



How does CAWD set sewer rates?

CAWD's rate model was devised by the State Water Resources Control Board. It allocates costs based on flow, biochemical oxygen demand (BOD), and suspended solids.

Flow is the amount of liquid wastewater—at CAWD this is about 1.4 million gallons each day. A large cost of flow is for the energy needed to continually pump the water to the headworks where it then gravity feeds through the rest of the plant during treatment.

Suspended Solids are the particles of matter left in wastewater after heavier solids have settled out. When wastewater enters the plant it is screened at the headworks to remove large debris—this goes to the landfill. Then the water goes to a clarifier where larger particles settle to the bottom. This sludge gets pumped to a digester that turns it into compost. The remaining particles in the water are the suspended solids that must be consumed by the billions of microorganisms we propagate to clean our wastewater.

Biochemical Oxygen Demand is the amount of oxygen consumed by the microorganisms that eat bacteria and clean our wastewater. The more concentrated the wastewater, the more oxygen we need to support the microbes. More oxygen means more cost to run the large blowers which aerate the water in our secondary treatment tanks, which are like giant aquariums of microscopic animals. Much of the plant's equipment and infrastructure are there to keep our hardworking "bugs" happy and healthy.



Carmel Area Wastewater District
3945 Rio Road
Carmel, CA 93923
(831) 624-1248 ■ CAWD.org

CAWD is a special district dedicated to protecting public health and the environment with the cost-effective collection and treatment of wastewater and the return of clean water to the environment.

Board of Directors

Greg D'Ambrosio
Michael Rachel
Robert Siegfried
Charlotte Townsend
Ken White

General Manager

Barbara Buikema

— Proposition 218 Notification — Notice of Public Hearing on Proposed Sewer Rate Increase

Thursday, June 27, 2019, 9:00 am
Carmel Area Wastewater District
3945 Rio Road, Carmel, CA 93923

On June 27, 2019, at 9:00 a.m., or as soon thereafter as the matter may be taken up, the Carmel Area Wastewater District (CAWD) Board of Directors will hold a public hearing prior to the adoption of its sewer rates. The hearing will be held at the District Offices located at 3945 Rio Road, Carmel, CA 93922.

The District remains fully focused and committed to the rehabilitation of our community's wastewater treatment plant, a project we started six years ago. Phase One of our Capital Improvement Projects 15-year Master Plan was finished last year, and is a huge success by any definition, completed well within budget and with even more improvements and enhancements than we had originally planned. We are hard at work designing Phase Two, which includes replacement of our sludge holding tank, rehabilitation of the headworks and influent pump station, and replacement of aging electrical panels and controllers.



Our current capital plan shows that we need to spend \$15 million on the treatment plant and \$33 million on our collection infrastructure (\$48 million total) over the next 15 years to keep our wastewater system safe and reliable. The collection system includes our seven pump stations and 84 miles of main sewer line that deliver all community wastewater to the District. Using detailed analysis

performed by our engineering consultant, West Yost Associates, the CAWD Board of Directors supports rehabilitating high-risk lines within the next five to 10 years, and medium to high-risk lines within 10 to 15 years. Rigorous fiscal management and strategic project scheduling have allowed us to successfully use a pay-as-you-go strategy to fund capital improvements, and we will continue that strategy to avoid loan costs as we move forward.

In addition, we are planning for the cost of inevitable sea level rise. In compliance with the California Coastal Commission's permitting requirements, CAWD is assessing vulnerability and evaluating options to adapt to sea level rise in our current location, or undertake a long-term managed retreat further from the shoreline. While our treatment plant is in a better position than most—we have a buffer zone and elevated structures—protecting our community's wastewater system requires advanced planning to maximize options down the road.

Our beautiful community deserves a safe and reliable sewage treatment facility and collection system to protect human health, the environment, our economy, and general quality of life. To secure this future we are proposing an additional \$4.83/month on residential property tax bills, equivalent to a 7.55% increase. This increase is significantly lower than rate hikes from the past few years. We believe that a \$68.82 per month fee is a good value to help ensure the long-term sustainability of the Carmel area wastewater system. Your CAWD staff and elected Board of Directors are dedicated to keeping user fees as low as possible while maintaining this vital community asset. We are grateful for the public support we have received to rehabilitate the plant, and we will continue to squeeze as much value as possible from every dollar of user fees.

The procedural requirements of Proposition 218 require that the District provide a notice of the proposed rate schedule to all property owners of record forty-five (45) days prior to holding a public hearing. In order for the increase to “not take effect,” a majority of the property owners are required to file opposition to the increase.

Property owners may file a written and signed protest against the proposed increase with the Board of Directors of Carmel Area Wastewater District (CAWD) at or before the close of the public hearing. To be valid, a protest must be in writing even if you plan to attend the public hearing. Email protests cannot be formally considered. Each written protest must include the parcel owner’s name, service address, assessor’s parcel number for the parcel served, and the parcel owner’s signature. Only one protest will be counted per parcel. If you own more than one parcel, you may file a single protest, but it must identify each parcel you own. The protest must be signed by the property owner(s). If the signer(s) is not shown on the last equalized assessment roll of Monterey County as the owner(s) of the property, the signer(s) must provide written evidence of ownership of said property. For your convenience we have posted a protest form on our website, CAWD.org. At the hearing, the Board of Directors shall hear all protests and tabulate the ballots.

Protests should be mailed or delivered to the same address as the hearing location. For further detailed information regarding the proposed rate plan, please call James Grover, CAWD Principal Accountant, at (831) 624-1248.

We will continue to update you on improvements to our community’s wastewater system, and we invite you to review our long-term capital plan at CAWD.org. Please feel free to contact us at 624-1248 should you have any questions.

Carmel Area Wastewater District Proposed Sewer Rate Increases for 2019-2020

User Categories	2018-19 Annual Rates	2019-20 Proposed Rates	Percentage of Change
Bakery (each location)	\$ 3,002.30	\$ 3,163.94	5.38%
Bar (each location)	\$ 1,225.20	\$ 1,327.44	8.34%
Beauty Salon (each location)	\$ 1,012.12	\$ 1,100.86	8.77%
Business/Govt./Retail (1-10 employees = one unit)	\$ 456.10	\$ 495.42	8.62%
Camera/Photo (each location)	\$ 633.34	\$ 684.52	8.08%
Church/Synagogue/Mission (each location)	\$ 677.20	\$ 736.58	8.77%
Convalescent Hospital (per bed)	\$ 361.40	\$ 391.50	8.33%
Dental Office (per dentist)	\$ 678.92	\$ 742.66	9.39%
Gym/Health Spa (each location)	\$ 875.36	\$ 951.58	8.71%
Hotel/Motel (per room)	\$ 381.48	\$ 413.22	8.32%
Laundromat (per machine)	\$ 840.48	\$ 918.06	9.23%
Laundry (each location)	\$ 3,183.98	\$ 3,411.96	7.16%
Market (each location)	\$ 1,442.00	\$ 1,525.26	5.77%
Medical Office (per physician)	\$ 334.26	\$ 364.94	9.18%
Residential/Minimum vacant (each location)	\$ 767.84	\$ 825.78	7.55%
Restaurant (per seat/meal)	\$ 59.36	\$ 62.74	5.69%
School (per population)	\$ 31.04	\$ 33.90	9.17%
Service Station (per pump)	\$ 2,270.46	\$ 2,455.60	8.15%
Supermarket (each location)	\$ 20,330.52	\$ 21,500.58	5.76%
Special User (each location)	\$ 690.84	\$ 751.26	8.75%
Veterinary Office (each location)	\$ 1,748.92	\$ 1,892.64	8.22%
Vet Hospital/Boarding (each location)	\$ 5,000.44	\$ 5,411.36	8.22%