



April 4, 2015

Water is the staff of life, and is of particular concern in drought-stricken California.

On April Fools Day, Governor Jerry Brown announced a series of measures designed to cope with (what may be) an historic drought.

Water curtailment measures are to be imposed, with the intent of reducing water usage by 25%, as the articles below describe:

[California Governor Orders Mandatory Water Restrictions](#)

[California Imposes First Ever Water Restrictions to Deal With Drought](#)

[Californians Concerned That Efforts to Conserve Water Will Not Help Much](#)

The articles below focus on long-term water conditions, as well as the failure (so far) for the State to deal with agricultural water usage (which consumes ca. 80% of California's water).

[After Warmest Winter, Drought-Stricken California Limits Water But Exempts Thirstiest Big Growers](#)

[California Drought Tests History of Endless Growth](#)

The article above speculates that the State will be issuing agricultural water curtailment directives some time in the next few weeks - time will tell.

In the meantime ...

Drought is of immediate concern to Hidden Valley Lake in view of recently announced (proposed) changes in rates for water and sewer service.

About a month ago, the Hidden Valley Lake Community Services District (CSD) sent a [notice of proposed changes](#) to Community residents, which is available [here](#), and is also reprinted below.

An informational meeting is scheduled for April 7th (6:30 PM) at the Coyote Valley elementary school:

An informational Meeting will be held on Tuesday April 7, 2015 in the Coyote Valley Elementary School Multipurpose Room at 18950 Coyote Valley Road, Hidden Valley Lake, from 6:30 p.m. to 8:00 p.m. All residents are encouraged to attend and learn more about proposed sewer and water rates.

A hearing on the proposed rate increases will be held on April 21st, 7 PM, at the CSD Offices on Hartmann Road.

The proposed water rate charges over the next five years are presented in detail in the chart below. The total amount of your water bill will depend on the amount of water used. In the first year, the average monthly water bill for a single family residential customer is estimated to be \$41.59. Water bills will be noticeably higher in the summer months, when water usage is highest. Annually, the average cost of water service for a single family residential customer will increase by approximately \$53.52 in the first year, from \$445.56 to \$499.08.

PROPOSED MONTHLY WATER RATES

<i>"Fixed" Charge by Meter Size</i>	Current Monthly Rate	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
5/8-inch (*)	\$37.13	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4-inch	\$37.13	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1-inch	\$37.13	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2-inch	\$37.13	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2-inch	\$37.13	\$207.19	\$229.99	\$255.28	\$275.71	\$297.76
<i>"Volumetric" Charge per 100 cubic feet of water used</i>						
Residential Accounts:	\$2.48 (**)					
Tier 1: (0 - 7 hcf)		\$1.50	\$1.67	\$1.85	\$2.00	\$2.16
Tier 2: (7.01 - 11 hcf)		\$1.88	\$2.08	\$2.31	\$2.50	\$2.70
Tier 3: (11.01 - 24 hcf)		\$2.35	\$2.60	\$2.89	\$3.12	\$3.37
Tier 4: (above 24 hcf)		\$2.93	\$3.26	\$3.61	\$3.90	\$4.21
Commercial Accounts	\$2.48 (**)	\$1.86	\$2.07	\$2.30	\$2.48	\$2.68

Notes:

*Most common single family residential meter size

**\$2.48 per every 100 cubic feet used in excess of 1,500 cf/month

The proposed sewer rate charges for the next five years are presented in detail in the chart below. In the first year, the average monthly sewer bill is estimated to be \$50.95. Annually, the average cost of sewer service for a single family residential customer will increase by approximately \$9.24 in the first year, from \$602.16 to \$611.40.

PROPOSED MONTHLY SEWER RATES

<i>"Fixed" Charge by Meter Size</i>	Current Monthly Rate	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
Residential*	\$50.18	\$38.92	\$42.03	\$45.39	\$49.02	\$51.96
Commercial & Government (per HEU)	\$50.18	\$38.92	\$42.03	\$45.39	\$49.02	\$51.96
<i>"Volumetric" Charge per 100 cubic feet of monthly water use</i>						
Residential*	-	\$2.07	\$2.23	\$2.41	\$2.60	\$2.76
Commercial & Government	-	\$2.25	\$2.43	\$2.62	\$2.83	\$3.00

*Includes single and multifamily; multifamily assessed per HEU

The CSD explains in its notice why a rise in water and sewer rates is required (and what it will be used for):

What do sewer and water rates fund? The District provides  sewer and water utility services to residential and commercial customers. The operation and maintenance of these two utilities are financially independent of each other. All revenue generated from customer sewer and water bills is used to pay for the ongoing operation, maintenance, repair and replacement of the existing sewer and water systems. The cost of system expansions, to serve new development, is recovered through connection or demand fees imposed on the developer requesting District service. By State law, the District may not collect more revenue than is necessary to recover the costs of providing services.

and

Capital projects a major reason for raising water and sewer rates. Portions of the District's wastewater collection system are over 50 years old. Many sewer lines are partially blocked with tree roots and/or have cracks and holes that allow excessive amounts of groundwater and storm water runoff to seep into the collection system, occasionally at rates that exceed the maximum design capacity of the District's sewer collection system and wastewater treatment plant. The District has been able to avoid sewage spills and the discharge of partially or even untreated sewage, but at considerable cost. If not corrected, the leaky collection system will result in sewage spills and expensive regulatory fines.

The District's water distribution system is also aging, as demonstrated by the number of "mainline" breaks experienced in recent years. Furthermore, there are long-standing deficiencies within the water distribution system that need correction. More recently, the State of California passed the nation's first drinking water standard for hexavalent chromium. The District's raw water supply has naturally occurring hexavalent chromium at concentrations that occasionally exceed the new 10 parts per billion drinking water standard and therefore, the District must construct new facilities within the next five years to remain in compliance. In addition to water treatment improvements, the District has initiated a multi-year project to secure water rights to the District's existing water supply – an expensive and time consuming project that involves a number of technical studies.

To minimize the fiscal impact to ratepayers, the District anticipates completing most capital improvements by securing low interest loans that would be paid off over time. In order to reduce the cost of borrowing money, the District must demonstrate it possesses good credit. The District's credit rating is determined in part by the ability to maintain fiscal reserves. The District's reserve funds have been drawn down and in some cases were depleted during the recent economic recession. In conjunction with the anticipated capital improvements, the District is seeking to restore reserve funds.

To calculate the likely increase in water costs over the next four years, CSD's numbers were placed in a spreadsheet. This is required, because the basis of water charges is moving from a bi-monthly fee of \$74.26 (up to 3,000 cubic feet of water, cfw) to a monthly charge composed to two components, one fixed, the other dependent on the magnitude of water consumption. The resulting figures vary according to the water consumed and escalate over the five-year period, 2014/2015 - 2019/2020.

One way to understand the net impact of the water rate increase is to compute the cost for a specific usage (in cfw) year-by-year. The percentage increases shown are relative to the 2014-2015 charge. Up until now, CSD has provided 1500 cfw per month for the same basic charge as 0 cfw. In effect, low-water consumers have been partially subsidizing higher-consumption households. This is about to change.

Under the proposed rate change, those using relatively little water will (in the first year) experience little increase in cost (or even a net decrease). However, over time, even water frugals are likely to see their rates rise (particularly if on a sewer line).

CFW	2014	2015	2016	2017	2018	2019	Year
700	37.13	38.04	42.26	46.88	50.65	54.7	\$ Cost
		2.5	11.1	26.3	33.1	47.3	% Rise
1100	37.13	7.52	8.32	9.24	10	10.8	\$ Cost
		45.56	50.58	56.12	60.65	65.5	% Rise
1500	37.13	22.7	36.2	51.1	63.3	76.4	\$ Cost
		54.96	56.69	63.63	69.67	76.01	% Rise
2400	59.45	9.40	6.11	7.51	9.02	10.51	\$ Cost
		48.0	52.7	71.4	87.6	104.7	% Rise
3600	89.21	21.15	23.4	26.01	28.08	30.33	\$ Cost
		76.11	80.09	89.64	97.75	106.34	% Rise
		35.16	39.12	43.32	46.8	50.52	\$ Cost
		111.3	119.2	133	144.5	156.9	% Rise
		24.7	33.6	49.0	62.0	75.8	\$ Cost
							% Rise

In view of the State's recently imposed drought restriction order (mandating a 25% decrease in water consumption), several questions arise.

What is the likely impact on new construction and the water utilization by HVLA's Golf Course?

Will water consumption decrease by so much that CSD's target revenues fail to materialize?

Some of these issues are addressed in the CSD's [Water and Sanitary Sewer Rate Study](#) (Final Report, March, 2015), which is available [here](#).

There are suggested provisions, in this report, for such water consumption cutbacks. This is wise in light of recent articles about rising water rates in the SF Bay Area due to water consumption reductions:

[Drought Forcing Up San Francisco-Area Water Rates](#)

And one final question ...

How will the forthcoming increases in water costs impact our Community's economic well-being in view of potential rises in HVLA assessments over the coming years?

Enjoy the Easter Weekend!



**HIDDEN VALLEY LAKE ASSOCIATION
BOARD OF DIRECTORS
REGULAR BOARD MEETING AGENDA
Thursday – April 9, 2015
6:30 p.m. HVLA Community Center**

“No taping of the meeting is authorized without prior approval of the Board of Directors.
Resolution #2006-08”

PLEASE TURN OFF YOUR CELL PHONES

Board of Directors

Herb Fish, President
Sky Pile, Vice President
Inge Rankin, Treasurer
Jim Jasmin, Secretary
Kay Lopez, Director
Susan Cameron, Director
Bill Waite, Director

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

MEMBER COMMENTS (Any owner-member shall be allowed to speak at an open Board meeting for up to 3 minutes. Your Board encourages comments on the policies, programs and services of your Association. However, **personnel** criticisms and **personal** attacks are prohibited. Proper decorum is expected.)

Furthermore, in accordance with Civil Code 4930(a), the Board and Staff are not allowed to discuss items NOT on the agenda, except the President on behalf of the Board, may briefly respond to:

- A statement made, or questions asked by the speaker
- Ask the speaker a question for clarification, or direct Staff to follow up with the speaker

1. APPROVAL OF MINUTES

- a. February 26, 2015 Regular Board Meeting
- b. March 26, 2015 Regular Board Meeting

2. FINANCIAL REPORT

- a. Presentation of the 2014 Audit Report
- b. Board Action Request – HVLA Staff.
Approve 2014 Fourth Quarter Financial Report

3. GENERAL MANAGER & OFFICER REPORTS

- a. Video Taping – President Fish

4. FACILITIES PLANNING REPORT

5. LIAISON & COMMITTEE REPORTS

- a. Approved Meeting Minutes – Finance Committee 1/27/15
- b. Approved Meeting Minutes – Finance Committee 2/24/15
- c. Approved Meeting Minutes – Golf & Green 3/19/15
- d. Approved Meeting Minutes – Safety & Security 2/11/15

- 6. **CONSENT CALENDAR**
None
- 7. **CONSENT OF CONTRACTS**
 - a. Vintage
 - b. Ravenhill Bathrooms
 - c. North Coast Barns
 - d. Mid Pacific
 - e. Bishop Environmental Consulting Services
 - f. Paint Machine Purchase
- 8. **OLD BUSINESS**
 - a. Board Action Request - Approve New Board of Director Meeting Schedule
 - b. Board Action Request - Lots
- 9. **NEW BUSINESS**
 - a. Board Action Request - Event Center
 - b. Board Action Request - Clean Lakes
 - c. Concert on the Greens

ADJOURN MEETING

Next Scheduled Meetings:

April 23, 2015
 May 21, 2015
 June 25, 2015
 July 23, 2015

A "Reader Copy" of the Board Packet is available at the Association Office 48 hours prior to the Meeting.
 A "Reader Copy" will also be available at the Meeting.

**Middletown Area Town Hall
 (MATH)**
 P.O. Box 185, Middletown CA 95461 mathtownhall@gmail.com

**Board
 of Directors**

Fletcher Thornton,
 Chairman
 Middletown District
 245-6822

Claude Brown,
 Vice Chair
 Member at-large
 987-9974

Ken Gonzales,
 Secretary
 Middletown District
 650-346-1966

Mike Tabacchi,
 Middletown District
 987-3494

Charlotte Kubiak
 Middletown District
 707-791-9650

*Established by
 resolution of the
 Lake County
 Board of
 Supervisors
 Dec. 12, 2006*

**Agenda for Regular Meeting
 Friday April 10, 2015 7 p.m.
 Middletown Community Center
 Activity Room
 Open to the public**

1. Call to order
2. Approval of minutes of March 12, 2015 regular meeting
3. Public Input. Any person may speak for 3 minutes on any item **not** appearing on the agenda
4. Meet and Greet District 4 Assemblymember Bill Dodd
5. Dollar General Major Use Permit 15-08 Application
6. Chili Cook Off May 16, 2015
7. Agenda for May 14, Martin Adams new business development, Dog Park
8. Adjourn

[Middletown Art Center](#)
[HVLownerAdvocate](#)
[Hidden Valley Lake Forum](#)
[Hidden Valley Lake Friends and Neighbors](#)
[Hidden Valley Lake Exchange](#)
[Hidden Valley Lake Association](#)

PETITION CENTRAL

Wild Diamond Vineyard

Petition for Requiring an Environmental Impact Report for Vineyard close to Eagle Rock in Hidden Valley Lake

If you would like to sign the petition, [Please Click on this link](#).

Additional information can be found [here](#).

Stop the Hartmann Project From Encroaching on Open Space

Petition Background (Preamble): The Hidden Valley Lake Association (HVLA) Board of Directors are proposing to build a 12,177 square foot facility to house a new events center. The proposed facility encroaches on recreational open space, which is a benefit to all Lake County residents.

The building will also abut a pond that has proven to be a danger to human life.

Petition:

We, the undersigned, call on Lake County Board of Supervisors to deny any rezoning, variance or other instrument that would allow this egregious encroachment. Open space in a residential development is especially beneficial to personal enjoyment and for wild life.

If you'd like to sign ... [Please Click on this link](#)

Hartmann Event Center Project

Petition for requiring the HVLA Membership to be surveyed before building.

If you would like to sign the petition, [Please Click on this link](#).

eNewsletter Archive

An archive of many of the eNewsletters sent over the past year is now online. It can be accessed via the link below:

[HVLaRising eNewsletter Archive](#)

HVLaRising Website

The HVLaRising website has been revised to take into account current circumstances in our Community. It can be accessed [here](#).

Sincerely,

Steve Greenberg

HVLaRising | steven@hvlrising.org | <http://www.hvlrising.org>

Hidden Valley Lake, CA 95467

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