



May 1, 2018

Notice of Proposed Wastewater Rate Increase and Notice of Public Hearing Date

June 19, 2018 at 6 p.m. at DSPUD District Office

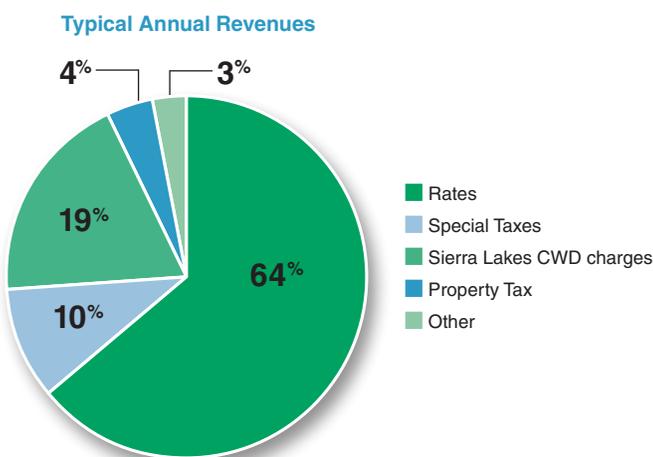
Notice of Proposed Wastewater Rate Increase

Notice is given that the DSPUD Board of Directors is considering an increase in wastewater rates to maintain cost of service and meet debt obligations. **A public hearing will be conducted on June 19, 2018 at 6 p.m. at the DSPUD district office to consider adopting the proposed rate increase.**

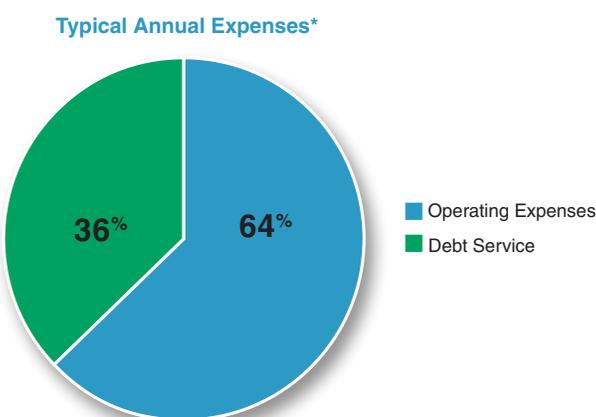
Current Utility Rates

DSPUD collects 78% of its revenue through wastewater rates and voter approved special taxes.

DSPUD charges customers a monthly rate based on Equivalent Dwelling Unit (EDU), which is an industry standard measurement for calculating wastewater rates. DSPUD ratepayers currently pay \$167 a month for services (\$2,004 annually).



Where Does the Money Go?



*Excludes system rehabilitation

History of Rate Increases

In 2012, DSPUD' board of directors adopted an ordinance to increase wastewater rates annually through 2016. There was not a rate increase in 2017.

DSPUD Rate Increases	
2012	\$127.03
2014	\$143.06
2015	\$164.28
2016 and 2017	167.02

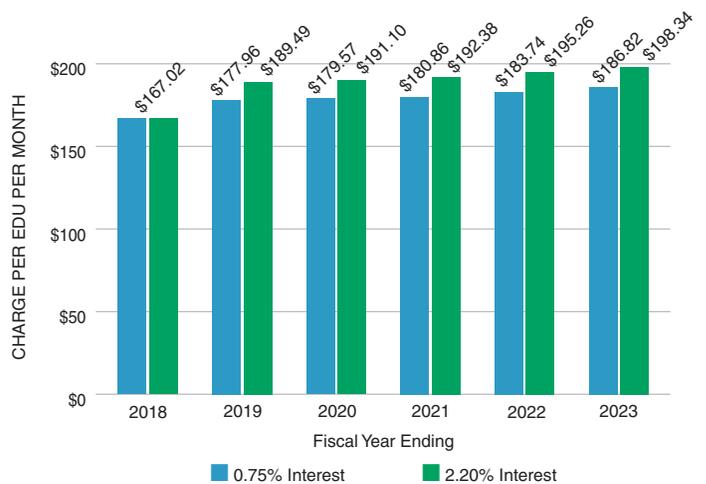
*Rates are calculated by month. Customers pay quarterly.

Working to Reduce Impact of Rate Increases

In 2016, Donner Summit Public Utility District began to proactively work with the State Water Resource Control Board (SWRCB) to restructure its Clean Water State Revolving Fund loan (loan), specifically the amount of interest attached to the loan. The loan was secured in 2012 to provide the funds needed to bring the wastewater treatment plant into federal and state compliance.

The loan originally carried a 2.2% interest rate, which over the life of the loan, would equate to over \$5.81 million in interest. DSPUD remained persistent in working with SWRCB to achieve some form of debt relief. In December 2017, the SWRCB granted an interest rate reduction from 2.2% to 0.75%, decreasing the total interest paid on the loan by \$3.47 million. The amount saved in interest over the life of the loan is directly passed down to ratepayers in the form of reduced rate increases.

Rate Increase at 0.75% and 2.20%



DSPUD is making other efforts to help reduce the impact of rate increases over the next several years. This includes moving more dwellings off of septic systems and onto the sewer system, effectively increasing the amount of connections that will share the cost. Approximately 45 connections are expected to be added to the sewer system over the next five years, which will generate an estimated \$90,000 annually.

For five years, the California Regional Water Quality Control Board (CRWQCB) required additional monthly sampling and reporting of treated wastewater due to high levels of naturally occurring aluminum and copper. At the request of the District, the CRWQCB lifted the requirement therefore reducing staff time and laboratory costs used to conduct the extra sampling.

About the Proposition 218 Process

Per Proposition 218 requirements, ratepayers have a right to protest the proposed rate increase.

Option 1

If you do not oppose the rate increase, you need not take any action.

Option 2

If you do oppose the proposed rate increase, your protest must be submitted in writing even if you attend the public hearing. All written protests must be received in writing via mail prior to Tuesday, June 19 at 6 p.m. Emails, phone calls and other forms of protest will not be accepted.

Written protests must include:

- Your full name
- Your service street address or assessor's parcel number
- A statement of protest
- Signature of the property owner

Mail written protests to: Donner Summit Public Utility District, P.O. Box 610, Soda Springs, CA 95728. You may also deliver protests to DSPUD's office, 53823 Sherritt Lane, Soda Springs, CA 95728.

About Donner Summit Public Utility District

DSPUD provides water and wastewater services to Norden and Soda Springs communities, Sugar Bowl, Soda Springs, Boreal and Donner Ski Ranch ski resorts, Sierra Lakes County Water District, Caltrans rest areas and serves a population of approximately 200.

For more information about the wastewater treatment plant and process or the proposed rate increases, go to www.DSPUD.com.



For the last three seasons, DSPUD has been supplying highly treated (tertiary) recycled water to Soda Springs for snowmaking purposes. This allows the District to achieve three beneficial community goals: conserve precious potable water supplies, create a new revenue stream and stimulate the local economy.

DSPUD obtained an updated National Pollutant Discharge Elimination System (NPDES) permit from the CRWQCB in 2015 after the upgrades were complete on the wastewater treatment plant. The permit allows for the use of recycled water for snowmaking.

COMMUNITY CONTRIBUTIONS



DONNER SUMMIT
PUBLIC UTILITY DISTRICT

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at DSPUD District Office

53823 Sherritt Lane, Soda Springs, CA 95728

**Changes are being proposed to your wastewater rates.
Read more inside!**