

500 DAVIDSON STREET • NOVATO • CALIFORNIA • 94945 • PHONE (415) 892-1694 • FAX (415) 898-2279 www.novatosan.com

Information Bulletin February 11, 2022

Contact: Sandeep Karkal, General Manager-Chief Engineer (415) 892-1694 or SandeepK@Novatosan.com

Novato Sanitary District Is Updating Sewer Service Charges Residential customers would see an average increase of 3.2% beginning July 2022

To ensure continued fair distribution of sewer service charges and funding for quality sewer service, Novato Sanitary District is developing a new five-year schedule of charges for each customer class.

The draft plan, if approved by the District Board of Directors in May 2022, would take effect in July 2022. For Average-Use residential customers (87% of all residential customers), the plan calls for a \$21 (\$1.73/mo.) increase in 2022–2023 service charges, from \$657 to \$678 per year. This is equivalent to a 3.2% increase.

New Five-Year Rate Schedule Adjusts Service Charges Across Customer Classes. Based on the cost-of-service changes identified by the District's study, proposed service charge increases for residential customers for 2022–2023 are about 2.4% (or \$2.33/mo.) for High-Use customers, 3.2% (or \$1.73/mo.) for Average-Use customers, and 9.4% (or \$3.09/mo.) for Low-Use customers. Note that low-income, Low-Use residential customers may be eligible for a 15% discount, which will drop the increase to about \$1/mo. as described below.

Non-residential rates would change as well. Some non-residential customers would receive slight decreases while others a slight increase of up to 3.7% based on floor area, water usage, pollutant loads, etc. After this first-year's adjustment, all classes of customers would see a 3% increase for the next four years (from July 2023 to July 2027).

The sewer service charge for single-family residential customers is collected on the annual property tax bill under the description "SANI #6 – NOVATO."

Novato Sanitary District Sewer Charges Will Be the Lowest in the Region. After the proposed rate increase, Novato Sanitary District is expected to have the lowest sewer service charge among 22 similar sewer service providers in the region, reaffirming its commitment to keeping its costs down while providing quality service.

Low Income Sewer Rate Assistance Program (LISRAP) Remains Available. Low-income single-family residential customers who enroll in the District's LISRAP program will continue to receive discounts (currently 10%) based on enrollment in the PG&E CARES Program. The Board will consider increasing the discount for low-income Low-Use customers from 10% to 15% at the February 14 Board meeting. If the 15% discount is approved, Low-Use customers in the LISRAP Program would experience a sewer service charge increase of only about \$12 per year. All other single-family residential customers in the LISRAP program would continue to receive a 10% discount.

For More Information. The Board of Directors will conduct its first review of the proposed rate changes on February 14, 2022, at its regularly scheduled meeting. Then, the District will hold another public board meeting on March 14 to consider a final draft of the sewer service charge study. Next, the District will mail a notice with a detailed explanation of the proposed sewer service charge changes to every property owner. Finally, the board will conduct a public hearing on May 9 to vote on the charges. Customers interested in learning more, asking questions, and providing input can participate in any of these meetings, contact the District at <u>novatosan.com</u>, email info@novatosan.com, or call customer service at (415) 892-1694.

Novato Sanitary District has been providing solid waste services since 1925 and sewage collection, treatment, disposal, and recycling in and around the City of Novato since 1949.

District facilities include over 200 miles of public sewers, 40 pump stations, a wastewater treatment and water recycling facility, and 800-acres of wetlands and pastureland supplied with recycled water.

լ 2