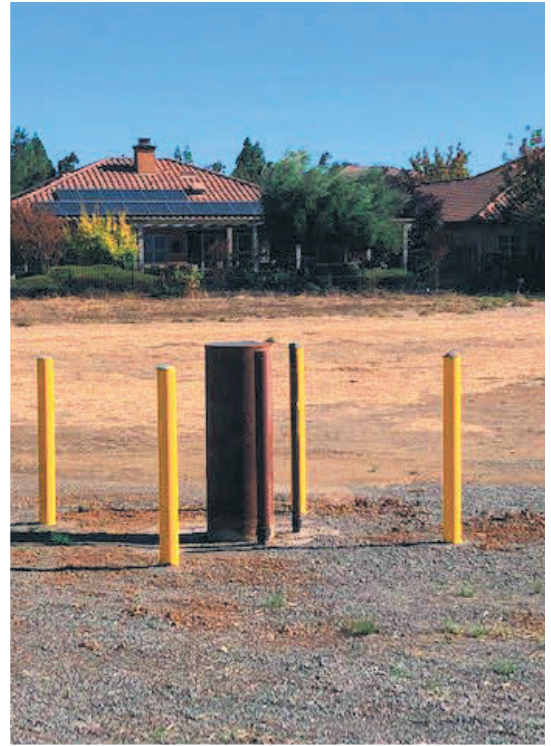


FINAL

FY23-24

Wild Wings CSA

Water Rate Study Report



FEBRUARY 2024

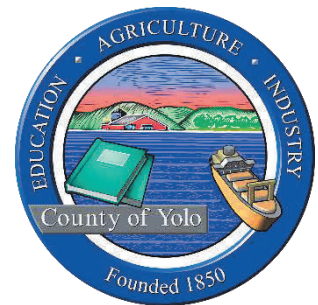
**Prepared by Luhdorff & Scalmanini Consulting Engineers
Woodland, CA**

FINAL REPORT | FEBRUARY 2024

FY 2023-2024 WATER RATE STUDY REPORT

PREPARED FOR

WILD WINGS CSA



PREPARED BY



**Luhdorff &
Scalmanini**
Consulting Engineers

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

Yolo County Board of Supervisors

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District 2 – Lucas Frerichs
District 3 – Mary Vixie Sandy
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TABLE OF CONTENTS

1. Introduction	1
1.1. Background	1
1.2. Summary of Findings	2
1.3. Proposed Rates	2
2. Rate Setting Legislation and Principles	4
2.1. Constitutional Rate Requirements	4
2.2. Article 13D, Section 6 (Proposition 218)	4
2.3. Use of Industry Standard Rate-Making Principles	5
3. Water Utility Overview	6
3.1. Water System Overview	6
3.2. Current Water Rates.....	7
3.3. Water Customers.....	7
3.4. Water Use and Tier Structure.....	7
4. Water Revenue Requirements.....	8
4.1. Updated Revenue Projection Assumptions.....	8
5. Cost Allocation	13
6. Proposed Water Rates	14
6.1. Fixed Meter and Tiered Rate Water Charges	14
6.2. Total FY24/25 Water, Wastewater and Golf Course Charges	15
6.3. Rate Administration Overview	16

LIST OF TABLES

Table 1-1. Proposed FY24-25 Wild Wings Water Rates	3
Table 4-1. WILD WINGS WATER SYSTEM - Updated Revenue Projections.....	10
Table 5-1. Wild Wings Water System - Cost Allocation Summary For Tiered Rate Option	13
Table 6-1. Proposed FY24-25 Wild Wings Water Rates	14
Table 6-2. Total FY24/25 Wild Wings Charge Increase	15

LIST OF FIGURES

Figure 3-1. Wild Wings Residential Water Consumption FY22-23 Annual Usage (gallons).....	8
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TABLE OF CONTENTS

EXHIBITS

- Exhibit A Wild Wings Water System Permit Information)
- Exhibit B Total Charge Information (Water, Wastewater, and Golf Course)
- Exhibit C Fee Diagram
- Exhibit D Fee Roll
- 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 (7.95%) compared to FY23/24 as the golf course fee will be reduced.

Table 1-1. Proposed FY24-25 Wild Wings Water Rates	
Water Meter Charge Calculation	Per Account
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
Tier 1 Quantity Rate Calculation	Per 100-gals.
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
Tier 2 Quantity Rate Calculation	Per 100-gals.
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

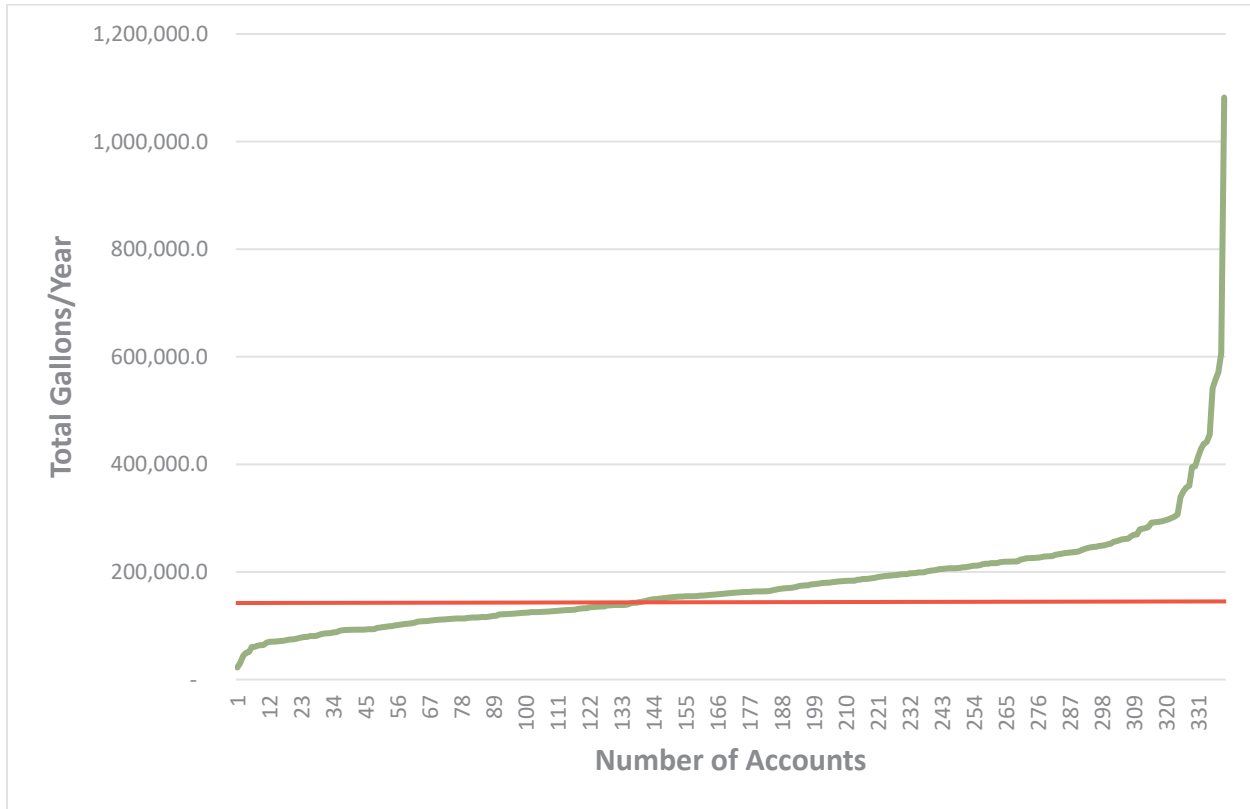
The current annual water charges stand at \$1,371.31 (\$114.27 per month) for the first 250,000 gallons of metered water consumption. Customers who use more than 250,000 gallons per year pay an additional \$0.30 per 100 gallons. Most customers do not incur the higher tier consumption charge as their 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%	2.50%
Cost Category-Water Operations & Maintenance (O&M) Costs	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Personnel/Staffing Costs					
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
Personnel/Staffing Costs - Subtotal	\$137,632	\$141,073	\$181,264	\$185,579	\$189,895
Legal Costs					
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
Legal Costs - Subtotal	\$15,000	\$15,375	\$15,750	\$16,125	\$16,500
Direct Costs					
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
Direct Costs - Subtotal	\$148,410	\$152,120	\$187,811	\$192,320	\$266,850
Professional Services					

Table 4-1. WILD WINGS WATER SYSTEM - Updated Revenue Projections

Five-year DRAFT Water System Operational Budget - With CIP Implementation/SDWA Compliance Costs

Planning/Design/Operations/Compliance (Outside Engineering)	\$35,000	\$35,875	\$36,750	\$37,625	\$38,500
Reserve and Contingency					
Water O&M Reserves (2 months of O&M costs, 15%)	\$95,563	\$97,952	\$120,960	\$123,851	\$147,749
Water O&M Costs Sub-total	\$431,605	\$442,395	\$542,534	\$555,501	\$659,494
Cost Category-Water CIP Project Summary	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<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
Cost Category-Water System Debt Service	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Water System Loan - No current financing	\$0	\$0	\$0	\$0	\$0
Water System Debt Service Sub-total	\$0	\$0	\$0	\$0	\$0
TOTAL WILD WINGS WATER BUDGET (O&M/Capital/Debt Service)	\$729,487	\$739,512	\$749,734	759,617	\$761,725

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.

Table 5-1. Wild Wings Water System - Cost Allocation Summary For Tiered Rate Option					
Water System Facilities Cost Allocation Item	FY24-25 Total Expenses	% Fixed Costs	\$ Fixed Costs		
Expenses Recovered By Base Rate:					
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		
Total	729,487		\$297,958		
Expenses Recovered By Quantity Charge:				Variable Cost Allocation:	
				% Peaking	\$ Peaking
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
Total	\$729,487		\$431,529		\$130,895

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.

Table 6-1. Proposed FY24-25 Wild Wings Water Rates	
Water Meter Charge Calculation	Per Account
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
Tier 1 Quantity Rate Calculation	Per 100-gals.
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
Tier 2 Quantity Rate Calculation	Per 100-gals.
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 7.95% increase in total charges.

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	\$1,964.32
Wastewater	\$3,268.42	\$3,571.07
Golf Course	\$1,838.00	\$1,457.00
Total Annual Charges	\$6,477.73	\$6,992.39
% Annual Increase		7.95%

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)



FY23/24 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-residential	\$1,371.31	\$1,964.32
Wastewater-residential	\$3,268.42	\$3,571.07
Golf Course	\$1,838.00	\$1,457.00
Total Annual Charges	\$6,477.73	\$6,992.39
% Annual Increase		7.95%

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.

FY23/24 Water Rate Study Report – Appendix B
Wild Wings CSA - Updated Golf Course Budget Information

FY24/25 Preliminary Golf Course Budget - Version 2		
Revenue Accounts	FY24/25	Comments
Investment Earnings-Pool	\$3,000	Investment earnings
Special Assessment	\$492,466	Measure O, \$1,457/home
Revenue Sub-total	\$495,466	
Expense Accounts	FY24/25	Comments
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
Expense Sub-total	\$495,465	

Golf Course – FY24/25 Water Utility Cost Allocation

FY24/25 Golf Course - Water Utility Costs					
Item	Description	Unit Cost	Units	Quantity	Annual Cost
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
Total Golf Course Costs					\$25,547.59

Golf Course – FY24/25 Wastewater Utility Cost Allocation

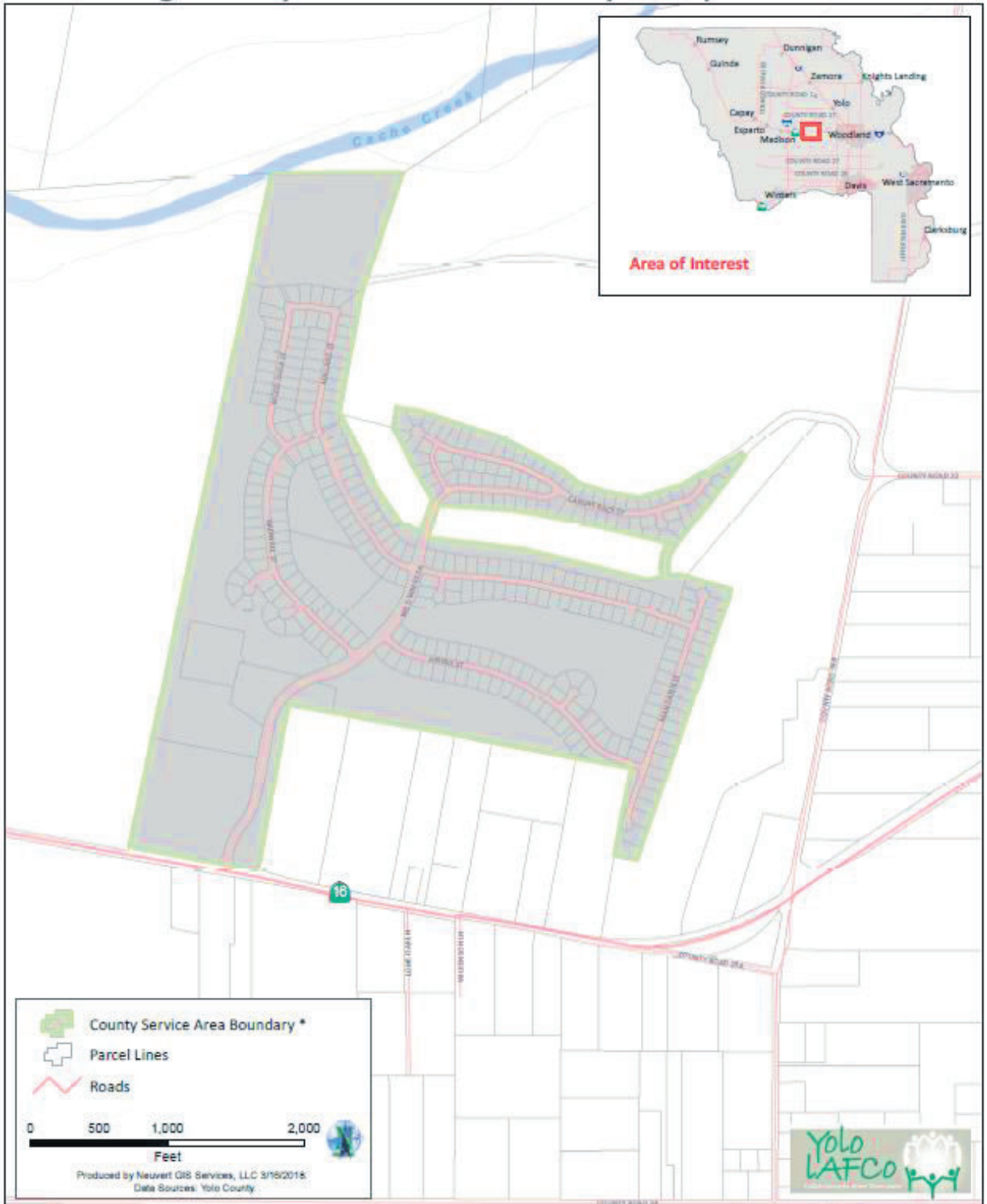
Table 5.1. Wild Wings CSA Wastewater Cost Allocation					
	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Total CSA Revenue Needs (\$)	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543
Residential Allocation (98.8% of Flow)	\$1,207,022	\$1,211,508	\$1,208,322	\$1,570,733	\$1,776,960
Golf Course Allocation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

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

Wild Wings Assessor's Parcel Numbers				
25440044000	25504004000	25521004000	25533009000	25545003000
25491001000	25504005000	25521005000	25533010000	25545004000
25491002000	25504006000	25521006000	25534001000	25545005000
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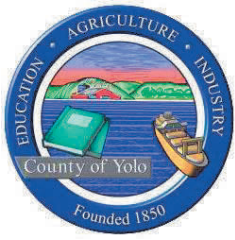
Wild Wings Assessor's Parcel Numbers - Continued

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25583009000	25601007000	25613005000		
25583010000	25601008000	25613006000		
25591001000	25601009000	25613007000		
25591002000	25601010000	25613008000		
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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 206
Woodland, CA 95695

July 23, 2024
9:00 a.m.

Proposition 218 Notification

NOTICE TO PROPERTY OWNERS

PROPOSED WATER AND WASTEWATER RATE CHANGES AND PUBLIC HEARING

Hearing Date & Time: Tuesday, July 23, 2024, 9:00 a.m.

Hearing Location: County Administration Building

625 Court Street, Room 206

Woodland, CA 95695

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. If approved, the increased water and wastewater rates will appear on the 2024-25 property tax bills.
- A public hearing will be held before the Yolo County Board of Supervisors on Tuesday, July 23, 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.

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. The County periodically reviews rates to ensure the financial health and stability of the CSA's utility systems and to avoid significant increases in rates that might otherwise be required if rates are not updated to reflect the costs of providing water and wastewater services. 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 below, 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 following page, that accounts for the increased costs of service not reflected in the 2018 rate 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 Reports described in this Notice.

Estimated Wild Wings CSA Costs for Service

CSA Utility Costs	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Water System					
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
Grand Total-Water	\$729,487	\$734,212	\$740,334	\$751,617	\$761,225
CSA Utility Costs	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Wastewater System					
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
Grand Total-Wastewater	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543

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 meet water system permit requirements and increase water supply reliability.
- 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 are expected to be completed over the next five years.

The water and wastewater services and the basis for the proposed rate changes are described in more detail in the 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. 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 Rate Reports demonstrate that increases in annual water and wastewater rates are necessary for the on-going operation and maintenance, 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. Information about these meetings is available at: <http://www.yolocounty.org/Wild-Wings-CSA>.

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

Proposed Water and Wastewater (Sewer) Rates and Charges

The current FY 2023/2024 residential charges and proposed water and wastewater residential rates and charges are provided on the following page. 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. 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 FY 2028/2029. The proposed rate increases are phased over five years to track the service cost projections described above and to minimize the annual impact on ratepayers.

Max. Annual Water Charges – Residential	Current	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Fixed Meter Charge	\$1,371.31	\$875.32	\$887.35	\$899.61	\$911.47	\$914.00
Tier 1 Water Charge (0-180,000 gallons annually)*		\$0.605 per 100 gallons	\$0.62 per 100 gallons	\$0.636 per 100 gallons	\$0.652 per 100 gallons	\$0.668 per 100 gallons
Tier 2 Water Charge (180,001 + gallons annually)**		\$1.25 per 100 gallons	\$1.28 per 100 gallons	\$1.31 per 100 gallons	\$1.34 per 100 gallons	\$1.37 per 100 gallons
Total Annual Water Charge:	Fixed Meter Charge + Tier 1 Water Charge + Tier 2 Water Charge (if applicable)					
Max. Annual Wastewater Charges – Residential	Current	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Annual Fixed Charge	\$3,170.44	\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28
Total Annual Wastewater Charge:		\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28

Water: The proposed annual water charge includes two components: (1) a fixed, annual meter charge, and (2) a variable consumption charge based upon the actual water each customer uses per 100 gallons (Tier 1 charge: 0 to 180,000 gallons per year; Tier 2 charge: water used over 180,000 gallons per year).

* The proposed maximum Tier 1 Water Charge in FY 24/25 is \$0.605 per 100-gallons up to 180,000 gallons per year. Beginning July 1, 2025, the Tier 1 rate may be increased annually based on the Consumer Price Index (CPI-U) for the San Francisco-Oakland-San Jose, CA area for the most recent February to February as compiled by the Bureau of Labor Statistics, up to 2.5% per year (“CPI Increase”).

** The proposed maximum Tier 2 Water Charge in FY 24/25 is \$1.25 per 100-gallons used annually over 180,000 gallons. Beginning July 1, 2025, the Tier 2 rate may be increased annually based upon the CPI Increase, up to 2.5% per year. Only those customers using more than 180,000 gallons per year would pay Tier 2 quantity charges. Most Wild Wings water customers are anticipated to use less than 180,000 gallons per year under this new rate structure and would not pay a Tier 2 charge. The annual water use for each customer will be based on regular meter readings between July 1 and June 30 each year. More information and sample annual water charges based on differing water usage are provided in the Water Rate Report (Exhibit F) and the County’s FAQ on the County’s website (see below for link).

Wastewater (Sewer): The maximum annual fixed wastewater rates listed above include additional increases in FY 27/28 and FY 28/29 to fund a second wastewater treatment train if such a capital project is required to meet State redundancy requirements.

Maximum Rates: The table above provides 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.

More Information: The Rate Reports provide additional information regarding the proposed residential rates, costs of service, and capital projects described in this Notice, as well as the commercial rate that will be charged to the Wild Wings Golf Course. The Rate Reports and a list of Frequently Asked Questions (FAQs) are available at www.YoloCounty.org/Wild-Wings-CSA, under the heading “2024 Water and Wastewater Rate Studies.” You may also contact the CSA Manager, Yana Pavlova, at YoloCSA@yolocounty.org or (530) 813-5178 with questions regarding the proposed rates.

How Do You Participate or Protest?

The Yolo County Board of Supervisors will conduct a public hearing to consider the proposed rate changes on **Tuesday, July 23, 2024, at 9:00 a.m.** in the Board of Supervisors Chambers, located in the County Administration Building at 625 Court Street, Room 206, Woodland, CA 95695. 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: (1) the property owner's name, (2) property address and/or property Assessor's Parcel Number (APN), and (3) the record property owner's 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 to be counted.

Protests will be tabulated following the close 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.**

Property owners may protest either the water or wastewater rate changes, or both the water and wastewater rate changes. If you are protesting just one of the rates, please specify on your protest which rate (water or wastewater) you are protesting. Protests that do not identify whether they are for water or wastewater will be counted as protests for both the water and wastewater rate changes.

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	\$1,480.32
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

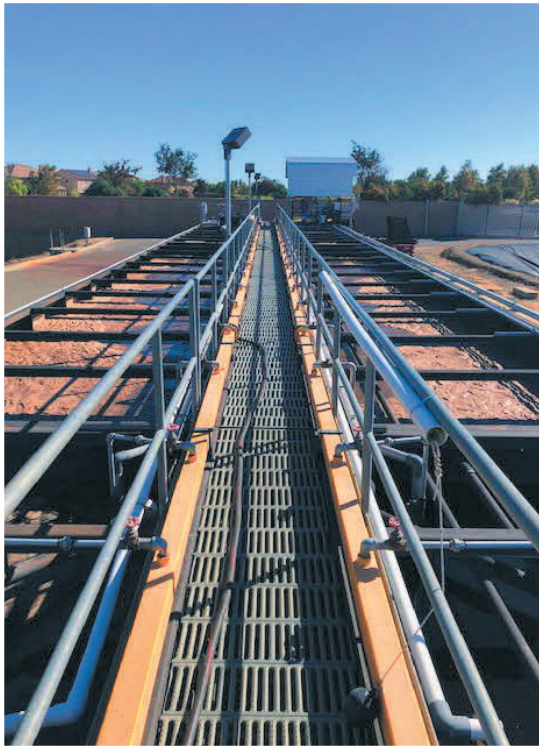
Projected average annual water use with two-tier rate structure = 180,000 gallons.

Reflects proposed FY24-25 Tier 1 (\$0.605/100-gal.) and Tier 2 (\$1.25/100-gal.) rate structure.

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

FINAL

FY23-24 Wild Wings CSA Wastewater Rate Study Report



FEBRUARY 2024

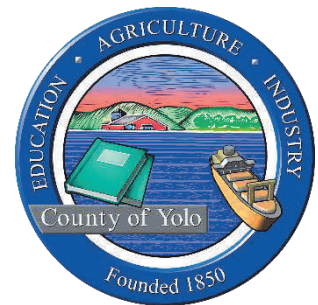
**Prepared by Luhdorff & Scalmanini Consulting Engineers
Woodland, CA**

FINAL REPORT | FEBRUARY 2024

**FY 2023-2024
WASTEWATER RATE STUDY REPORT**

PREPARED FOR

WILD WINGS CSA



PREPARED BY



**Luhdorff &
Scalmanini**
Consulting Engineers

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

Yolo County Board of Supervisors

District 1 – Oscar Villegas
District 2 – Lucas Frerichs
District 3 – Mary Vixie Sandy
District 4 – Jim Provenza
District 5 – Angel Barajas

Wild Wings Advisory Committee

Mark Ullrich
Scott Picanso
Joan Kingery
Georgia Cochran
Douglas Williams
Rick Fenaroli

Yolo County – Wild Wings CSA Administration

Kimberly Villa

Project Consultant

Luhdorff and Scalmanini Consulting Engineers

TABLE OF CONTENTS

1. Introduction	1
1.1. Background	1
1.2. Summary of Findings	2
1.3. Proposed Rates	3
2. Rate Setting Legislation and Principles	4
2.1. Constitutional Rate Requirements	4
2.2. Article 13D, Section 6 (Proposition 218)	4
2.3. Use of Industry Standard Rate-Making Principles	5
3. Wastewater Utility Overview	5
3.1. Wastewater System Overview	5
3.2. Current Wastewater Rates	6
3.3. Water Customers.....	7
3.4. Wastewater Flows and Charge Structure	7
4. Wastewater Revenue Requirements	8
4.1. Updated Revenue Projection Assumptions.....	8
5. Cost Allocation	11
5.1. Cost Allocation.....	11
6. Proposed Wastewater Rates.....	12
6.1. Proposed Wastewater Rate Charges.....	12
6.2. Total FY24/25 Water, Wastewater and Golf Course Charges	13
6.3. Rate Administration Overview	13

LIST OF TABLES

Table 1-1. Proposed Wild Wings Wastewater Rates	3
Table 1-2. Proposed Wild Wings Wastewater Rates - Affordability	3
Table 3-1. Wild Wings CSA Wastewater Treatment Plant Influent Flows (gallons).....	7
Table 4-1. Wild Wings CSA – Long-Term Funding Fee Project Updated Five-Year Revenue Projections – Wastewater O&M and CIP Budgets.....	9
Table 5-1. Wild Wings CSA Wastewater Cost Allocation	11
Table 6-1. Proposed Wild Wings Wastewater Rates	12
Table 6-2. Total FY24/25 Wild Wings Charge Increase	13

TABLE OF CONTENTS

EXHIBITS

- Exhibit A Memorandum (Wild Wings Water System Information)
- Exhibit B Total Charge Information (Water, Wastewater, and Golf Course)
- Exhibit C Fee Diagram
- Exhibit D Fee Roll
- Exhibit E 2024 Proposition 218 Notice

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
NPDES	National Pollutant Discharge Elimination System
O&M	Operations and Maintenance
RWQCB	Regional Water Quality Control Board
SDWA	Safe Drinking Water Act
SWRCB	State Water Resources Control Board
Wild Wings CSA, CSA	Wild Wings County Service Area

1. INTRODUCTION

1.1. Background

The Wild Wings County Service Area (Wild Wings CSA, 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 is expected to manage 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 Recreation/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 wastewater utility enterprise. The last wastewater rate study was completed in 2018, and the County last increased the wastewater 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 wastewater utility system.
- Developing updated wastewater system operating and capital revenue requirements (2024-2029).
- Recommending updated wastewater rates that meet the updated wastewater revenue requirements.
- Phasing in wastewater rate adjustments, if possible, to minimize the annual impact on ratepayers.
- Calculating wastewater 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 2024-2029 period as low as possible with annual increases that do not exceed inflation adjustments if possible.

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

1.2. Summary of Findings

Financial Overview - Overall, the Wild Wings CSA wastewater 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 Wastewater Rate Study was prepared. Labor costs have increased by about 25% since 2018, and chlorine prices have increased by 100%. To keep the Wild Wings CSA wastewater enterprise in good financial condition, wastewater rates must be increased in 2024 to cover the increased costs associated with inflationary pressures since 2018. Wastewater enterprise reserves are adequate and will continue to be added to cover the future costs of water system repair and replacement costs. Once wastewater rates are increased in 2024, annual inflation adjustments are expected in years 2 through 5 through FY28/29. The proposed wastewater rates allow for funding the second treatment train if required by regulators during the five-year rate period. The combination of increasing wastewater 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 \$2.0 million.

Capital Needs - The 5-year wastewater capital improvement program from FY24/25 through FY28/29 includes about \$1,679,138 in potential wastewater system improvements consistent with the County's 2021 Water Reserve Report recommendations. An additional \$135,000 per year could be required if State regulators require the CSA to install the 2nd Treatment Train over the next five years. All the proposed capital project costs are projected to be funded through Wild Wing CSA customer wastewater rate charges.

Debt - The CSA wastewater utility enterprise has no outstanding loans or bond issues. The \$450,000 loan acquired by the wastewater fund from the CSA water fund was paid in full in 2023.

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 unless regulators require the installation of the 2nd treatment train to meet State treatment plan redundancy requirements. The County will continue to look for grant and low-interest loan opportunities as needed to keep future wastewater rates as low as possible.

Wastewater Rate Adjustments – Wastewater 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 wastewater utility operations substantially since 2018. Once the initial wastewater 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 improvement program costs. 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 wastewater revenue projections process and captures the cost increases that need to be included in the wastewater rates proposed for the FY24-25 through FY28-29 period.

1.3. Proposed Rates

Table 1-1 provides the proposed wastewater rate schedule for FY24/25 through FY28/29. Wastewater rates are proposed to increase in accordance with the County’s 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 wastewater service through the CSA produces, on average, about 60,000 gallons per year. This is equivalent to about 50 billing units per month (1 billing unit = 100 gallons) and pays an average monthly wastewater bill of \$264.20. Following the proposed July 1, 2024, wastewater rate increase, the typical residential bill will increase by \$32.49/month to \$297.59 per month. Keep in mind that total charges for water, wastewater, and golf course operations will only increase slightly (7.95%) compared to FY23-24.

Table 1-1. Proposed Wild Wings Wastewater Rates					
Wild Wings Charge Type	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
	Annual Charges	Annual Charges	Annual Charges	Annual Charges	Annual Charges
Wastewater-Residential	\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28
Assumes 2.5% annual inflation adjustments in years FY25/26 through FY28/29.					
Assumes golf course covers 1.2% of total wastewater revenue needs.					
Assumes 2nd Treatment Project is implemented in years FY27/28 and FY28/29 (if required by State).					

For this rate study, a wastewater rate comparison survey was not conducted. However, the proposed Wild Wings wastewater rates were compared to the State’s wastewater affordability criteria (4% of Median Household Income) as depicted in **Table 1-2** below.

Table 1-2. Proposed Wild Wings Wastewater Rates - Affordability					
Wild Wings Charge Type	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
	Monthly Charges	Monthly Charges	Monthly Charges	Monthly Charges	Monthly Charges
Wastewater-Residential	\$297.59	\$298.70	\$297.91	\$387.26	\$438.11
Wastewater Affordability-4% MHI	\$500.00	\$512.50	\$525.00	\$537.50	\$550.00
Assumes 4% Median Household Income (MHI) SWRCB wastewater affordability criteria.					
Assumes 2.5% annual inflation adjustments in years FY25/26 through FY28/29.					

The proposed wastewater charges are below the State’s wastewater affordability criteria, however, are higher than larger utility rates that have more customers over which to spread system costs.

2. RATE SETTING LEGISLATION AND PRINCIPLES

2.1. Constitutional Rate Requirements

The wastewater rates developed in this Wastewater Rate Study are designed to comply with Article 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 wastewater service, and b) allocate costs in proportion to the cost for serving each customer class.

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

Proposition 218 was adopted by California voters in 1996 and 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 from this voting requirement rates for water, sewer, and garbage service.

The County must follow the procedural requirements of Proposition 218 for all wastewater 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 amount of the fee, 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 submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established a number of substantive requirements that apply to wastewater 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 wastewater 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 Wastewater Rate Study use 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 wastewater rates and finances, LSCE used 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 that serve as indicators to produce a minimal amount of wastewater.

3. WASTEWATER UTILITY OVERVIEW

3.1. Wastewater System Overview

The sewage treatment and disposal systems are designed and permitted to meet the wastewater service needs of the Wild Wings community. The treatment facility is currently permitted by the State's Regional

Water Quality Control Board, WDR Order No. R5-2002-0077 to operate at a maximum flow of 101,000 gallons per day (gpd). The sewage disposal system is an extended aeration facility that produces Title 22 tertiary effluent which is used to supplement irrigation water supplies for the Wild Wings Golf Course.

The estimated costs for maintenance, operation and repair/replacement include site maintenance, control/restroom/storage buildings, pumping/piping, lift stations, head works, aeration facilities, flocculation facility, clarifiers, tertiary filtration, disinfection, sludge dewatering/disposal, emergency power, recycled water storage pond, emergency bypass storage pond, stormwater retention pond, service and supplies, labor, supervision, and onsite contract operators. Costs are included for the design and construction of a 2nd Treatment Train to meet State redundancy requirements if required by the State during the five-year rate period.

An existing corporation yard houses all equipment and materials required for the maintenance of the Homeowners Association and CSA facilities. All costs to operate, maintain, repair, and replace the corporation yard are included in the sewage disposal system costs and are consistent with the 2021 Wastewater Reserves Report. The updated revenue projections included in this report reflect the estimated costs for maintenance and operation for the existing facilities as well as for those additional maintenance and operations requirements that have been determined necessary for system reliability and future facility operations to sustain regulatory compliance.

The updated cost of service estimates reflects the existing equipment schedule for the Sewage Disposal (Treatment) System/Corporation Yard, the estimated service life, replacement value, and the annual capital reserve requirements necessary for replacement. The updated operational and capital project budgets reflect those additional facilities, services, and studies that have been determined necessary for system reliability and facilities operations and to sustain regulatory compliance.

The sewage collection system consists of gravity sewer pipelines, a force main, manholes, lift stations, and other related sewage collection facilities. The original estimated costs for maintenance, operation, and capital replacement were developed by Nolte and Associates (2004) with input from the County and Harris & Associates. These costs were subsequently updated by Lee & Ro with input from Yolo County (March 2018). And most recently updated in the County's 2021 Wastewater Reserve Report. Costs for the lift stations are reflected in the updated revenue requirements, as their maintenance and capital reserve requirements are similar in nature to the treatment facility protocol reflected therein.

Updated revenue projections reflect the estimated costs for maintenance and operations for the existing collection system facilities, including additional services that are necessary for facility operations, reliability, and to sustain regulatory compliance, reflecting the estimated service life, replacement value, and annual capital reserve requirements for rehab and replacement.

3.2. Current Wastewater Rates

Current annual wastewater charges are \$3,170.44 (\$264.20 per month) and \$3,268.42 (\$272.37 per month) and are fixed charges not based on metered water consumption. The current rates reflect that a loan against the wastewater fund was repaid at the end of FY22-23 and is not reflected in FY23-24 wastewater rates. Customers will typically discharge water into the wastewater system through indoor

domestic water uses. Wastewater rates are billed based on fixed charges per account and do not reflect domestic indoor water used. Some wastewater utilities charge a fixed fee amount or have a combination of fixed plus consumption-based rates. The Wild Wings CSA treatment plant is currently rated to operate at a maximum flow of 101,000 gallons per day.

3.3. Water Customers

The Wild Wings CSA currently provides water service to approximately 339 connections. Of the total 339 water services, 338 are residential, and one (1) is commercial (Watts Airport). The residential services are metered with 1-inch meter sizes. And the commercial service is metered with a 2-inch meter size. The Wild Wings CSA is built out, and no additional services are expected to be added to the Wild Wings CSA service area in the future. The residential, commercial customers, pool, and golf course clubhouse are part of the Wild Wings CSA wastewater service connections, with a majority of total domestic water used for residential purposes.

3.4. Wastewater Flows and Charge Structure

Wastewater rates are charged to maintain adequate wastewater treatment plant operational capacity to meet the wastewater service needs of the Wild Wings CSA community. Recent wastewater inflow data is presented below for informational purposes.

Table 3-1. Wild Wings CSA Wastewater Treatment Plant Influent Flows (gallons)						
Month	2018	2019	2020	2021	2022	2023
Jan	1,613,300	1,930,500	1,629,000	2,012,200	1,740,200	2,209,000
Feb	1,703,800	1,805,500	1,386,400	1,776,800	1,553,100	1,599,300
March	1,786,800	2,003,200	1,774,900	1,948,900	2,156,200	1,774,600
April	1,708,500	1,617,400	1,815,100	1,862,800	1,576,200	1,657,500
May	1,627,200	1,780,100	1,936,200	1,912,900	1,647,400	1,632,300
June	1,585,700	1,626,500	1,701,300	1,900,600	1,579,600	1,659,000
July	1,691,660	1,336,000	1,843,100	2,403,400	1,579,600	1,624,600
Aug	1,615,958	1,573,200	1,771,300	1,667,800	1,651,300	1,625,800
Sep	1,529,340	1,621,800	1,650,400	\$1,597,500.00	\$1,537,500.00	\$1,611,500.00
Oct	1,589,100	1,626,500	1,884,300	\$1,762,600.00	\$1,614,300.00	
Nov	1,630,400	1,669,700	1,892,700	1,671,300	1,634,000	
Dec	1,558,300	1,943,600	1,986,100	1,838,000	2,337,600	
Total	19,640,058	20,534,000	21,270,800	22,354,800	20,607,000	15,393,600

4. WASTEWATER 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 wastewater fund targets identified in the County's 2021 Wastewater 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 wastewater industry to ensure that updated revenue projections reflected the current and projected costs of service and the cash flows only included 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 debt financing beginning in FY 26/27 for the Second Train design and construction. 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 wastewater 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 wastewater 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 wastewater system infrastructure, materials and supplies, and supply chain cost impacts. The updated revenue projections reflect the additional costs of service that wastewater utilities must account for in future rate adjustments. The annual 2.5% inflation adjustment for rates in years 2 through 5 is consistent with the inflation rates used in the 2021 Wastewater Reserves Report with the hope that inflation regresses towards the 2% federal target during the upcoming five-year planning period.

**Table 4-1. Wild Wings CSA – Long-Term Funding Fee Project
Updated Five-Year Revenue Projections – Wastewater O&M and CIP Budgets**

5-Year Implementation Inflation Adj.	0%	2.5%	2.5%	2.5%	2.5%
Proposed	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Category – Wastewater O&M Costs	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Personnel/Staffing Costs					
Admin./Mgmt. - County	\$26,000	\$26,650	\$27,316	\$27,999	\$28,699
Operations-SUSP	\$221,240	\$226,771	\$232,440	\$238,251	\$244,208
Personnel/Staffing Costs – Subtotal	\$247,240	\$253,421	\$259,757	\$266,250	\$272,907
Legal Costs					
Legal Services - County Counsel costs	\$26,000	\$26,650	\$27,316	\$27,999	\$28,699
Legal Services - Outside Counsel costs	\$0	\$0	\$0	\$0	\$0
Premia Liability Insurance (Due to HOA Lawsuit, anticipated for next 5-yrs)	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000
Legal Costs - Subtotal	\$166,000	\$166,650	\$67,316	\$167,999	\$168,699
Direct Costs					
State RWQCB Annual Permit Cost (Annual Fee)	\$24,687	\$25,304	\$25,937	\$26,585	\$27,250
Energy Costs (PG&E + 15% Projected Rate Increase & Ramos Oil)	\$67,850	\$69,546	\$71,285	\$73,067	\$74,894
Chemical Costs (Chorine, Permanganate, Odor Blocks, and others)	\$30,049	\$30,800	\$31,570	\$32,359	\$33,168
Wastewater Quality Sampling/Analysis (Laboratory Fees, Sampling Equip.)	\$75,780	\$77,675	\$79,616	\$81,607	\$83,647
WWTP Facilities Maint. (Aeration, Pumps, Blowers, Sludge Hauling, Generators, etc.)	\$83,829	\$85,925	\$88,073	\$90,275	\$92,532
Technology: (SCADA/programming /cell phones/computers/software costs)	\$45,381	\$46,516	\$47,678	\$48,870	\$50,092
Golf Course Recycled Water Disposal Costs (Pumps, Filters, Piping, Valving, Repairs)	\$77,523	\$79,461	\$81,448	\$83,484	\$85,571
Second Train O & M Costs (Starts after Completion of Construction)	\$0	\$0	\$0	\$130,669	\$133,936
Direct Costs - Subtotal	\$405,099	\$415,226	\$425,607	\$566,916	\$581,089
Professional Services					
Planning/Design/Operations/Compliance (Outside Engineering)	\$35,000	\$35,875	\$36,772	\$37,691	\$38,633

**Table 4-1. Wild Wings CSA – Long-Term Funding Fee Project
Updated Five-Year Revenue Projections – Wastewater O&M and CIP Budgets**

Reserves and Contingency					
Wastewater O&M Reserves (2 Mos. Cash flow/15%)	\$0	\$0	\$0	\$162,744	\$166,812
Wastewater O&M Costs - Subtotal	\$853,339	\$871,172	\$889,452	\$1,201,601	\$1,228,141
5-Year Implementation Inflation Adjustment	0%	2.5%	2.5%	2.5%	2.5%
Proposed	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Category – Wastewater CIP Costs	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Wastewater CIP Project Summary					
Paving (Asphalt Crack Repair)	\$6,600				
Structural Repairs (Roof Repairs)	\$11,000				
Lined Ponds (HDPE Liner Repairs)			\$25,512		
Fencing (WWTP Gate Replacement)	\$16,500				
Mechanical Equipment (WWTP HVAC Replace.)				\$5,632	
WWTP (Replace Pumps, Blowers, Catwalks, Telemetry)	\$232,243	\$268,023	\$97,750	\$130,512	\$90,774
WWTP (Paint Tanks after Second Train Built)					\$225,000
Distribution System Infrastructure (Valves, Lift Stations, Piping, etc.)		\$34,000	\$28,000		
Misc. (Safety Equip. Tank Leak Repair, SCADA for Odor Control)	\$77,000	\$28,028			
Wastewater CIP Funding (Obtain Grants and Loans for Second Train)	\$25,000	\$25,000	\$15,000	\$15,000	\$15,000
Wastewater Reserves (Based on Reserve Study)	\$0	\$0	\$100,000	\$102,500	\$105,063
Wastewater CIP Subtotal	\$368,343	\$355,051	\$266,263	\$253,644	\$435,837
Cost Category – Wastewater System Debt Service					
Second Train Loan (\$2.849 M, 30 yrs., 2.1% int.)	\$0	\$0	\$67,283	\$134,566	\$134,566
Debt Service Subtotal	\$0	\$0	\$67,283	\$134,566	\$134,566
Total CSA Wastewater System Budget	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543

The 2nd Train Treatment Project reflected in FY26/27 through FY28/29 would be implemented if required by the State to comply with the Wild Wings CSA wastewater NPDES permit.

5. COST ALLOCATION

5.1. Cost Allocation

Table 5-1 shows an allocation of wastewater system costs to the various wastewater rate components, including operational costs, capital project costs, and debt service costs. LSCE recommends recovering 98.8% of total wastewater system costs from the fixed wastewater charge and 1.2% from golf course charges based on wastewater inflow volumes.

For the 2023 rate update process, LSCE has developed updated revenue projections that better reflect the costs of providing wastewater service to CSA customers over the next five-year period. LSCE recommends that the allocation method for the wastewater facilities be changed to reflect an allocation based on the percentage of wastewater flows customers contribute to the wastewater treatment facility rather than the method used in the 2018 Fee Report, which was based on equivalent water meter connections. Monthly wastewater flows from 2018 to the present (September 2023) are included in Section 3 and Exhibit A of this report. For the new allocation, each household is equivalent to one home, and the golf course is equivalent to four (4) homes. That equates to the homes contributing 98.8% of the wastewater inflows and the golf course contributing 1.2% of the wastewater inflows to the wastewater treatment plant. The proposed updated cost allocation is shown in **Table 5-1**.

Table 5-1. Wild Wings CSA Wastewater Cost Allocation					
	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
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
Annualized Total Assessment	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543

Basing wastewater cost allocation on inflows to the treatment plant is a more direct representation of how costs should be allocated based on the actual cost of operating and maintaining the treatment plant to process inflows from the collection system. The cost allocation was based on evaluating wastewater inflows and estimating the inflows that are received from the golf course vs. from the 339 domestic users that generate wastewater inflows at the treatment plant. It was determined that an approximate average wastewater inflow of 670 gallons per day is received at the treatment plant from the golf course, which represents 1.2% of the total wastewater inflows received at the treatment plant on an annual basis. The updated cost allocation approach more accurately identifies the costs of wastewater service the golf course should be responsible for covering in their annual golf course budget. The previous cost allocation method used in the 2018 Fee Study allocated more costs based on using equivalent water meter units to establish the golf course cost allocations vs. actual wastewater flows, which more accurately reflects the cost of service to the golf course.

6. PROPOSED WASTEWATER RATES

6.1. Proposed Wastewater Rate Charges

Table 6-1 shows the updated Wild Wings CSA wastewater service charges for FY24/25 through FY28/29 based on the updated revenue projections and cost allocation of wastewater system costs to the various wastewater rate components, including operational charges, capital project costs, and debt service costs allocated to CSA residential vs. golf course accounts. In years 2 through 5, the wastewater rates would be increased by inflation for the given year, with costs included for the 2nd Treatment Train if required by the State during the rate period.

Table 6-1. Proposed Wild Wings Wastewater Rates					
Wild Wings Charge Type	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
	Annual Charges	Annual Charges	Annual Charges	Annual Charges	Annual Charges
Wastewater-Residential	\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28
Assumes 2.5% annual inflation adjustments in years FY25/26 through FY28/29.					
Assumes golf course covers 1.2% of total wastewater revenue needs.					
Assumes 2nd Treatment Project is implemented in years FY27/28 and FY28/29 (if required by State).					

In the 2018 Fee Study, there was a combination of factors used to generate a recommended cost allocation approach. Acreage was used to allocate costs based on residential vs. golf course. Equivalent meter units were used to allocate costs for wastewater disposal costs. Neither of these methodologies are particularly accurate for derivation of the total wastewater system revenue requirements that should be allocated to residential vs. golf course budgets. Equivalent water meter units represent a gross estimation of maximum water use capacity and may not accurately represent actual wastewater inflows received at the treatment plant. Acreage estimates are also very general in allocating costs, with the exact relationship between acreage and wastewater inflows unknown. These conclusions led LSCE to recommend that the updated method of using estimated wastewater inflow values to allocate wastewater system costs to residential vs. golf course budgets would result in a more equitable cost allocation approach.

The total annual wastewater inflows have averaged 20,881,332 gallons over the 2018 through 2022 calendar year period. Wild Wings CSA wastewater inflows have been very consistent during this period, ranging between 19,640,058 and 22,354,800 gallons per year. The average per capita wastewater inflows have averaged about 57 gallons per day, which is very close to the current indoor per capita water use standard of 55 gallons per day. The estimated wastewater inflows at the golf clubhouse suggest that an approximate average of 50-60 persons per day visit the golf course and use the facilities for indoor water use purposes. Based on average golf course activity prior to the recent downturn, this seems like a reasonable basis for the recommended cost allocation approach. In the future, the assumptions for this cost allocation approach can be updated based on the availability of new data or information that more accurately predicts the allocation of wastewater inflows between residential and golf course purposes.

Table 6-1 shows the recommended wastewater rates over the FY24/25 through FY28/29 rate period based on updated wastewater system revenue projections and inflation adjustments for years FY25/26 through FY28/29. The projected wastewater revenues to be collected through the proposed rates would meet the total wastewater revenue needs over the five-year rate period and cover the increased costs of providing service since the 2018 Fee Study. This would also enable the Wild Wings CSA to complete necessary infrastructure repairs, rehabilitation work, and replacements to provide safe, reliable service while meeting regulatory requirements.

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 vs. 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 7.95% increase in total charges.

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	\$1,964.32
Wastewater	\$3,268.42	\$3,571.07
Golf Course	\$1,838.00	\$1,457.00
Total Annual Charges	\$6,477.73	\$6,992.39
% Annual Increase		7.95%

Golf course charges can be reduced with adjusted utility rate cost allocations that better represent the costs of service and costs of operations under the new management starting in FY24/25. In years 2 through five (5), the Golf Course charges would be increased by inflation for the given year. Exhibit B contains preliminary updated golf course budget information.

6.3. Rate Administration Overview

General Administrative Requirements

The property-related fee levies are calculated for all parcels on the new fiscal year’s Assessor Roll. This roll includes all parcels that are in existence prior to January 1 of the previous fiscal year. After the fee levies have been calculated, the levy data must be filed with the County Auditor prior to August 10 for inclusion on property tax bills.

After submission of the fee levies, the final levies will be confirmed with the County Auditor prior to the preparation of the tax bills, which typically occurs in October. The fees are collected in two equal installments on the tax bills that are due by December 10 and April 10. Alternatively, the fees could be collected by direct bills to the 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, when collected, keeps all delinquent payments with interest and penalties. This plan allows the CSA to maintain reliable fee revenues and reduces the cost of collection.

FEE Diagram

The existing Boundary Map/Fee Diagram for the Wild Wings County Service Area (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. A copy of the Boundary Map/Fee Diagram is attached to this report as Exhibit “C.” There has been one change as reflected on the Boundary Map since the original approval in 2004. No additional service connections are anticipated at this time.

2024/2025 FEE ROLL

The fee roll listing the fiscal year 2024/2025 fees for all Assessor’s parcels of land within the boundaries of the Wild Wings CSA are incorporated into this report and attached to this report as Exhibit “D.” The fees attributed to each parcel are computed in accordance with the approved fee methodology as confirmed by vote or agreement of the property owners that are 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 charges.

EXHIBIT A

Wild Wings CSA FY23/24 Wastewater Rate Study Report -- Wild Wings Wastewater Permit System Information



EXHIBIT B

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



FY23/24 Wastewater Rate Study Report – Appendix B
Wild Wings CSA – Total Charges Information Summary

Wild Wings Charge Type	FY23/24	FY24/25
	Annual Charges	Annual Charges
Water-residential	\$1,371.31	\$1,964.32
Wastewater-residential	\$3,268.42	\$3,571.07
Golf Course	\$1,838.00	\$1,457.00
Total Annual Charges	\$6,477.73	\$6,992.39
% Annual Increase		7.95%

Water Rates: based on updated water revenue requirements (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.

FY23/24 Wastewater Rate Study Report – Appendix B
Wild Wings CSA – Updated Golf Course Budget Information

FY24/25 Preliminary Golf Course Budget - Version 2		
Revenue Accounts	FY24/25	Comments
Investment Earnings-Pool	\$3,000	Investment earnings
Special Assessment	\$492,466	Measure O, \$1,457/home
Revenue Sub-total	\$495,466	
Expense Accounts	FY24/25	Comments
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
Expense Sub-total	\$495,465	

Golf Course – FY24/25 Water Utility Cost Allocation

FY24/25 Golf Course - Water Utility Costs					
Item	Description	Unit Cost	Units	Quantity	Annual Cost
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	\$9,548.00
Total Operating Costs					\$18,047.59
Total Golf Course Costs					\$25,547.59

Golf Course – FY24/25 Wastewater Utility Cost Allocation

Table 5.1. Wild Wings CSA Wastewater Cost Allocation					
	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
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
Annualized Total Assessment	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543

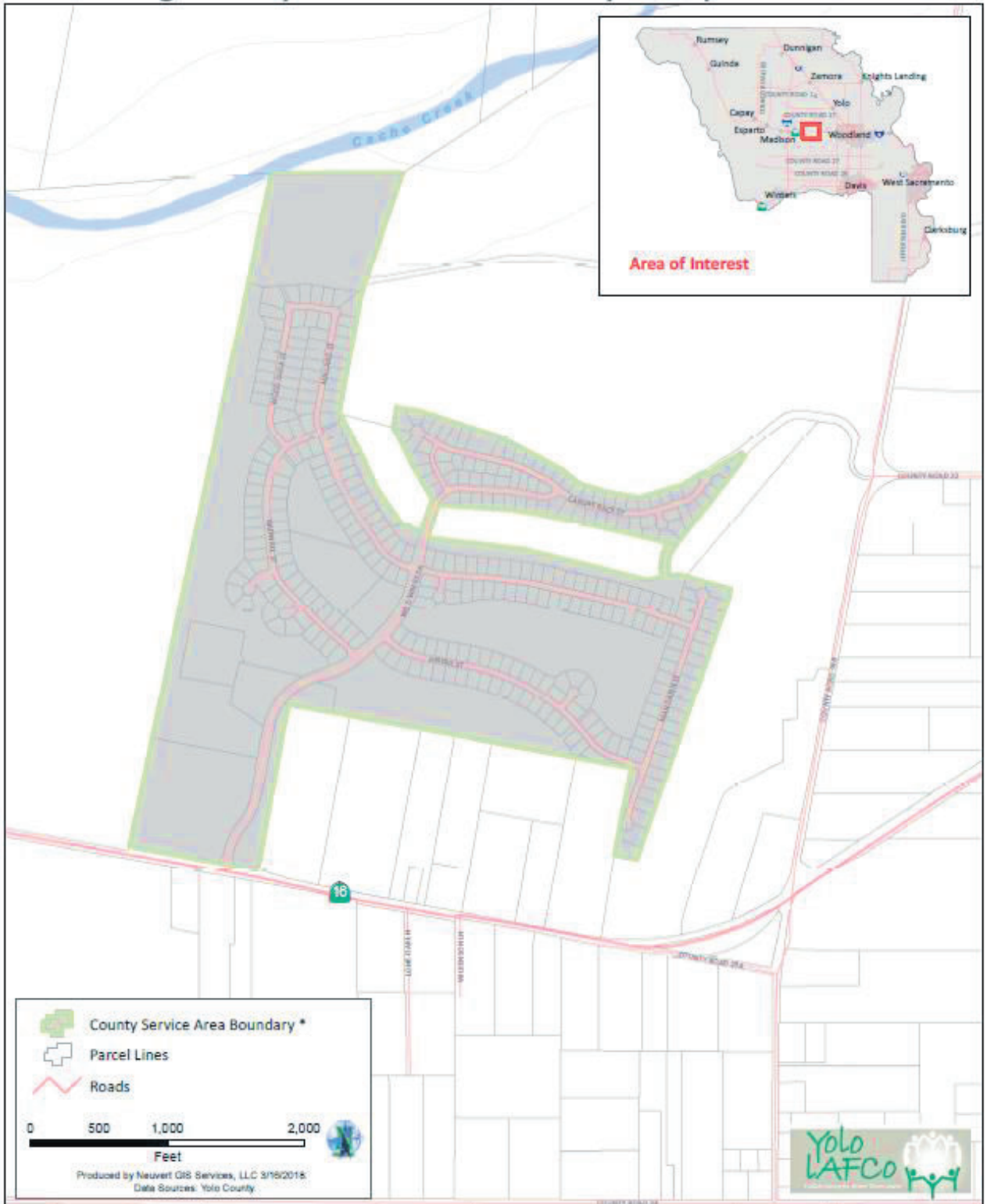
Wastewater golf course allocation costs will be paid for through the FY24/25 Preliminary Golf Course Budget utilities line item (see golf course budget table above).

EXHIBIT C

Wild Wings CSA FY23/24 Wastewater 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 Wastewater Rate Study Report -- Fee Roll



Exhibit D – Assessment Roll

Wild Wings Assessor's Parcel Numbers				
25440044000	25504004000	25521004000	25533009000	25545003000
25491001000	25504005000	25521005000	25533010000	25545004000
25491002000	25504006000	25521006000	25534001000	25545005000
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25494003000	25505013000	25521020000	25536002000	25551010000
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25504002000	25521003000	25533008000	25545002000	25563004000

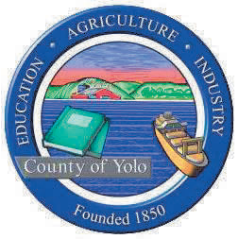
Wild Wings Assessor's Parcel Numbers - Continued

25571001000	25591005000	25601013000	25614002000	
25571002000	25591006000	25601014000	25614003000	
25571003000	25591007000	25603001000	25614004000	
25573001000	25593001000	25603002000	25614005000	
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25581005000	25594003000	25611002000	25622007000	
25581006000	25594004000	25611003000	25622008000	
25581007000	25594005000	25611004000		
25581008000	25594006000	25611005000		
25581009000	25595001000	25611006000		
25581010000	25595002000	25611007000		
25581011000	25595003000	25611008000		
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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 Wastewater Rate Study Report - 2024 Proposition 218 Notice





Yolo County Board of Supervisors
625 Court Street, Room 206
Woodland, CA 95695

July 23, 2024
9:00 a.m.

Proposition 218 Notification

NOTICE TO PROPERTY OWNERS

PROPOSED WATER AND WASTEWATER RATE CHANGES AND PUBLIC HEARING

Hearing Date & Time: Tuesday, July 23, 2024, 9:00 a.m.

Hearing Location: County Administration Building

625 Court Street, Room 206

Woodland, CA 95695

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. If approved, the increased water and wastewater rates will appear on the 2024-25 property tax bills.
- A public hearing will be held before the Yolo County Board of Supervisors on Tuesday, July 23, 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.

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. The County periodically reviews rates to ensure the financial health and stability of the CSA's utility systems and to avoid significant increases in rates that might otherwise be required if rates are not updated to reflect the costs of providing water and wastewater services. 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 below, 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 following page, that accounts for the increased costs of service not reflected in the 2018 rate 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 Reports described in this Notice.

Estimated Wild Wings CSA Costs for Service

CSA Utility Costs	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Water System					
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
Grand Total-Water	\$729,487	\$734,212	\$740,334	\$751,617	\$761,225
CSA Utility Costs	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Wastewater System					
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
Grand Total-Wastewater	\$1,221,682	\$1,226,223	\$1,222,997	\$1,589,811	\$1,798,543

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 meet water system permit requirements and increase water supply reliability.
- 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 are expected to be completed over the next five years.

The water and wastewater services and the basis for the proposed rate changes are described in more detail in the 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. 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 Rate Reports demonstrate that increases in annual water and wastewater rates are necessary for the on-going operation and maintenance, 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. Information about these meetings is available at: <http://www.yolocounty.org/Wild-Wings-CSA>.

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

Proposed Water and Wastewater (Sewer) Rates and Charges

The current FY 2023/2024 residential charges and proposed water and wastewater residential rates and charges are provided on the following page. 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. 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 FY 2028/2029. The proposed rate increases are phased over five years to track the service cost projections described above and to minimize the annual impact on ratepayers.

Max. Annual Water Charges – Residential	Current	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Fixed Meter Charge	\$1,371.31	\$875.32	\$887.35	\$899.61	\$911.47	\$914.00
Tier 1 Water Charge (0-180,000 gallons annually)*		\$0.605 per 100 gallons	\$0.62 per 100 gallons	\$0.636 per 100 gallons	\$0.652 per 100 gallons	\$0.668 per 100 gallons
Tier 2 Water Charge (180,001 + gallons annually)**		\$1.25 per 100 gallons	\$1.28 per 100 gallons	\$1.31 per 100 gallons	\$1.34 per 100 gallons	\$1.37 per 100 gallons
Total Annual Water Charge:	Fixed Meter Charge + Tier 1 Water Charge + Tier 2 Water Charge (if applicable)					
Max. Annual Wastewater Charges – Residential	Current	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Annual Fixed Charge	\$3,170.44	\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28
Total Annual Wastewater Charge:		\$3,571.07	\$3,584.34	\$3,574.92	\$4,647.14	\$5,257.28

Water: The proposed annual water charge includes two components: (1) a fixed, annual meter charge, and (2) a variable consumption charge based upon the actual water each customer uses per 100 gallons (Tier 1 charge: 0 to 180,000 gallons per year; Tier 2 charge: water used over 180,000 gallons per year).

* The proposed maximum Tier 1 Water Charge in FY 24/25 is \$0.605 per 100-gallons up to 180,000 gallons per year. Beginning July 1, 2025, the Tier 1 rate may be increased annually based on the Consumer Price Index (CPI-U) for the San Francisco-Oakland-San Jose, CA area for the most recent February to February as compiled by the Bureau of Labor Statistics, up to 2.5% per year (“CPI Increase”).

** The proposed maximum Tier 2 Water Charge in FY 24/25 is \$1.25 per 100-gallons used annually over 180,000 gallons. Beginning July 1, 2025, the Tier 2 rate may be increased annually based upon the CPI Increase, up to 2.5% per year. Only those customers using more than 180,000 gallons per year would pay Tier 2 quantity charges. Most Wild Wings water customers are anticipated to use less than 180,000 gallons per year under this new rate structure and would not pay a Tier 2 charge. The annual water use for each customer will be based on regular meter readings between July 1 and June 30 each year. More information and sample annual water charges based on differing water usage are provided in the Water Rate Report (Exhibit F) and the County’s FAQ on the County’s website (see below for link).

Wastewater (Sewer): The maximum annual fixed wastewater rates listed above include additional increases in FY 27/28 and FY 28/29 to fund a second wastewater treatment train if such a capital project is required to meet State redundancy requirements.

Maximum Rates: The table above provides 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.

More Information: The Rate Reports provide additional information regarding the proposed residential rates, costs of service, and capital projects described in this Notice, as well as the commercial rate that will be charged to the Wild Wings Golf Course. The Rate Reports and a list of Frequently Asked Questions (FAQs) are available at www.YoloCounty.org/Wild-Wings-CSA, under the heading “2024 Water and Wastewater Rate Studies.” You may also contact the CSA Manager, Yana Pavlova, at YoloCSA@yolocounty.org or (530) 813-5178 with questions regarding the proposed rates.

How Do You Participate or Protest?

The Yolo County Board of Supervisors will conduct a public hearing to consider the proposed rate changes on **Tuesday, July 23, 2024, at 9:00 a.m.** in the Board of Supervisors Chambers, located in the County Administration Building at 625 Court Street, Room 206, Woodland, CA 95695. 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: (1) the property owner's name, (2) property address and/or property Assessor's Parcel Number (APN), and (3) the record property owner's 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 to be counted.

Protests will be tabulated following the close 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.**

Property owners may protest either the water or wastewater rate changes, or both the water and wastewater rate changes. If you are protesting just one of the rates, please specify on your protest which rate (water or wastewater) you are protesting. Protests that do not identify whether they are for water or wastewater will be counted as protests for both the water and wastewater rate changes.
