



# NEW PUBLIC HEARING DATE TUESDAY JUNE 17, 2025 AT 6 P.M.

## Public Hearing Notice of Proposed Wastewater Rate Increase

~~Thursday, May 8, 2025 at 10 a.m.~~

Murphys Fire Prevention and Training Facility 58 Jones Street, Murphys

### Murphys Sanitary District Cost of Service Fee Study Finding

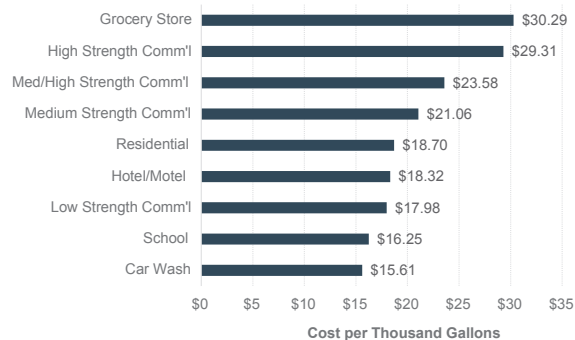
Murphys Sanitation District (Murphys SD/District) has conducted a cost-of-service rate study for its wastewater services. A cost-of-service study allocates costs to customer groups based on their demands on the administrative functions of the District and their wastewater generation (total flow and strength of the wastewater treated). The District has historically maintained consistent, low rates for its customers to fund operations, maintenance, and facility needs

using customer rate revenues and grant funding from the state; however, rates have been in place since 2009, with residential paying \$60 per month for the last 16 years despite increasing operations and maintenance costs. Sound fiscal management has allowed the District to use reserves to pay cash for improvement projects, but the District cannot continue to use reserves for this purpose. The financial health of the District to provide safe, reliable, state-compliant services requires an increase of rates proportionate with current market and industry costs.

### New Method to Calculate Wastewater Rates

The study determined that the District needed to update its methodology used to calculate residential and commercial rates to reflect cost of service, including the cost to treat wastewater by customer type. Currently, all customer rates are based on equivalent dwelling units (EDUs). An EDU is the average wastewater discharge from a single family home. Single family residential homes are charged as one EDU, or one billing unit. Other residential – mobile homes, apartments, duplexes/triplexes – are charged per unit or space. Commercial users have been charged based on winter water usage assessed in 2017 and have been paying the same calculated rates for the last eight years, which is not commensurate with the actual cost to treat wastewater contributed from commercial customers.

FY26 Treatment Cost per Thousand Gallons



### Proposed New Rate Structure

The proposed new rate structure for all customers will charge 1) a flat fee per wastewater account and 2) a fee based on the demand placed on the wastewater system. The rate charged for demand on the system is different for each type of customer. For residential customers, this second fee component is charged per dwelling unit. For commercial customers, the second fee component is charged per the number of commercial billing units associated with the account. Billing units are determined by the number of connections or the number

of businesses served by the account, and estimated wastewater generation by the type of business(es) on the account. Most commercial customers are grouped by wastewater strength (low, medium, medium/high and high) and charged by business unit. Certain commercial and institutional wastewater accounts will be charged differently, as follows:

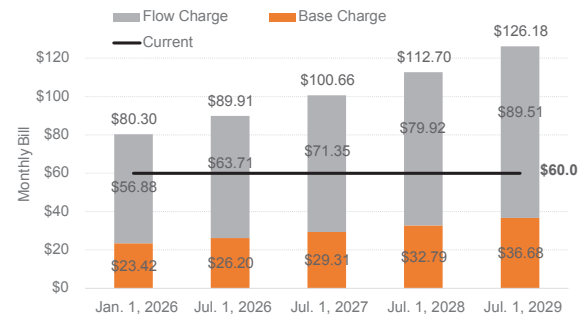
- School – per student
- Hotel/motel – per room
- Car wash – per facility
- Grocery store – per store
- Church – per church

### Estimated New Rates Per Customer Type

Charge Category	Unit	January 1 2026	July 1 2026	July 1 2027	July 1 2028	July 1 2029
Base Charge	account	\$23.42	\$26.20	\$29.31	\$32.79	\$36.68
<b>plus, Flow Charge, per Customer Unit</b>						
Residential and Institutional		per month				
Residential	dwelling	\$56.88	\$63.71	\$71.35	\$79.92	\$89.51
Hotel/Motel	room	\$24.52	\$27.46	\$30.76	\$34.45	\$38.58
Churches	church	\$54.70	\$61.26	\$68.62	\$76.85	\$86.07
School	student	\$2.14	\$2.40	\$2.69	\$3.01	\$3.37
Commercial Individual		per month				
Car Wash	facility	\$1,053.74	\$1,180.19	\$1,321.81	\$1,480.43	\$1,658.08
Grocery Store	store	\$589.55	\$660.30	\$739.54	\$828.28	\$927.68
Ironstone Vineyards	complex	\$3,263.71	\$3,655.36	\$4,094.00	\$4,585.28	\$5,135.52
Commercial Groups		per month				
Low Strength	business unit	\$54.70	\$61.26	\$68.62	\$76.85	\$86.07
Medium Strength	business unit	\$64.05	\$71.74	\$80.35	\$89.99	\$100.79
Medium/High Strength	business unit	\$71.73	\$80.34	\$89.98	\$100.78	\$112.87
High Strength	business unit	\$89.14	\$99.84	\$111.82	\$125.24	\$140.27

Important Notice About Wastewater Rates!  
 • Public Hearing to adopt the proposed changes to wastewater rates: DATE

### Example of Single Family Bill



The proposed rates are the maximum that the Board of Directors may adopt each year for the next five years. The Board may choose not to increase rates should revenues at the current level be sufficient to support the District's budget in the following year.

The current monthly charge for a single family home is \$60. The proposed new rate will have a base charge of \$23.42 plus a flow charge of \$56.88 which equals \$80.30 per single family home starting January 2, 2026.

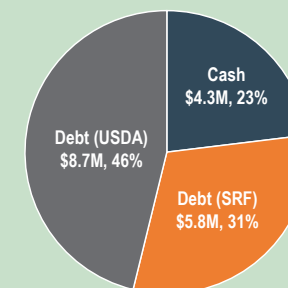
### Updates to the District's Capital Improvements Plan

The District's Capital Improvements Plan (CIP) was updated in 2024. The comprehensive plan examined the District's infrastructure and identified areas for rehabilitation at the wastewater treatment plant, sewer collection system, operations facilities and equipment. The plan included a 10-year timeline and estimated budgets for the identified improvements. The CIP allows the District to prioritize and financially plan for future projects that will be paid through a combination of rate revenues, loans, and if received, grant funding.

### CIPs - Estimated Cost in Inflated \$'s

Project Type	Estimated Cost	
	Next 5 Yrs	Yrs 6 - 9
Collection System	\$6,618,950	\$8,080,900
Treatment Plant	\$2,251,260	\$0
Building & Equipment	\$1,877,360	\$10,880
<b>Total Estimated Cost</b>	<b>\$10,747,570</b>	<b>\$8,091,780</b>
Loan Funded	\$8,870,210	\$5,623,680
Rates Funded	\$1,877,360	\$2,468,100

### CIP Estimated Funding Sources



### About the Murphys Sanitary District

Murphys Sanitary District (Murphys SD/District) was formed in 1959 to provide sanitary sewer service to the community of Murphys. Murphys SD provides wastewater collection, treatment, and disposal services to 852 active residential and commercial accounts. It meets all state and federal regulations to provide safe, reliable sanitary services to its customers.

The District operates on a July 1 through June 30 budget, which includes day-to-day operations and planned capital improvements costs, and retains a portion of revenue in reserves to fund future projects and emergencies. Most of the operating costs are paid through customer rates. Capital costs are paid for by a combination of rates, property taxes, connection fees, investment income and loans and grants received.

### ~~Attend the Public Hearing on Thursday, May 8, 2025~~

The Public Hearing will be held at Murphys Fire Prevention and Training Facility located at 58 Jones Street in Murphys at 10 a.m.

### Public Hearing and Customer Rights – Submit a Written Protest

Under Proposition 218, ratepayers and property owners have the right to oppose the proposed wastewater rate increase.

**Option 1** – No opposition to the rate increase. If you do not oppose the rate increases, no action is necessary.

**Option 2** – You oppose the rate increase. If you oppose the proposed rate increases, your protest must be submitted in writing even if you attend the Public Hearing. All written protests must be received in writing prior to the Public Hearing on **May 8, 2025**. Submit in person or mail protests to: Board Clerk, Murphys Sanitary District, 15 Ernest Street, Suite A, Murphys, CA 95247. Protests may also be submitted in person at the Public Hearing prior to the close of the Public Hearing.

### All protests must contain:

- Statement that the proposed wastewater rate increase is being protested,
- name of the property owner OR customer of record who is submitting the protest,
- parcel number OR street address,
- original signature and legibly printed name of the property owner of record or tenant,
- indicate if signature is of property owner or tenant, and
- date of signature.

At the conclusion of the Public Hearing, the Board of Directors will consider adopting the proposed rate increases. If, at the close of the Public Hearing, complete written protests are submitted by the record owners for the majority of the parcels served by the District (50% plus one, a “majority protest”), the Board of Directors cannot approve the proposed rate increases. If, at the close of the Public Hearing a majority protest does not exist for the proposed rate increases, the Board of Directors may impose rates up to the maximum amounts proposed.

Only one written protest per parcel will be counted (either owner or tenant, not both). Written protests received after the close of the Public Hearing will not be counted. Protests emailed or submitted by any electronic means will not be accepted.

Note date corrected in original notice.  
**NEW DATE June 17, 2025**

*Pursuant to Government Code Section 53759(d), there is a 120-day statute of limitation for ratepayers to challenge increased wastewater rates. Any challenge must be filed within 120 days of the effective date or date of final passage, adoption, or approval of the ordinance or resolution adopting the wastewater rates.*

### Learn More

- Attend a board meeting – Meetings are held the second Thursday of each month at the District office, 15 Ernest Street.
- Visit [www.murphyssd.org](http://www.murphyssd.org) to review rate related materials including the draft report, a calendar of meetings, and project updates.
- Email the office at [office@murphyssd.org](mailto:office@murphyssd.org).



Murphys Sanitary District  
15 Ernest Street, Suite A  
Murphys, CA 95247

## Murphys Sanitary District Proposes New Wastewater Sewer Rates

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58 Jones Street, Murphys

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