



**Carmel Area  
Wastewater District**  
3945 Rio Road  
Carmel, CA 93923  
831 . 624 . 1248

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  
Susan Paboojian  
Robert Siegfried  
Charlotte Townsend  
Ken White

**General Manager**

Barbara Buikema



**What is wastewater treatment worth?**

Did you know that one gram of feces can contain up to ten million viruses and one million bacteria? Sewer user fees provide peace of mind that whatever wastewater we flush down our toilets, sinks and tubs is clean and safe for return to the environment.

Reliable wastewater treatment is our vital responsibility, and is key to maintaining our quality of life. Rate increases to upgrade the CAWD plant support human and environmental health, and safeguard property values, tourism and our local economy.

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

**Thursday, June 27, 2013, 9:30 am  
Carmel Area Wastewater District  
3945 Rio Road  
Carmel, CA 93923**

On June 27, 2013, at 9:30 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 93923.

CAWD is a not-for-profit, self-supporting public entity. We depend upon sewer user fees to fund operating and maintenance costs, and to rehabilitate and replace equipment and infrastructure for our wastewater treatment plant and collection system. We are fully committed to serving existing and future generations of residents in the most efficient manner possible, while protecting both public health and the environment. We are happy to report that we have managed to keep our expenses within 2 percent of our adopted 2012-13 budget, and our 2013-14 operating budget has only increased 3.2 percent over last year.

We have also completed the comprehensive assessment of all plant assets which we began in February 2012, conducted by Kennedy/Jenks consulting engineers, specialists in wastewater treatment. Using asset management techniques approved by the Environmental Protection Agency, they formulated our Capital Improvement Program 15-year Master Plan, a longterm upgrade for our treatment plant that is sensible and ultimately achievable. You can find the Master Plan online at CAWD.org, under our “financial” tab. During the 14-month assessment, CAWD staff and your elected Board of Directors provided extensive input every step of the way.

Why do we need to raise rates? Our last major upgrade was accomplished over 30 years ago, and we have used up 80 percent of the useful lifespan of nearly half of the plant's equipment and structures. We've reached a point where we need to accelerate spending on rehabilitation and replacement projects or our ability to provide reliable, environmentally safe service will be affected in the near future. Current engineering estimates put the total capital costs for rehabilitation at roughly \$30 million over the next 15 years. Pebble Beach Community Services District is responsible for one third of this cost, or about \$10 million, based on our contractual agreement to provide wastewater treatment for the Del Monte Forest. Another \$12 million will be provided by CAWD reserves which have been put aside for the upgrade. The remaining \$8 million must be covered with additional sewer user fees from the community.

Your CAWD board has painstakingly reviewed both incurring debt and pay-as-you-go as options, and has concluded that reasonable incremental increases in rates over time will allow us to pay for our much-needed capital projects without passing on debt to future generations. Right now, projections show that adding \$250,000 to our rate model annually will allow us to build up the necessary cash to fully fund the plant upgrade. To that end, fees for 2013-14 will increase by 11.11 percent, providing an additional \$250,000 to fund capital construction. For residential customers this translates to \$3.86 more per month—about the cost of a cup of coffee—or an additional \$46.32 for the full year, bringing the total user fee to \$463.46 for 2013-14.

Sewer rates are established each year effective July 1. The District utilizes a rate model devised by the State Water Resources Control Board that allocates costs based on

flow, biochemical oxygen demand and suspended solids across designated customer categories (see related article, *How Does CAWD Set Rates?* on back page of newsletter). The table below shows the proposed rate increase for each customer category.

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 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. E-mail 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. 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.

## Carmel Area Wastewater District Proposed Sewer Rate Increases for 2013-2014

User Categories	2012-13 Annual Rates	2013-14 Proposed Rates	Percentage of Change
Bakery (each location)	\$ 1,255.00	\$ 1,885.36	50.23%
Bar (each location)	\$ 650.50	\$ 724.30	11.35%
Beauty Salon (each location)	\$ 486.00	\$ 601.98	23.86%
Business/Govt./Retail (1-10 employees = one unit)	\$ 247.70	\$ 274.94	11.00%
Camera/Photo (each location)	\$ 343.00	\$ 382.04	11.38%
Church/Synagogue/Mission (each location)	\$ 355.80	\$ 401.46	12.83%
Convalescent Hospital (per bed)	\$ 196.00	\$ 217.94	11.19%
Dental Office (per dentist)	\$ 367.16	\$ 408.88	11.36%
Gym/Health Spa (each location)	\$ 462.00	\$ 514.08	11.27%
Hotel/Motel (per room)	\$ 209.40	\$ 232.94	11.24%
Laundromat (per machine)	\$ 360.00	\$ 493.92	37.20%
Laundry (each location)	\$ 1,666.66	\$ 1,884.96	13.10%
Market (each location)	\$ 614.00	\$ 872.22	42.05%
Medical Office (per physician)	\$ 202.00	\$ 216.50	7.18%
Residential/Minimum vacant (each location)	\$ 417.10	\$ 463.46	11.11%
Restaurants (per seat/meal)	\$ 28.90	\$ 35.90	24.21%
School (per population)	\$ 15.94	\$ 17.46	9.51%
Service Station (per pump)	\$ 1,346.20	\$ 1,504.86	11.79%
Supermarket (each location)	\$ 12,918.34	\$ 14,639.80	13.33%
Special Users (each location)	\$ 363.50	\$ 402.96	10.85%
Veterinary Offices (each location)	\$ 776.80	\$ 1,039.90	33.87%
Vet Hospital/Boarding (each location)	\$ 1,876.00	\$ 3,416.82	82.13%