

# NCSD Water Billing Changes and Proposed New Rate Structure

## FAQs

### 1. Who is responsible for my water service?

Water service is provided by Northstar Community Services District (NCSD).

### 2. Historically, how have I paid for my water service?

Historically, the property owners have paid for their water service when they pay their annual property taxes. The District places its charges on the tax rolls as a separate line item in addition to basic property taxes.

### 3. Why is this billing system changing?

The State of California passed AB2572 which mandates that water purveyors bill water based on actual use. Currently, the District does not include any consumptive component to the water it charges condo owners. The governor also has mandated that all water districts reduce their consumption 20% by 2020. These mandates, combined with the ongoing drought, call for a rate structure that includes a consumption component and recurring price signal achieved by the new rate structure and monthly direct billing.

### 4. How am I going to pay my water bills in the future?

**For Single Family Home Owners:** The District will establish one account for each single family home and will begin billing the home owner directly on a monthly basis starting in July of 2015.

**For Condo Owners:** Condo buildings are served by master meters (no individual unit meters). The District will have only one account per meter, as such the owner of the property on which the meter is located will be billed on a monthly basis. In the case of condos managed by CAMCO, the meters are located on HOA property and the District will bill the association through CAMCO for each meter. Presumably, CAMCO will include the water charges in their annual

assessments sent to each individual owner. Condo owners will need to contact their specific association to understand the details on how water will be billed in the future.

6. How did the District come up with the proposed rates?

The District hired a consultant (HDR Engineering) who performed a comprehensive rate study and recommended the new rate structure. HDR Engineering is a premier rate analysis firms and performs the majority of utility rate studies in our area with extensive experience throughout the west coast. The structure includes five different customer classes: Single Family, Condo, Commercial, Mixed-use and Golf Course. The charges to each class are based upon the level of cost each class imposes on the District in providing the service. The rate structure within each class has charges based on meter size. See the District website for the HDR presentation on the rate structure methodology for more insight.

7. How can I find out the cost of water for my property?

The rate schedules are depicted in the charts (included in the 218 notice and on the bottom of this page). There are charts for fiscal years 15/16 through 19/20. Each chart is broken down by customer class and then further by meter size with the respective capital and operations portion of the rate indicated. Consumption charges are listed as well for both rate components per 1,000 gallons used.

8. What size is my meter?

With two exceptions, all single family homes are served by a 1" or smaller meter (5/8" or 3/4"). Condo and mixed use services vary from 2" to 6".

9. What is the typical monthly use by a single family home?

The year round average is 6,400 gallons/month with higher amounts in the summer and lower amounts in the winter.

10. Why do I have to pay for water when I am not there very much?

The District must be in a position to provide water to customers 24 hours a day, 365 days a year. Given the resort demographics and seasonal population, the District must be able to cover all of its fixed costs regardless of how much actual demand there is on the system. As such, the District is proposing that the rate structure reflect only 15% of revenue from consumption. The District's charges for water remain the most affordable in the North Tahoe region.

11. How can I manage my water consumption for better conservation?

The District has a comprehensive water conservation program including customer rebates, low flow fixture handouts, conservation garden and new smart meters with near real time water consumption data available via customer portal and mobile app. Please visit [www.northstarcsd.org](http://www.northstarcsd.org) or contact the District admin office at 530.562.0747 for more information.

12. Why don't individual condo units just get their own water meters?

Installing water meters to each unit would be cost prohibitive and would add little value as only 15% of the charges are based upon actual water consumption.

13. Can the District charge more than what is being proposed?

No. These published rates are the maximum that can be charged. In fact, depending on actual system demand, billed rates may be lower than what is indicated in the schedules.

14. Why is CAMCO billing us now when we are paid up until the end of June 2015?

The fiscal year for CAMCO is from November 1<sup>st</sup> through October 31<sup>st</sup>, and since the water bills will only be paid by the County through June, final four months must be paid by us through our Property manager, CAMCO.

Rather than having two different assessments for monthly dues, some association boards decided to pay those final four months (July, August, September and October of 2015) by spreading the four month cost over the entire 12 months of the CAMCO fiscal year (November 2014 through October 2015).