



Water and Wastewater Rate Study

Castroville CSD

BOARD OF DIRECTORS WORKSHOP

OCTOBER 20, 2026



Objective of Today's Workshop

- Review schedule and study background
- Show rate proposal
- Show financial plan
- Review connection fees

Proposed Schedule

Milestone``	Topic	Date
Kickoff Meeting	Begin Project with Staff	5/22/2026
~~Workshop 1 – A&F Committee~~	~~Discuss Study Process / Review Financial Plan~~	7/21/2026
~~Workshop 2 – Board Meeting~~	~~Show Rate Options and Connection Fee Recommendations~~	8/18/2026
~~Workshop 3 – Board Meeting~~	~~Present Draft Report~~	9/15/2026
Workshop 4 – Board Meeting	Present Final Report – Approve Notice	10/20/2026
Proposition 218 Hearing	Public Hearing	12/15/2026
Water Rate Implementation		2/1/2027
Sewer Rate Implementation		7/1/2027

Rate Discussion

Proposed Changes to Rates

Water

- Adjusting rates annually by the recommended revenue adjustments of 8.0 percent in Fiscal Years 2027 through 2031
- Adjusting meter rates to reflect industry standard meter ratio calculations
- Removing the monthly fee for units above the first connected to each meter

Sewer Zone 1

- Make no changes to the rates

Sewer Zone 2

- Make no changes to the rates

Sewer Zone 3

- Adjusting rates annually by the recommended revenue adjustment of 8.0 percent in Fiscal Years 2028 through 2032

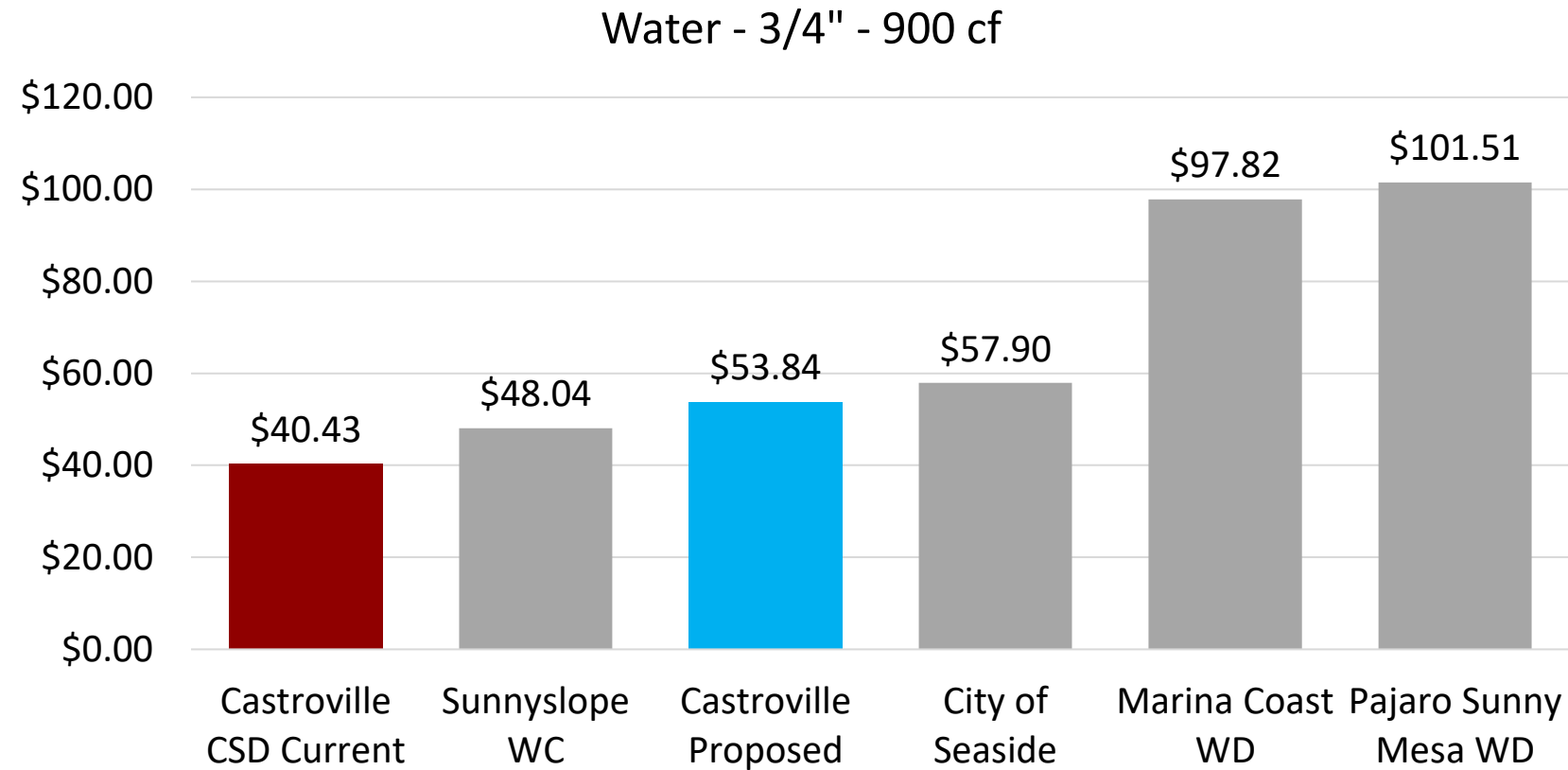
Proposed Water Rates

Domestic	Current	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
3/4"	\$20.81	\$31.34	\$33.87	\$36.58	\$39.51	\$42.67
1"	\$34.77	\$41.81	\$45.17	\$48.79	\$52.69	\$56.90
1 1/2"	\$67.96	\$67.96	\$73.42	\$79.30	\$85.64	\$92.49
2"	\$110.43	\$99.35	\$107.32	\$115.91	\$125.18	\$135.19
3"	\$220.94	\$198.74	\$214.67	\$231.84	\$250.39	\$270.42
4"	\$344.65	\$329.53	\$355.91	\$384.39	\$415.14	\$448.35
6"	\$692.74	\$721.88	\$779.66	\$842.03	\$909.39	\$982.14
Surcharge	\$20.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Use	\$0.0218	\$0.025	\$0.027	\$0.029	\$0.031	\$0.033
Fire	Current	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
2"	\$11.65	\$38.74	\$41.84	\$45.19	\$48.81	\$52.71
3"	\$21.92	\$46.44	\$50.16	\$54.17	\$58.50	\$63.18
4"	\$43.70	\$71.06	\$76.74	\$82.88	\$89.51	\$96.67
6"	\$98.29	\$123.40	\$133.27	\$143.93	\$155.44	\$167.88
8"	\$131.04	\$184.97	\$199.77	\$215.75	\$233.01	\$251.65
10"	\$175.40	\$231.15	\$249.64	\$269.61	\$291.18	\$314.47
12"	\$245.43	\$385.10	\$415.91	\$449.18	\$485.11	\$523.92

Category	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Water Revenue Adjustment	8.0%	8.0%	8.0%	8.0%	8.0%



Water Rate Comparison (January 1, 2027)



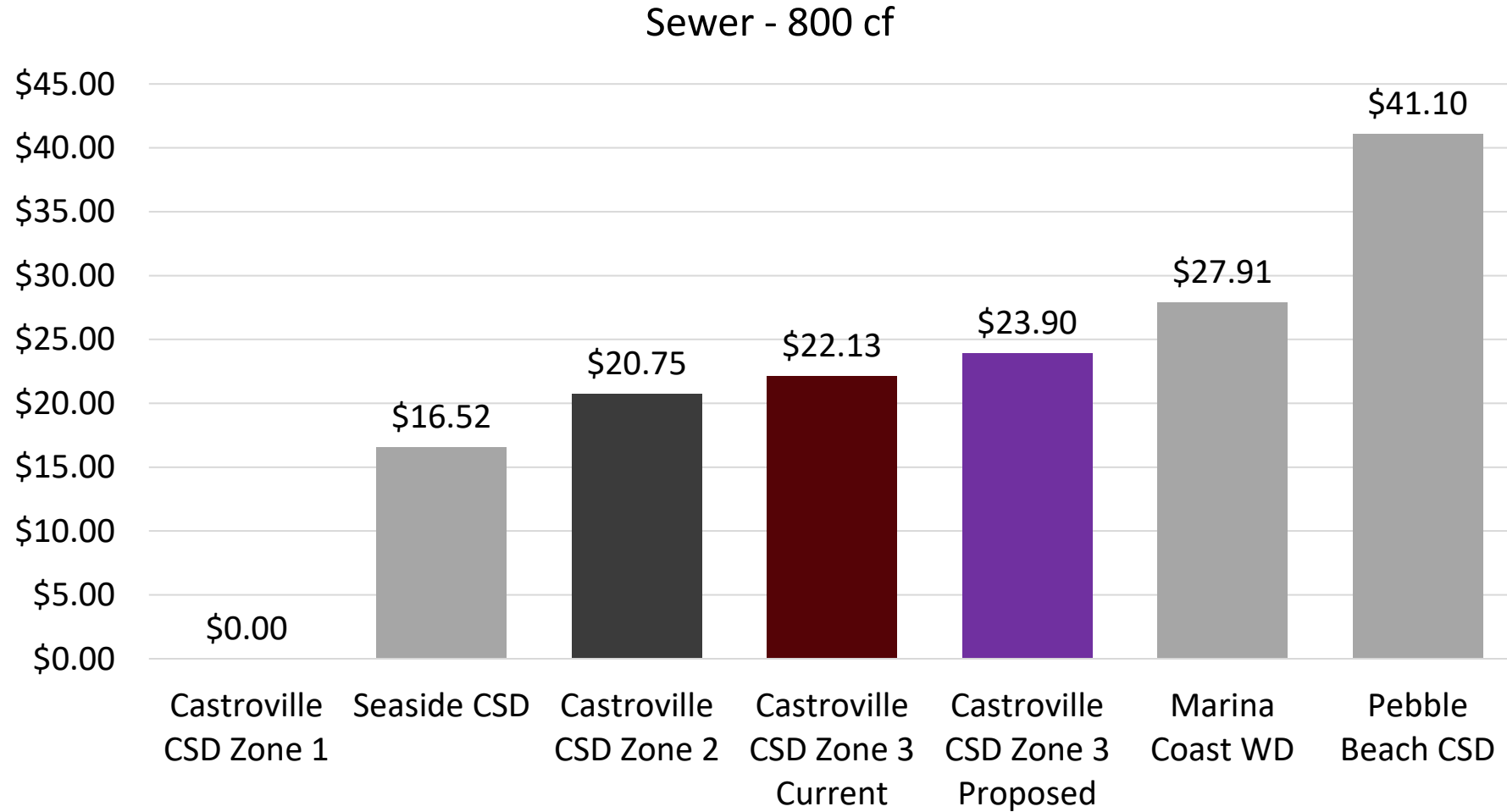
Proposed Sewer Rates (Annual)

Unit	Current	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Zone 1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zone 2 (EDU)	\$248.99	\$248.99	\$248.99	\$248.99	\$248.99	\$248.99
Zone 2 (Student)	\$12.12	\$12.12	\$12.12	\$12.12	\$12.12	\$12.12
Zone 3	\$265.56	\$286.80	\$309.75	\$334.53	\$361.29	\$390.19

Category	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Zone 3 Sewer Revenue Adjustment	8.0%	8.0%	8.0%	8.0%	8.0%



Sewer Rate Comparison (July 1, 2027)



Connection Fee Discussion

Connection Fees

- Based on asset “Buy-in” values
 - Includes assets and reserves
 - Assets = Net Book Value
 - Meter ratios same as rates
- Does not require Proposition 218 Hearing
 - Implemented 30 days after Board approval

Water Connection Fees					
Outside Industrial Park			Inside Industrial Park		
Domestic	Current	Proposed	Domestic	Current	Proposed
3/4"	\$3,025.20	\$4,476.14	3/4"	\$1,540.53	\$2,238.07
1"	\$5,079.43	\$7,460.24	1"	\$2,570.72	\$3,730.12
1 1/2"	\$7,724.07	\$14,920.48	1 1/2"	\$3,910.92	\$7,460.24
2"	\$11,919.97	\$23,872.76	2"	\$6,034.51	\$11,936.38
3"	\$20,069.70	\$52,221.67	3"	\$10,158.86	\$26,110.84
4"	\$39,530.11	\$89,522.87	4"	\$20,008.90	\$44,761.43
6"	\$64,402.61	\$201,426.45	6"	\$32,400.16	\$100,713.23
Fireline	Current	Proposed	Fireline	Current	Proposed
2"	\$2,644.65	\$4,721.21	2"	\$1,322.33	\$2,360.60
3"	\$2,644.65	\$6,294.94	3"	\$1,322.33	\$3,147.47
4"	\$2,644.65	\$11,330.90	4"	\$1,322.33	\$5,665.45
6"	\$3,740.42	\$22,032.30	6"	\$1,869.61	\$11,016.15
8"	\$5,289.29	\$34,622.19	8"	\$2,644.65	\$17,311.09
10"	\$6,478.07	\$44,064.60	10"	\$3,238.43	\$22,032.30
12"	\$7,786.08	\$75,539.31	12"	\$3,893.05	\$37,769.66
Sewer Connection Fees					
Residential	\$3,168.00		Residential	\$5,160.09	
Commercial	\$3,168.00	Per EDU	Commercial	\$5,160.09	per EDU

Current vs. Proposed Connection Fees



Proposition 218

Notices - Hearing

Proposition 218

- Sent to all parcel owners
 - Right to mail protest
 - Water ~ 1,700 parcels
 - Zone 3 ~ 168 Parcels

Questions?
