

RATE INCREASE BREAKDOWN

The Leucadia Wastewater District Board of Directors is proposing rate increases for the next three fiscal years in accordance with the following chart. All rates are based on one Equivalent Dwelling Unit (EDU).

FISCAL YEAR	ANNUAL RATE	MONTHLY RATE
2020 (current)	\$343.68	\$28.64
2021	\$378.04	\$31.50
2022	\$415.84	\$34.65
2023	\$457.42	\$38.12

The current San Diego County average monthly sewer charge, as of January 2020, is \$50.86 per month per EDU.¹

¹ Wastewater User Charge Survey Report, January 2020



1960 La Costa Avenue, Carlsbad, CA 92009

NOTICE OF PUBLIC HEARING Sewer Service Charge Increase

The Leucadia Wastewater District is considering sewer service rate changes that will affect your property tax bill. This document explains the public hearing and protest process, the rate increases being proposed and it will further explain the reasoning behind the proposed rate adjustments.

PUBLIC HEARING INFORMATION

A public hearing will be held on the proposed increases to sewer service charge rates in fiscal years 2021, 2022, and 2023.

The public hearing will be held on
Wednesday, June 10, 2020 at 5 p.m.
 in the Boardroom located at
**1960 La Costa Avenue
 Carlsbad, CA 92009**

The Board of Directors will hear and consider oral testimony and written protests regarding the proposed rate increases at the hearing. Any written protest must include a name, signature and the property address or Assessor Parcel Number (APN). One written protest per parcel will be counted in calculating a majority protest to the proposed increase.

Written protest may be mailed to the Leucadia Wastewater District at 1960 La Costa Avenue, Carlsbad, CA 92009 or submitted prior to and during the public hearing. Submissions will be accepted if they are received prior to the close of the public hearing. At the close of the public hearing, the Board of Directors will consider and may approve the rate increases. **Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest.** If, by the close of the public hearing, written protests against the rate increase are not presented by a majority of property owners, the Board of Directors will be authorized to adopt an ordinance to increase the sewer rate charge. Although the public hearing will be held to consider proposed rates for three fiscal years, the Board of Directors will annually confirm the need for the annual rate prior to July 1st of the last two years of the rate period. The time and place for these future meetings will be provided in published newspaper notices and posted on the District's Website at www.lwwd.org

ABOUT LEUCADIA WASTEWATER DISTRICT

The Leucadia Wastewater District (District) was formed in April 1959 pursuant to the County Water District Law. Established as an Enterprise Special District, the District is authorized to provide wastewater collection and treatment services, and to levy rates and fees to support those services.

The District provides wastewater service to the Leucadia and Village Park areas of Encinitas and the La Costa area of Carlsbad. The District encompasses 16 square miles and serves approximately 62,600 residents. Wastewater from the District's service area is transported to the Encina Water Pollution Control Facility where it is treated to federally-mandated standards to protect public health. The Encina plant is a regional facility located in Carlsbad that is jointly owned by the District and five other public entities.

The District also owns and operates the Gafner Water Reclamation Facility, which has a treatment capacity of 1 million gallons per day. Recycled water produced at the Gafner Facility is sold to the Omni La Costa Resort and Spa for use as irrigation for its golf course.

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, Ca 92009

 www.lwwd.org  info@lwwd.org
 (760) 753-0155  (760) 753-3094

Monday-Friday 8am-5pm

EXPLANATION of Annual Sewer Service Charge Increases

The Leucadia Wastewater District proactively plans for increases in costs associated with operations, maintenance, and replacement or rehabilitation of its infrastructure. The District also pays a percentage of the cost to operate and maintain the jointly owned Encina Sewage Treatment Plant. To cover anticipated increases in costs, the District proposes to raise wastewater rates over the next three years. This would be the first increase in three years, as the District has successfully kept rates flat for the past three years. During that time, the District has continually inspected its sewer lines and pump stations and has maintained them in excellent working order. The District spent over \$21 million on ongoing operating and maintenance costs and over \$20 million on equipment and infrastructure replacement and rehabilitation. The District used an engineering firm to develop an Asset Management Plan which determines when capital facilities will need to be replaced, and at what cost. The District also used a financial firm to prepare a Financial Plan Study, which projects the District's revenue and expenditures over the

next twenty years and determines the timing of necessary sewer rate increases. The proposed sewer rate increases for the next three years are part of the latest Financial Plan Study completed in June 2018. These increases are based on the needs of the District. It is anticipated that the District will spend approximately \$25 million for operating and maintenance costs and \$26 million on capital replacement and rehabilitation costs over the next three years.

The District's current sewer service charge is \$28.64 per month, or \$343.68 annually, per household or Equivalent Dwelling Unit (EDU). Currently, the District has the lowest sewer service rate in San Diego County. To help keep costs down, the District utilizes a pay as you go methodology. The District has no financing debt but collects funds ahead of time to pay for upcoming capital needs, thus saving significant amounts on financing and interest expense.
