proposed FY24-25 Wild Wings Water Rates</b>	
<b>Water Meter Charge Calculation</b>	<b>Per Account</b>
Fixed Rate Revenue Requirements	\$297,958
Number of Residential Meters (1-inch)	\$338
Number of Commercial Meters (2-inch)	\$1.00
Projected Annual Meter Charge-Residential	\$875.32
Projected Annual Meter Charge-Commercial	\$2,101
Projected Meter Charge Revenue	\$297,958
<b>Tier 1 Quantity Rate Calculation</b>	<b>Per 100-gals.</b>
Tier 1 Variable Revenue Requirements	300,634
Tier 1 Total Billing Units (100-gals.)	\$500,360.00
Projected Tier 1 Charge/100-gallons	\$0.605
Projected Tier 1 Charge Revenue	\$300,634
<b>Tier 2 Quantity Rate Calculation</b>	<b>Per 100-gals.</b>
Tier 2 Variable Revenue Requirements	130,895
Tier 2 Total Billing Units (100-gals)	\$104,533.00
Projected Tier 2 Charge/100-gallons	\$1.25
Projected Tier 2 Charge Revenue	\$130,895

The derivation of the fixed meter charge was based on establishing the fixed revenue requirements (\$297,958) and dividing by the water equivalent 1 inch & below meters (340.4) to arrive at an annual fixed meter charge of \$875.32 per residential service. Larger meters are recommended to be charged

more in proportion to each meter’s size based on American Water Works Association (AWWA) standard ratios. The 2-inch fixed meter charge is \$2,100.76 annually based on AWWA standard ratios.

The derivation of the tiered quantity charges was based on the variable cost allocation requirements (\$431,529) with a 70/30 split between Tier 1 (\$300,634) and Tier 2 (\$130,895) charges based on recent Wild Wings CSA water use data and trends. An analysis was conducted to determine how many units of water (100 gallons) can be considered Tier 1 (average usage) and Tier 2 (peak usage) in each tier. Average annual water use was quantified for the FY21/22 and FY22/23 period to determine the Tier 1 (average) and Tier 2 (peak) billing units (1 billing unit = 100 gallons) with annualized average and peak use to be 500,360 and 104,533 billing units, respectively. Based on this analysis, 30% of peak system costs are recommended to be recovered from Tier 1 use and 70% from Tier 2 use.

**Table 6-1** shows the derivation of the fixed meter and Tier 1 and Tier 2 quantity rates based on the recommended cost allocation for the updated water rates. The projected revenues to be collected for the fixed meter and quantity charges are specified, resulting in total water revenues of \$729,487 for FY24/25. This would meet the recommended annual revenue requirements for FY24/25 and is based on current water use practices continuing over the upcoming years. Only those customers using more than 180,000 gallons per year would pay Tier 2 quantity charges.

The proposed water rates include tiered rates, which provide a pricing signal to encourage efficient water based on recent Wild Wings CSA water use patterns. Tiered rates are the most common rate structure utilized in the water industry to collect revenues to cover the costs of providing service while encouraging long-term water use efficiency. The two-tier rate structure was recommended because it is easy to implement and understand while meeting the goals and objectives of the Wild Wings CSA water system. Water rates may be updated in the future based on changes in future revenue needs, CSA water use patterns, or other factors requiring a rate update process.

## 6.2. Total FY24/25 Water, Wastewater and Golf Course Charges

**Table 6-2** shows the updated Wild Wings CSA water, wastewater, and golf course charges for FY24/25 in comparison to the current charges in FY23/24. The service charges for FY24/25 are based on the updated revenue projections and cost allocation of water, wastewater, and golf course charges. The FY24/25 water and wastewater rates are increasing due to higher costs of service, while the golf course rates are declining, resulting in a net 5.21% increase in total charges.

<b>Table 6-2. Total FY24/25 Wild Wings Charge Increase</b>		
<b>Wild Wings Charge Type</b>	FY23/24	FY24/25
	<b>Annual Charges</b>	<b>Annual Charges</b>
Water	\$1,371.31	\$1,955.32
Wastewater	\$3,268.42	\$3,614.44
Golf Course	\$1,838.00	\$1,457.00
<b>Total Annual Charges</b>	<b>\$6,477.73</b>	<b>\$7,026.76</b>
<b>% Annual Increase</b>		<b>8.48%</b>

Golf course charges can be reduced with adjusted utility rate cost allocations that better represent the costs of service and costs of operations under new management starting in CY24. In years 2 through 5, golf course charges will be subject to inflation adjustments for the respective years. Exhibit “B” contains preliminary golf course budget information which will be reviewed annually to determine if charge adjustments are necessary to meet revenue needs.

### **6.3. Rate Administration Overview**

#### **General Administrative Requirements**

Property-related fee levies are calculated for all parcels on the new fiscal year’s Assessor Roll, encompassing all parcels in existence before January 1 of the previous fiscal year. Once calculated, levy data must be filed with the County Auditor by August 10 for inclusion on property tax bills. After submission, final levies are confirmed with the County Auditor before preparing tax bills, typically in October. Fees are collected in two equal installments, due by December 10 and April 10. Alternatively, fees could be collected through direct bills to property owners.

#### **Delinquency Procedure**

The CSA participates in the “Teeter Plan” with the County of Yolo, whereby the County pays all delinquent fees to the CSA. In return, the County institutes collection proceedings and retains all collected delinquent payments with interest and penalties. This plan ensures reliable fee revenues for the CSA and reduces collection costs.

#### **FEE Diagram**

The existing Boundary Map/Fee Diagram for the Wild Wings CSA, as adopted by the Yolo Local Agency Formation Commission (LAFCO) on July 28, 2016, is on file with the Yolo County Recorder’s office. Exhibit “C,” attached to this report, provides a copy of the Boundary Map/Fee Diagram. There have been two changes, as reflected on the Boundary Map, since the original approval in 2004, with no additional service connections anticipated.

#### **2024/2025 FEE ROLL**

The fee roll, listing FY24/25 fees for all Assessor’s parcels within the Wild Wings CSA boundaries, is incorporated into this report and attached as Exhibit “D.” Fees attributed to each parcel are computed in accordance with the approved fee methodology, confirmed by vote or agreement of the property owners subject to this fee.

#### **2024 Proposition 218 Notice**

The draft 2024 Proposition 218 Notice for utility charges within the Wild Wings CSA boundaries is incorporated into this report and attached as Exhibit “E.” The Proposition 218 Notice would be mailed directly to each parcel subject to the water charges and includes a protest form for parcel owners to complete and submit at the public hearing if protesting the proposed water fees.

#### **Estimated Annual Water Charges – FY24/25 Water Rates**

Estimated annual water charges for FY24/25 water rates are attached as Exhibit “F.”

# EXHIBIT A

## **Wild Wings CSA FY23/24 Water Rate Study Report -- Wild Wings Water System Permit Information**



## EXHIBIT B

**Wild Wings CSA FY23/24 Water Rate Study Report  
-- Total Water Charge Information (Water, Wastewater & Golf Course)**



**FY24/25 Water Rate Study Report – Appendix B**  
**Wild Wings CSA – Total Charges Information Summary**

**Table 6.2: Total FY24/25 Wild Wings Charge Increase**

Wild Wings Charge Type	FY23/24	FY24/25
	Annual Charges	Annual Charges
Water	\$1,371.31	\$1,955.32
Wastewater	\$3,268.42	\$3,614.44
Golf Course	\$1,838.00	\$1,457.00
<b>Total Annual Charges</b>	<b>\$6,477.73</b>	<b>\$7,026.76</b>
<b>% Annual Increase</b>		<b>8.48%</b>

Water Rates: based on updated water revenue projections (2024-2028).

Wastewater Rates: based on updated wastewater revenue requirements (2024-2028).

Golf Course Charges: based on updated revenue requirements (2024-2028).

Golf Course Preliminary FY24/25 Budget Summary on following page.

**FY24/25 Water Rate Study Report – Appendix B**  
**Wild Wings CSA - Updated Golf Course Budget Information**

<b>FY24/25 Preliminary Golf Course Budget - Version 2</b>		
<b>Revenue Accounts</b>	<b>FY24/25</b>	<b>Comments</b>
Investment Earnings-Pool	\$3,000	Investment earnings
Special Assessment	\$492,466	Measure O, \$1,457/home
<b>Revenue Sub-total</b>	<b>\$495,466</b>	
<b>Expense Accounts</b>	<b>FY24/25</b>	<b>Comments</b>
Prof & Spec Serv-Audits/Acct	\$350	SCO Report
Prof & Spec Serv-Legal Services	\$2,000	Legal Counsel
Prof & Spec Serv-Other	\$20,000	CSA Management
Utilities	\$85,364	Water/Sewer/Energy
Utilities Reimbursement	\$68,250	Over first four years
Taxes and Assessment	\$7,000	Taxes( hazmat, prop., other
Equipment	\$9,815	TBD
Intrafund Transfer-Measure O	\$302,686	Golf Course Operations
<b>Expense Sub-total</b>	<b>\$495,465</b>	

Golf Course – FY24/25 Water Utility Cost Allocation

<b>FY24/25 Golf Course - Water Utility Costs</b>					
<b>Item</b>	<b>Description</b>	<b>Unit Cost</b>	<b>Units</b>	<b>Quantity</b>	<b>Annual Cost</b>
SCADA Upgrades (split 50/50 between water & wastewater)	Controls to automate Moore Canal pump to match irrigation demands	\$15,000	0.5	1	\$7,500
<u>Operating Costs</u>					
YCFCWCD	Water Purchase Costs	\$69.24	ac-ft	123	\$8,499.59
Energy Costs	Diesel Fuel Costs	\$5.50	gallon	1,736	<u>\$9,548.00</u>
Total Operating Costs					\$18,047.59
<b>Total Golf Course Costs</b>					<b>\$25,547.59</b>

Golf Course – FY24/25 Wastewater Utility Cost Allocation

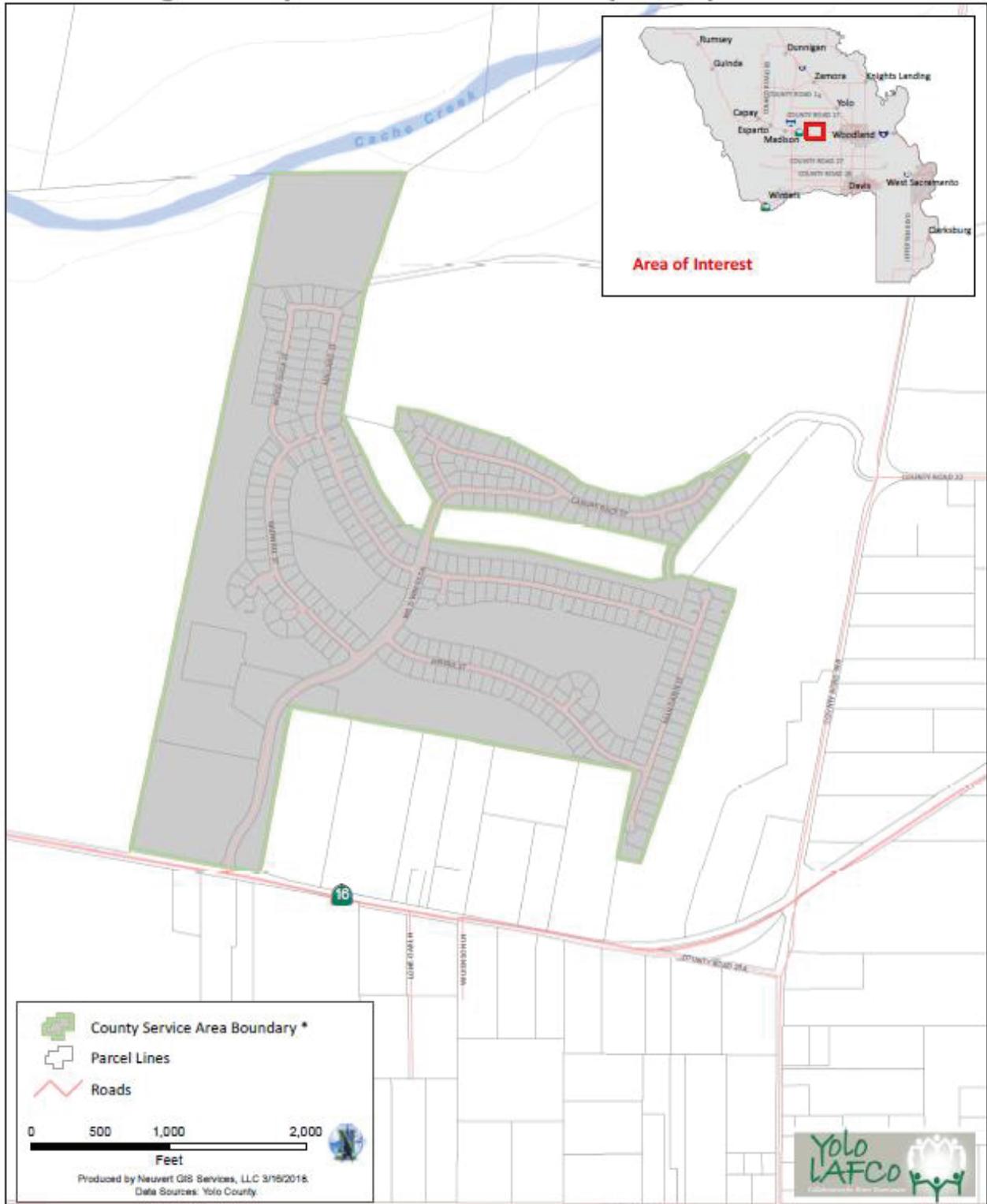
<b>Table 5.1. Wild Wings CSA Wastewater Cost Allocation</b>					
	<b>FY24-25</b>	<b>FY25-26</b>	<b>FY26-27</b>	<b>FY27-28</b>	<b>FY28-29</b>
Total CSA Revenue Needs (\$)	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543
Residential Allocation (98.8% of Flow)	\$1,207,022	\$1,211,508	\$1,208,322	\$1,570,733	\$1,776,960
Golf Course Allocation (1.2% of Flow)	\$14,660	\$14,715	\$14,676	\$19,078	\$21,583
<b>Annualized Total Assessment</b>	<b>\$1,221,682</b>	<b>\$1,226,223</b>	<b>\$1,222,997</b>	<b>\$1,589,811</b>	<b>\$1,798,543</b>

# EXHIBIT C

## **Wild Wings CSA FY23/24 Water Rate Study Report -- Fee Diagram**



### Exhibit C – Wild Wings CSA Boundary Map



\* Sphere of Influence is coterminous with Area boundary

Adopted by Yolo LAFCo July 28, 2016

# EXHIBIT D

## **Wild Wings CSA FY23/24 Water Rate Study Report -- Fee Roll**



**Exhibit D – Assessment Roll**

<b>Wild Wings Assessor's Parcel Numbers</b>				
25440044000	25504004000	25521004000	25533009000	25545003000
25491001000	25504005000	25521005000	25533010000	25545004000
25491002000	25504006000	25521006000	25534001000	25545005000
25491003000	25505001000	25521007000	25534002000	25545006000
25491004000	25505002000	25521009000	25534003000	25545007000
25491005000	25505003000	25521010000	25534004000	25545008000
25491006000	25505004000	25521011000	25534005000	25551001000
25491007000	25505005000	25521012000	25534006000	25551002000
25491008000	25505006000	25521013000	25534007000	25551003000
25491009000	25505007000	25521014000	25535001000	25551004000
25493001000	25505008000	25521015000	25535002000	25551005000
25493002000	25505009000	25521016000	25535003000	25551006000
25493003000	25505010000	25521017000	25535004000	25551007000
25494001000	25505011000	25521018000	25535005000	25551008000
25494002000	25505012000	25521019000	25536001000	25551009000
25494003000	25505013000	25521020000	25536002000	25551010000
25494004000	25511001000	25523001000	25541001000	25551011000
25494005000	25511002000	25523002000	25541002000	25551012000
25494006000	25511003000	25523003000	25541003000	25551013000
25494007000	25511004000	25523004000	25541004000	25551014000
25494008000	25511005000	25523005000	25541005000	25551015000
25501001000	25511006000	25523006000	25541006000	25551016000
25501002000	25511007000	25523007000	25541007000	25553001000
25501003000	25513001000	25523008000	25541008000	25553002000
25503001000	25513002000	25523009000	25543001000	25553003000
25503002000	25513003000	25523010000	25543002000	25553004000
25503003000	25513004000	25523011000	25543003000	25553005000
25503004000	25513005000	25523012000	25543004000	25553006000
25503005000	25513006000	25523013000	25543005000	25553007000
25503006000	25513007000	25531001000	25543006000	25553008000
25503007000	25513008000	25531002000	25543008000	25553009000
25503008000	25513009000	25531003000	25543009000	25561002000
25503009000	25513010000	25533001000	25543010000	25561003000
25503010000	25513011000	25533002000	25543011000	25561004000
25503011000	25513012000	25533003000	25543012000	25561005000
25503012000	25513013000	25533004000	25543013000	25561006000
25503013000	25513014000	25533005000	25543014000	25563001000
25503014000	25521001000	25533006000	25543015000	25563002000
25504001000	25521002000	25533007000	25545001000	25563003000
25504002000	25521003000	25533008000	25545002000	25563004000

**Wild Wings Assessor's Parcel Numbers - Continued**

25571001000	25591005000	25601013000	25614002000	
25571002000	25591006000	25601014000	25614003000	
25571003000	25591007000	25603001000	25614004000	
25573001000	25593001000	25603002000	25614005000	
25573002000	25593002000	25603003000	25614006000	
25574001000	25593003000	25604001000	25614007000	
25574002000	25593004000	25604002000	25614008000	
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25574004000	25593006000	25604004000	25615001000	
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25576004000	25593011000	25604009000	25622002000	
25581001000	25593012000	25604010000	25622003000	
25581002000	25593013000	25604011000	25622004000	
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25581004000	25594002000	25611001000	25622006000	
25581005000	25594003000	25611002000	25622007000	
25581006000	25594004000	25611003000	25622008000	
25581007000	25594005000	25611004000		
25581008000	25594006000	25611005000		
25581009000	25595001000	25611006000		
25581010000	25595002000	25611007000		
25581011000	25595003000	25611008000		
25583001000	25596001000	25611009000		
25583002000	25596002000	25611010000		
25583003000	25601001000	25611011000		
25583004000	25601002000	25611012000		
25583005000	25601003000	25613001000		
25583006000	25601004000	25613002000		
25583007000	25601005000	25613003000		
25583008000	25601006000	25613004000		
25583009000	25601007000	25613005000		
25583010000	25601008000	25613006000		
25591001000	25601009000	25613007000		
25591002000	25601010000	25613008000		
25591003000	25601011000	25613009000		
25591004000	25601012000	25614001000		

# EXHIBIT E

## **Wild Wings CSA FY23/24 Water Rate Study Report - 2024 Proposition 218 Notice**





Yolo County Board of Supervisors  
625 Court Street, Room 204  
Woodland, CA 95695

April , 2024  
9:00 a.m.

## Proposition 218 Notification

### NOTICE TO PROPERTY OWNERS OF

### PROPOSED WATER AND WASTEWATER RATE CHANGES AND PUBLIC HEARING

Hearing Date & Time: April , 2024, 9:00 a.m.

Hearing Location: County Administration Building

625 Court Street, Room 206

Woodland, CA 95695

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This notice is being provided to you by the County of Yolo (County) pursuant to Article XIII.D, section 6 of the California Constitution (also known as Proposition 218). Proposition 218 requires the County to notify property owners of proposed changes to property-related fees such as water and wastewater services. This letter serves as notice of the following:

- The Board of Supervisors, as the governing body of the Wild Wings County Service Area (CSA), will consider water and wastewater (sewer) rate increases to the customers in the Wild Wings County Service Area (CSA). If approved, the increased water and wastewater rate increases will appear on the 2024-25 property tax bills.
- A public hearing will be held before the Yolo County Board of Supervisors on Tuesday, April , 2024, at 9:00 a.m. in the Yolo County Board of Supervisors' Chambers to accept public comment and receive written protests on the proposed water and Wastewater rate changes.
- More information regarding the proposed water and wastewater fee changes is available at: [www.YoloCounty.org/Wild-Wings-CSA](http://www.YoloCounty.org/Wild-Wings-CSA).

Add updated Spanish translation bullet item.

### **Why are CSA water and wastewater rates changing? Reason and Basis for the Proposed Changes**

The County charges water and wastewater rates and charges to CSA customers to fund the costs of providing safe and reliable utility services and to fund the County's costs of operating and maintaining the water system and wastewater collection and sewage treatment systems. Since the last CSA rate study was prepared in 2018 water and wastewater utilities have experienced substantial increases in the costs of service, summarized in the table above, based on large increases in: wages and staffing related costs, chlorine and steel, materials and supplies, supply chain related cost impacts, and capital project construction.

The County and CSA conducted a thorough analysis of revenue requirements over the next five years, as summarized in the table on the follow page, that accounts for the increased costs of service not reflected in the 2018 fee study. The costs of providing utility services have increased substantially over the past years for staffing, materials, supplies, products, appurtenances, equipment, regulatory compliance, and supply-chain issues resulting in higher costs for delivering services, products, and projects. The proposed costs for service reflect the higher costs of providing utility services as documented in the Rate Study Reports.

## Estimated Wild Wings CSA Costs for Service

CSA Utility Costs	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
<b>Water System</b>					
Operations/Maintenance	\$431,605	\$442,395	\$542,534	\$555,501	\$659,494
Capital Projects	\$297,882	\$291,817	\$197,800	\$196,116	\$101,731
Debt Service	\$0	\$0	\$0	\$0	\$0
<b>Grand Total-Water</b>	<b>\$729,487</b>	<b>\$734,212</b>	<b>\$740,334</b>	<b>\$751,617</b>	<b>\$761,225</b>
CSA Utility Costs	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
<b>Wastewater System</b>					
Operations/Maintenance	\$853,339	\$871,172	\$889,452	\$1,201,601	\$1,228,141
Capital Projects	\$368,343	\$355,051	\$266,263	\$253,644	\$435,837
Debt Service	\$0	\$0	\$67,283	\$134,566	\$134,566
<b>Grand Total-Wastewater</b>	<b>\$1,221,682</b>	<b>\$1,226,223</b>	<b>\$1,222,997</b>	<b>\$1,589,811</b>	<b>\$1,798,543</b>

Additional projects driving increased revenue needs are:

- The water system is implementing specific water capital projects including the installation of the Pintail well arsenic treatment system and Wood Duck pump station improvements to increase water supply reliability and meet water system permit requirements.
- The wastewater system has included the capital project costs to address the lack of redundancy in the wastewater treatment plant to meet State discharge permit compliance issues. The redundancy project improvements will be completed over the next five years during the scope of this rate adjustment cycle.

The water and wastewater services and the basis for the proposed rate changes are described in more detail in the 2024 Water and Wastewater Rate Study Reports (Rate Reports) prepared by independent consultant, Luhdorff & Scalmanini Consulting Engineers (LSCE), which are on file with the Clerk of the Board at 625 Court Street, Room 204, Woodland, California and available at: [www.YoloCounty.org/Wild-Wings-CSA](http://www.YoloCounty.org/Wild-Wings-CSA). The Rate Reports provide the estimated annual cost of providing water and wastewater services to each parcel within the Wild Wings CSA, the revenue sources anticipated to provide the services, and the basis of the cost allocation for these services. The 2024 Rate Reports demonstrate that increases in annual water and wastewater rates are necessary for the on-going operation and maintenance (O&M), capital replacement, and associated treatment costs for these CSA utilities. The proposed rates and charges were calculated by the County to proportionately spread the applicable cost of service amongst users according to the cost of providing service to that user and are further consistent with the County's 2021 Water & Wastewater Reserves Reports.

The goal of the County and CSA is to keep utility costs as low as possible by meeting standard utility system standards and best practices while achieving regulatory compliance. Please join us at upcoming CSA Advisory Committee meetings to learn more and stay abreast of CSA utility actions ([Wild Wings CSA | Yolo County](#)).

If you have any questions regarding the proposed rates and charges or the public hearing or the information in this notice, please contact the CSA Manager, Kimberly Villa, at [Kimberly.Villa@yolocounty.org](mailto:Kimberly.Villa@yolocounty.org) or (530) 813-5178.

### Proposed Water and Wastewater (Sewer) Rates and Charges

The current FY 2023/2024 charges and proposed water and wastewater rates and charges are provided below. If approved, these rates and charges will be adopted as maximum rates and charges for the next five years, commencing with the FY 2024/2025 tax bills through FY2028/2029). All revenues collected will be used to operate, maintain, rehabilitate, and/or replace water and wastewater utility infrastructure in accordance with applicable state and federal standards, requirements, and regulations.

<b>Annual Avg Water Charges</b>	<b>Current</b>	<b>FY24/25</b>	<b>FY25/26</b>	<b>FY26/27</b>	<b>FY27/28</b>	<b>FY28/29</b>
Annual Meter Charge	\$1,371.31	\$875.32	\$887.35	\$899.61	\$911.47	\$914.00
Tier 1 Water Charge 0-180,000 gallons annually		\$886.82	\$899.01	\$911.43	\$923.45	\$926.01
Tier 2 Water Charge -180,001 + gallons annually		\$875.32	\$887.35	\$899.62	\$911.47	\$914.00
<b>Grand Total-Water (Avg User)</b>		<b>\$1,762.14</b>	<b>\$1,786.36</b>	<b>\$1,811.05</b>	<b>\$1,834.92</b>	<b>\$1,840.01</b>
<b>Annual Wastewater Charges</b>	<b>Current</b>	<b>FY24/25</b>	<b>FY25/26</b>	<b>FY26/27</b>	<b>FY27/28</b>	<b>FY28/29</b>
<b>Wastewater System</b>						
Domestic Users	\$3,170.44	\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28
<b>Grand Total-Wastewater</b>		<b>\$3,571.07</b>	<b>\$3,584.34</b>	<b>\$3,574.92</b>	<b>\$4,647.14</b>	<b>\$5,257.28</b>

The foregoing rates and charges are the maximum rates and charges the Board of Supervisors may approve during the five-year rate period. The CSA will review the revenue requirements each year and may not implement the full increase proposed if operational, capital project costs and/or revenue requirements decrease from current projections. Most water customers use less than 180,000 gallons per year and would not pay any tier 2 charges under that scenario.

### **How Do You Protest?**

The Yolo County Board of Supervisors will conduct a public hearing to consider the proposed rate changes on Tuesday, April , 2024, at 9:00 a.m. in the Board of Supervisors Chambers, located in the County Administration Building at 625 Court Street, Room 206 in Woodland. Upon the conclusion of the public hearing, the Board of Supervisors will consider adoption of the proposed water and wastewater rate increases as described in this notice. Water and wastewater rates are subject to majority protest, which means if a majority of property owners submit valid written protests against the changes, the Board of Supervisors cannot adopt the new utility rates. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. If written protests against the proposed rates are not presented by a majority of the property owners of the identified parcels subject to the proposed rate increases, the Board of Supervisors will be authorized to adopt the rate increases up to the maximum amounts proposed in this notice.

Only one protest per parcel will be counted. Written protests must include the property owner name, property address of the property, property Assessor’s Parcel Number, and signature. You can mail your protest to the Clerk of the Board of Supervisors at 625 Court Street, Room 204, Woodland, CA 95695 prior to the hearing, or bring it to the hearing. Protests must be submitted in writing and received by the Clerk of the Board before the conclusion of the public hearing. If you do not want to protest the proposed rates, you do not need to take any action. Email protests will not be accepted.

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# EXHIBIT F

## **Wild Wings CSA FY23/24 Water Rate Study Report - Water Use Charge Summary**



**Wild Wings CSA**  
**2024 Water Rate Study Report**

**Exhibit F**

Estimated Annual Water Charges for Residential Customers

Based On FY24/25 Proposed Water Rates

Wild Wings Estimated Annual Water Charges Based On Proposed FY24/25 Water Rates	
Annual Water Use (Gallons)	Annual Water Charge (Dollars)
100,000	\$1,475.32
125,000	\$1,625.32
150,000	\$1,775.32
175,000	\$1,925.32
180,000	\$1,955.32
200,000	\$2,205.50
225,000	\$2,518.00
250,000	\$2,830.50
275,000	\$3,143.00
300,000	\$3,455.50
<i>Projected average annual water use with two-tier rate structure = 147,803 gallons.</i>	
<i>Reflects projected water conservation effect with two-tier rate structure.</i>	

The majority of Wild Wings CSA water customers use up to 300,000 gallons of water per year.