



Helendale Community Services District

NOTICE OF PUBLIC HEARING

FOR PROPOSED CHANGES TO WASTEWATER RATE

Hearing Date & Time: December 2, 2021 at 6:30 PM

Location: Helendale Community Services District - 26540 Vista Road, Suite C. Helendale, CA 92342

Article XIID of the California Constitution requires the Helendale Community Services District (HCSD) to send notification of a proposed rate increase at least 45 days prior to a public hearing to all owners and tenants of real property within HCSD's service area who would be directly liable to pay for wastewater service to the property at which adoption of the proposed rate increase will be considered. In accordance with those requirements, please be advised that Helendale CSD is proposing an increase in its wastewater service charges. This Notice identifies the amount of the proposed rate increase; the basis upon which the proposed increase was calculated; the reason for the proposed rate increase; the date, time, and location of a public hearing on the proposed rate increase; and the manner in which all persons opposed to the proposed increase may object and/or file a written protest thereto. Consequently, please be advised that this document shall serve as formal notification to you that HCSD's Board of Directors will hold a Public Hearing allowing in-person and remote access on the proposed rate increase described herein on: **Thursday, December 2, 2021, at 6:30 p.m., in the Helendale CSD Board Room located at 26540 Vista Road, Suite C, Helendale, California 92342.**

Remote access will be available at www.zoom.com. Meeting ID 463 173 8547 Passcode: HCSD

SUMMARY OF FINDINGS

Helendale CSD's Wastewater Rates have not increased for the past 15 years despite the increasing cost of doing business. The District has delayed any wastewater increase to this point, however, operational and capital costs have exceeded revenues necessitating the proposed increase.

Why are Wastewater Rates Increasing?

Despite our best efforts to keep costs down, the rapidly escalating costs of operating the sewer plant, collection system and completing capital projects have surpassed annual revenues.



Force main break in 2016. This force main was replaced in 2019 at a cost of \$329,760.



The digester is a critical part of the plant treatment process.

The proposed rate increase outlined in this notice is designed to collect sufficient revenues required to fund critical capital improvement projects, cover debt service obligations and meet increased operating expenses. The District's basic operational costs have seen increases including rising electricity costs to operate the wastewater plant and collection system 24 hours a day; maintenance and infrastructure costs; labor-related costs and increased expenditures for capital projects due to regulatory mandates. Helendale Community Services District is committed to operating the infrastructure to meet all regulatory standards and ensure the integrity of the entire system.

Rate Study

Rate Study Considerations

Helendale CSD's proposed wastewater rate increase is consistent with a rate study performed by Bartle Wells Associates, an independent professional consulting firm. The rate structure that is being proposed reflects their professional opinion incorporating cost of service with adequate debt coverage and sufficient operating revenue. The study took into account (1) charges for service; (2) infrastructure replacement and capital improvement projects for system upgrades discussed in this Notice, and (3) inflationary pressure on routine operating costs. Based upon the factors, elements, and calculations considered in that study, a rate increase in the amount set forth herein was recommended. Copies of the rate study may be viewed on the District's website at www.helendalecsd.org, or at the District office located at 26540 Vista Road, Suite B. As a public agency, the Helendale Community Services District receives no profit from its wastewater rates and is obligated to charge customers no more than the actual costs incurred for the services that HCS D provides. Standard expenses include operations and maintenance, government compliance costs, and the development of capital improvement projects. HCS D collects no tax money for wastewater, and customers pay only for the services they receive.

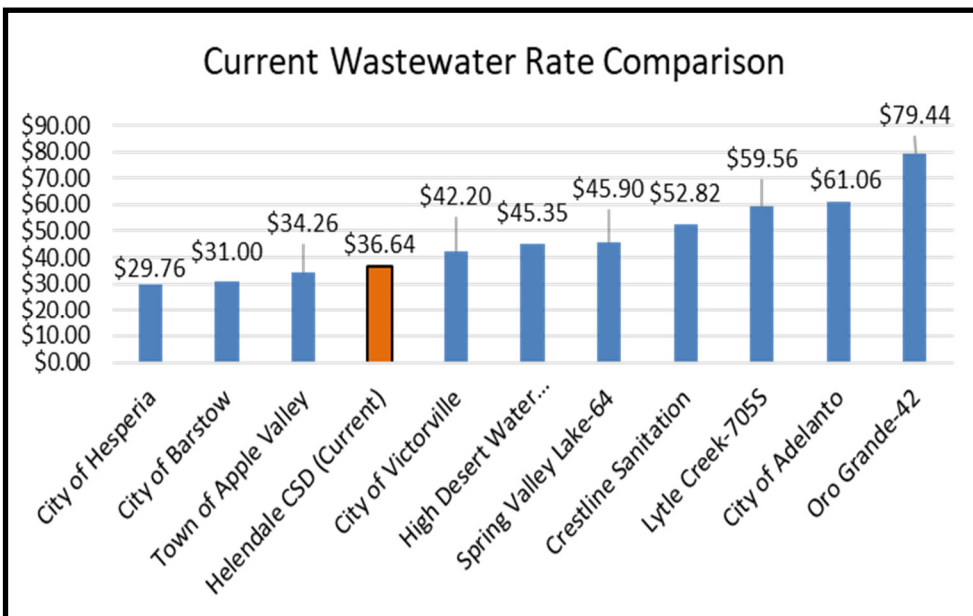


Wastewater Treatment Plant Headworks where raw sewage comes into the plant and bar screens remove large particles from the waste stream

Rate Application

The rate presented for public consideration includes a phased-in process as outlined in the chart below to fund continual investment in the wastewater system. The collection system is approaching 50 years old. The main treatment plant was updated through a bond in 1990 and requires continual repair and replacement as gases in sewage compromise the integrity of the treatment plant infrastructure. The rate increase is based upon Equivalent Dwelling Units (EDU) which represents the number of plumbing fixture units for a specific property. A typical single family residential home is one EDU. Non-single family residential accounts may vary based on size, facility type and number of plumbing fixtures. For these accounts, plumbing fixture units are determined when a property is built based on a review of the plumbing plan and an evaluation of use. This methodology, developed by San Bernardino County, was adopted by the District for consistency. The chart to the left represents a current rate comparison and does not take into account future rate increases contemplated by these agencies.

Date	Rate	Increase
Current	36.64	
Jan-22	41.64	\$ 5.00
Jul-22	46.64	\$ 5.00
Jan-23	51.64	\$ 5.00
Jul-24	53.45	3.50%
Jul-25	55.32	3.50%



Capital Improvement Projects



Above: Trickling Filters process wastewater utilizing a media with a biological mass. **Below:** View of primary clarifiers and trickling filter.

A Capital Improvement Plan (CIP) is developed with a five-year projection estimating future infrastructure needs. This short-range planning tool is critical for forecasting major repairs and replacement of existing infrastructure. Capital improvement projects include maintenance and enhancements to the treatment plant and collection system throughout the community. Meeting regulatory mandates and maintenance schedules plays a significant role in the District's requirement to invest in expensive and labor-intensive improvement projects. Many projects are driven by regulatory compliance.



The District's financial approach to capital improvements combines responsible fiscal decision making with a thoughtful approach to infrastructure planning. Capital projects are often complex and require considerable effort and financial resources to implement. Many of these large projects must be completed by contractors in compliance with the Public Contracts Code. Helendale CSD evaluated a broad range of potential projects to determine the top priorities that meet regulatory demands, support continued compliant treatment of the community's sewage, and maintenance of the sanitary sewer system. Over the next five years the District has outlined \$3.8 million dollars in capital needs.



Sludge Drying Beds

Proposed capital projects include:

- Replacement of the fine and large bar screens: \$330,000
- Trickling Filter repair and replacements for pumps & motors: \$180,000
- Replacement of various high usage pumps: \$530,000
- Collection System sewer lining in various locations: \$400,000
- Replacement of Plant Sludge Lines: \$320,000
- Clarifier Rehabilitation: \$240,000
- Parshall Flume coating and grate replacement: \$240,000
- Plant and service equipment: \$195,000
- Primary Clarifier Coating: \$150,000
- Headworks Fence and Electrical Repair/Replacement: \$165,000
- Electrical Replacement Clarifiers, Digester and Headworks: \$150,000
- Interior of Maintenance Building: \$230,000
- Digester Rehabilitation: \$175,000
- Miscellaneous items: \$515,000



Secondary Irrigation manifold



Helendale Community
Services District
26540 Vista RD. Suite B.
P.O. Box 359
Helendale, CA 92342
760-951-0006

This notice includes important rate information.

Attend a tour of the Helendale Wastewater Treatment Plant on Friday, October 22nd at 1:00 pm or Saturday October 23rd at 8:00 am. Call 760-951-0006 to reserve your spot. Space is limited.

How to Participate

If you have any questions or comments about the proposed increase or wish to protest the proposal you may:

Write: Written protests may be mailed to the Helendale Community Services District: Attention Clerk of the Board, P.O. Box 359, Helendale, CA 92342; or hand delivered to the District office at 26540 Vista Road, Suite B. Written protests must specify the rate or charge being protested and must include: Your name, parcel number and/or service address, and your signature. E-mailed protests will not be accepted.

Attend the Public Hearing: Written protests may be submitted at the Public Hearing on December 2, 2021, at 6:30 p.m. in the Helendale Community Services District Board Room, 26540 Vista Road, Suite C Helendale, California. Written protests must be received before the conclusion of the Public Hearing.

Information Available to you: Copies of the rate study, the proposed Resolution, and further details concerning the reasons for the proposed rate increase and the basis upon which the phased-in rate increase was calculated, are available for review at the District office located at 26540 Vista Road, Suite B, or on the District's website: www.helendalecsd.org.

Public Hearing Process: At the time of the Public Hearing the HCSD Board of Directors will hear and consider all written protests and objections. After the Public Hearing, if a majority of the property owners and tenants of real property directly liable for paying wastewater bills for the affected parcels file written protests in opposition to the proposed rate increase, the increase will not be imposed. However, if a majority protest is not received, HCSD Board of Directors may increase its sewer service rate in the manner described in this Notice. If adopted, the proposed increase would become effective January 1, 2022, phased in over the time period outlined in this notice.