

Yolo County - Wild Wings CSA
FY23/24 Water and Wastewater Rate Update Project
Frequently Asked Questions (FAQs)

FAQs

1. Why are the Wild Wings CSA utility rates being updated?

The Wild Wings CSA utility rates were last updated in 2018. The utility rates need to be updated to reflect changes in the costs of service including higher operations and capital project costs and to support the completion of priority utility projects to meet regulatory requirements.

2. What are the recommended rate adjustments?

Based on updated utility system revenue projections, both residential water and wastewater rates will be increasing in FY24/25 to cover increased costs of operating and maintain the water and wastewater (sewer) systems as further detailed in the Proposition 218 notice and Rate Study Reports prepared by LSCE. Water rates are being updated from a single to two-tier rate structure for more equitable cost allocation and billing purposes. Specifically, the proposed water rates include a fixed (annual meter charge) and a variable consumption charge (Tier 1 charge: 0-180,000 gallons per year; Tier 2 charge: water used over 180,000 gallons per year). The proposed wastewater rate will remain as a flat rate charged per parcel with maximum annual increases over the next five years. Although residential utility rates will be increasing, the golf course operational charges are expected to decrease, with the goal of reducing the golf course Measure O special tax for FY 24/25 (see FAQ #6).

3. Is the updated two-tier water rate structure going to collect adequate revenues to support utility operations?

The two-tier water structure being implemented in FY24/25 is designed to meet annual water fund revenue requirements based on estimated water use in the Wild Wings CSA service area. Water rates will be managed based on actual annual water use and revenue requirements and will be kept as low as possible.

4. Do most residents exceed 180,000 gallons per year that will mean they will pay the Tier 2 rate for some of their annual water use?

No. Most Wild Wings properties use less than 180,000 gallons per year, meaning most properties will be charged for water at the Tier 1 rate only. Based on recent water use trends, approximately 60% of Wild Wings properties did not exceed 180,000 gallons per year. Approximately 12% of properties exceeded 250,000 gallons per year. Water conservation information and tips are available on the Yolo County Wild Wings CSA website to assist property owners with their water conservation efforts.

5. How are the wastewater rates determined for residential customers?

Wastewater residential rates are calculated based on the wastewater flows generated by the homes in the Wild Wings development. Residential customers pay their share of the total wastewater revenue requirements based on their share of the total wastewater utility costs.

6. How is the golf course supporting the Wild Wings water and wastewater utilities through its budget and paying its share of utility costs?

The golf course FY24-25 operations budget includes a utilities line item that covers the golf course share of the

water and wastewater system costs. For FY24-25, the golf course will be paying the Wild Wings water utility annual costs of \$25,547.59 subject to an annual CPI adjustment up to 2.5% per year through FY 28/29. The golf course wastewater charge for FY 24/25 is \$14,660 with increases thereafter as follows: FY 25/26: \$14,715; FY26/27: \$14,676; FY27/28: \$19,078; and FY 28/29: \$21,583. The proposed water and wastewater commercial rates charged to the golf course are decreasing from the current rates based on the updated revenue requirements and cost allocation analysis in the updated Rate Study Reports prepared by LSCE.

In addition, reducing the golf course operating costs is anticipated to allow for a reduction of the Measure O golf course operations special tax on Wild Wings resident property tax bills for golf course operations in FY 24/25. The LSCE Rate Studies anticipated a reduction of Measure O from the FY 23/24 rate of \$1,838 to \$1,457 in FY 24/25, though the special tax may be adjusted, as warranted in future years, up to the maximum rate approved by Wild Wings voters in 2009 with the adoption of Measure O.

7. Do all utility funds collected through rates benefit the Wild Wings CSA utility systems? Yes.

All revenues collected through rates for each utility are maintained in separate dedicated accounts and budgets and can only be used to operate, maintain, repair, and replace the utility infrastructure. For example, water rate revenues can only be used to fund actions that benefit the water system and CSA ratepayers.

8. Will County budgeted items be spent each year?

The County budgets time and resources needed to support the Wild Wings CSA administration providing an organizational structure to support utility operations in the CSA. If the County does not need to spend the dollar amount budgeted in a particular budget item, the unspent portion will remain in the utility fund balance for purposes beneficial to the utility. The County will update their budget items annually based on updated cost projections. County budget line items no longer needed will be eliminated during the annual budget process and considered when reviewing the rates each year in determining whether an increase up to the maximum rates in the Proposition 218 notice is needed to cover water and/or wastewater costs of service.

9. Will annual inflation adjustments be included in annual utility rates adjustments?

The five-year utility revenue projections include annual inflation adjustments which will be implemented annually as needed to support utility operations, up to 2.5% per year. If an annual rate adjustment is not needed, the annual inflation adjustment factor may not be implemented if the utility has sufficient fund balances. The inflation adjustment helps rates keep up with the higher costs of service resulting from inflationary pressures and factors (such as higher prices for steel, chlorine, supplies, materials, labor, and equipment).

10. How will the new utility rates be implemented in FY24/25?

If approved, the new water and wastewater rates will be effective with the FY 24/25 tax bill. The fixed and variable charges will continue to be collected on the annual tax roll. For the FY 24/25 tax bill, the water rates charged will be based on the water usage during the FY 23/24 period. Future water rate charges will be implemented in a similar manner. The wastewater charges will also continue to be collected on the annual tax roll. For the FY 24/25 tax bill, the wastewater charge will be \$3,571.07.

11. How will the new water utility rates impact my annual bill in FY24/25?

If approved, the new water rates will be effective with the FY 24/25 tax bill. The table below summarizes the total annual water bill charges under the new water rates based on different annual water use amounts,

including the fixed annual meter charge. You can get an idea of the water rate impact on your bill by selecting the appropriate annual water use amount that is closest to your annual water usage in the table on the following page.

Wild Wings Estimated Annual Water Charges Based On Proposed FY24/25 Water Rates	
Annual Water Use (Gallons)	Annual Water Charge (Dollars)
100,000	\$1,480.32
125,000	\$1,631.57
150,000	\$1,782.82
175,000	\$1,934.07
180,000	\$1,964.32
200,000	\$2,214.32
225,000	\$2,526.82
250,000	\$2,839.32
275,000	\$3,151.82
300,000	\$3,464.32

*Projected average annual water use with two-tier rate structure = 180,000 gallons.
Reflects proposed FY24-25 Tier 1 (\$0.605/100-gal.) and Tier 2 (\$1.25/100-gal.) rate structure.*

Here are a few examples to see how the total charges in a couple of the examples in the table above are calculated under the proposed water rate structure:

Example 1: Wild Wings customer using 150,000 gallons in FY 24/25 would be charged a total of \$1,782.82. Because the water use was below 180,000 gallons, the owner would be charged at the Tier 1 rate only as follows: \$875.32 (Annual Fixed Meter Charge) + \$907.50 (Tier 1 Water Charge of \$0.605 per 100 gallons x 1500)] = \$1,782.82

Example 2: Wild Wings customer using 225, 000 gallons in FY 24/25 would be charged a total of \$2,526.82. Because the water use was over 180,000 gallons, the owner would be charged at the Tier 1 rate for 180,000 gallons and at the Tier 2 rate for the additional 45,000 gallons as follows:

\$875.32 (Annual Fixed Meter Charge) + \$1,089 (Tier 1 Water Charge of \$0.605 per 100 gallons x 1,800) + \$562.50 (Tier 2 Water Charge of \$1.25 per 100 gallons x 450) = \$2,526.82

12. Do I need a ballot to protest the water and/or wastewater increases?

No. There is no ballot associated with the proposed water and wastewater increases. The water and wastewater increases are subject to a majority protest proceeding, not a ballot vote. The protest process is explained on the last page of the Proposition 218 Notification – Notice to Property Owners (“Prop 218 Notice”). Please reference the last page of the Prop 218 Notice under the heading “How do you Participate or Protest?” for more information if you would like to submit a written protest. Protests must be in writing and contain the information noted on the Prop 218 Notice. Email protests will not be accepted. Only one protest per parcel will be counted. We have also prepared an optional protest template form for your convenience, which is available on the website at www.YoloCounty.org/Wild-Wings-CSA, under the heading “2024 Water and Wastewater Rate Studies.”