

# CCWD proposes joint wastewater project

*VSPUD will still pursue own plans, possible rate increase*

**By Nick Baptista / The Valley Springs News / Friday, September 16, 2016**

The Valley Springs Public Utility District Board of Directors has decided to move forward with consideration of a possible rate hike for sewer service.

The board at Wednesday's meeting also heard Calaveras County Water District is interested in pursuing a joint project.

"It's not a bad idea," VSPUD General Manager Mike Fischer said of the CCWD proposal, but it comes after both districts explored the idea earlier and it proved more costly than VSPUD pursuing its own wastewater system improvement plan.

CCWD for the first time is willing to waive a connection fee, Fischer added.

"It's definitely an option, but it's coming at the 11<sup>th</sup> hour after we've already spent a lot of money on environmental work," Fischer said.

VSPUD is looking at a five-year plan to finance wastewater improvements. Total project costs have been estimated at \$9.5 million, most of which would be financed through grants and \$3 million in a no-interest loan repaid over 30 years.

The proposed five-year plan calls for sewage rate increases for the typical home from \$49.50 to \$81.09 a month by 2020. That money would be used to pay a yearly debt service of \$8 million to VSPUD.

The CCWD joint project proposal calls for a cap of \$8 million to VSPUD.

The board decided to have an informational meeting in mid-October to outline the proposed rate hike and bring it back for final consideration in November. Rate-payers will be notified of that meeting 45 days in advance.

The board can adjust those figures down, Fischer added.

The water and sewer district mainly situated in downtown Valley Springs has 292 residential and 88 commercial customers. Commercial customers would see an equivalent rate hike.

The proposed rate increases are subject to majority protest. If more than 50 percent of affected property owners submit written protests against the proposed rate hikes at the November public hearing, the increases cannot be adopted by the board.