



Legislation Text

File #: 24-697, Version: 1

Memorandum

Date: June 18, 2025

To: The Honorable Lake County Board of Supervisors

From: Scott Harter, Special Districts Administrator
Jesus Salmeron, Special Districts Deputy Administrator - Fiscal

Subject: Presentation considering Water and Sewer Rate Study for Kelseyville County Waterworks District #3, Sewer Rate Study for LACOSAN- NW Regional, and Water Rate Study for CSA #2 Spring Valley

Executive Summary:

On July 10th, 2023 Lake County Special Districts entered into an agreement with Lechowicz & Tseng Municipal Consultants for Utilities Rate Studies. The rate studies were conducted for Water and Sewer Rates for Kelseyville County Waterworks District #3, Sewer Rates for LACOSAN- NW Regional, and Water Rates for CSA #2 Spring Valley.

The studies developed the districts rates via the Proposition 218 process. The implementation of utility rates in California is governed by the substantive and procedural requirements of Proposition 218 the "Right to Vote on Taxes Act" which is codified as Articles XIIIC and XIID of the California Constitution. The District must follow the procedural requirements of Proposition 218 for all utility rate increases.

A noticing requirement is required to be mailed to all affected property owners followed by a public hearing not less than 45 days after the required notices are mailed. The rate increases are subject to majority protest, if more than 50% of affected property owners or ratepayers submit written protests against the proposed rate increases, the increases cannot be adopted.

Lake County Special Districts with Lechowicz & Tseng Municipal Consultants will present the results of the rate studies, the proposed new rates and address any potential concerns from the board. Special Districts will be looking to establish direction from the Board then proceed with the required mailing notices.

If not budgeted, fill in the blanks below only:

Estimated Cost: _____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Purchasing Considerations (check all that apply):

☒ Not applicable

☐ Fully Article X. <https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI>- and/or Consultant Selection Policy <[http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+\\$!26+Procedures+Manual/Ch4_2021v2.pdf](http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+$!26+Procedures+Manual/Ch4_2021v2.pdf)>-Compliant (describe process undertaken in "Executive Summary")

☐ Section 2-38 <https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI> Exemption from Competitive Bidding (rationale in "Executive Summary," attach documentation, as needed)

☐ For Technology Purchases: Vetted and Supported by the Technology Governance Committee <<http://lcnet.co.lake.ca.us/Assets/Intranet/Intranet+Forms/Information+Technology/AdvPlan.pdf>> ("Yes," if checked)

☐ Other (*Please describe in Executive Summary*)

Consistency with Vision 2028 <<http://www.lakecountycalifornia.gov/Government/Directory/Administration/Visioning/Vision2028.htm>>

(check all that apply):

- | | | |
|--|--|--|
| <input type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Not applicable | |
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Disaster Prevention, Preparedness, Recovery |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> County Workforce |
| | <input type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake |

Recommended Action:

Receive Presentation considering Water and Sewer Rate Study for Kelseyville County Waterworks District #3, Sewer Rate Study for LACOSAN- NW Regional, and Water Rate Study for CSA #2 Spring Valley