



**Corporate Office:**  
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July 5, 2017

Mr. Larry Lees  
County Executive Officer  
Shasta County  
1450 Court Street, Suite 308  
Redding, CA 96001

***RE: Shasta County / Jones Valley CSA #6 Median Household Income Survey Proposal (AR 5438)***

Dear Mr. Lees,

The Rural Community Assistance Corporation (RCAC) is pleased to submit a proposal to conduct an income survey for the Jones Valley County Service Area #6 (CSA #6), in accordance with the document *Guidance for Median Household Income Calculations and Income Surveys* that was adopted by the California Department of Public Health (CDPH) and amended by the State Water Resources Control Board in June 2014. This survey methodology is acceptable to the funding agencies represented in the California Financing Coordination Committee, including USDA Rural Utilities Services and the California State Water Resources Control Board (SWRCB), *with the possible exception of* the Community Development Block Grant (CDBG) program. Funding for this survey will be provided by State Water Resources Control Board – Division of Financial Assistance, Proposition 1 Technical Assistance Comprehensive Assistance to Tribal and Small Systems Project Agreement No. D1612801 / AR 5438.

The County will provide a comprehensive electronic mailing list of all households in the utility service area, including multiple residential units (apartments, duplex, mobile home/RV parks etc.), commercial properties, vacation homes, vacant homes and lots. Shasta County will identify if the survey should be conducted in English only or bilingually in English and Spanish. Shasta County will also perform appropriate customer outreach to ensure that an acceptable number of valid survey responses are collected by RCAC. This will include at a minimum a letter on County letterhead explaining the need to conduct the survey and introducing RCAC as the contractor who will conduct the survey. This letter will be mailed by the Rural Community Assistance Corporation. RCAC staff will consult with County staff about the content of the information letter, provide translation services (if required) and advise on any additional customer outreach efforts that may be made such as attending a community meeting.

The survey will be conducted by mailing an informational letter explaining the purpose for the income survey and that RCAC is the third party who will be conducting the survey. This letter will be placed on Shasta County letterhead and will be sent by RCAC to all the households in Jones Valley CSA #6. A week after the informational letter is mailed RCAC will mail survey forms and a letter explaining the survey to all of the households in CSA #6; ten to fifteen days after the first mailing, a second mailing to collect additional responses may or may not be necessary. If Shasta County conducts reasonable customer outreach prior to the survey being conducted by RCAC, it is expected that the required percent of

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responses (to be determined after the universe is defined) will be received. RCAC is available to advise on the content of that letter and provide suggestions for additional customer outreach.

In the event that the required number of survey forms are not returned, RCAC will consult with the County staff to determine the best method for obtaining the remaining responses including RCAC performing a door to door survey of those residents who did not respond to the mailings. Survey guidelines require that every household in the service area be contacted. If a significant number of additional households are discovered that are not on the mailing list provided to RCAC, such as multifamily units or additional dwellings on customer lots, the predetermined cost budgets are invalid.

RCAC will provide all mailing services, communications with funding agencies to assure validity of the survey, compilation of results, and preparation of draft and final survey reports.

If you have any additional questions or require additional information regarding this proposal, please contact Kimberley Strong at 916/447-9832 ext. 1064.

Sincerely,

*Kimberley Strong*

Kimberley Strong  
Rural Development Specialist  
Community and Environmental Services

Enclosures:      MHI Project Org Chart  
                         Multi-Agency MHI Guidelines  
                         Example Survey Form  
                         RCAC Staff Resumes  
                         Community Reference



### MHI References

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1. Eric Tynan, General Manager  
Castroville Community Services District  
11499 Geil Street  
Castroville, CA 95012  
Off. 831.633.2656  
Cell 831.235.0155  
Fax 831.633.3103  
Email: Eric@castrovillecsd.org
  
2. Katie Nunn  
Quincy Community Services District  
900 Spanish Creek Road  
Quincy, CA 95971  
Off. 530.283.0836  
Fax 530.283.0838  
Email: Katie@quincycsd.com
  
3. Sandee Miloszar, Board President  
Mettler Valley Mutual Water Company  
28115 West Avenue C-6  
Lancaster, CA 93536  
Off. 661.724.3026  
Email: smiloszar@gmail.com

**Multiagency Guidelines for  
Median Household Income (MHI) Surveys**

California Department of Public Health, State Water Resource Control Board, and United States  
Department of Agriculture – Rural Development  
June 2014

Median Household Income (MHI) surveys are conducted for a drinking water or wastewater service area when it is believed that available household income data from such sources as American Community Survey are believed to be inaccurate. This guide is used for requesting funding agency approval to conduct an income survey which will be used to determine eligibility for these funding groups. Please do not make any changes to the guidelines, introductory letter, and survey letter without first receiving authorization by one of these funding groups.

**Median Household Income Surveys**

If there is reason to believe that the available household income data is not an accurate representation of the MHI within the permitted service area, the applicant may request an income survey which may or may not be paid for by the funding agency. The reason for the income survey must be clearly documented, and the funding agency must concur with the justification for conducting the income survey.

The funding agency also may require an income survey if the MHI of the proposed service area appears to be higher than the last household income data available. The purpose of the funding program is to serve the most financially needy communities. Once the income survey is completed, it must be used in all cases regardless of whether it results in a higher or lower MHI than previously available MHI data. Income survey results can be used for five years from the date of the initial results letter or if no initial results letter is produced, the date of the final report.

The funding applicant's written request for authorization to conduct an income survey must incorporate:

1. The specific reasons why the applicant believes the available household income data for the proposed service area is not accurate. An example of a reason that typically is accepted would be that the smallest census area available is not representative of the service area.
2. The name of a proposed reliable impartial source that will conduct the income survey, is not associated with the project, and is approved by the funding agency. Examples of the entities that are typically accepted include Rural Community Assistance Corporation, Self-Help Enterprises, California Rural Water Association, or a university. A private consultant may be accepted if not otherwise associated with the applicant in any capacity.
3. Survey procedures including: methods of making household contacts; and outlined format for reporting survey results, including a map to identify the service area boundaries.

## ATTACHMENT #1

The following sample documents are attached:

1. letter authorizing income survey (for use by the funding agency) \*
2. letter to notify users (for use by the system applying for funds)
3. letter with sample survey form (for use by third party entity)
4. table to tabulate income survey results (for use by third party entity)

**\*Please note: details of the MHI survey process are in the first attachment.**



**1. Sample Letter Authorizing Income Survey (for use by funding agency)**

(Funding Applicant Name and Address)

Dear

This letter is to reply to your correspondence dated \_\_\_\_\_ regarding your request to have an income survey conducted for the \_\_\_\_\_ project. The Median Household Income (MHI) from \_\_\_\_\_ has been determined to be unreliable for the proposed service area due to \_\_\_\_\_.

Concurrence by the funding agency to proceed with an income survey is subject to conformance with the following methodology when conducting the survey:

1. Assurance will be provided that the MHI resulting from the survey defines household as a person or group of people who occupy a housing unit as their usual place of residence and that the household income is the total amount of income received by all household members 15 years old and over, for the latest tax year (i.e., 2013 data is collected for a survey conducted between April 15, 2014 and April 15, 2015; 2014 data is collected for a survey conducted between April 15, 2015 and April 15, 2016; etc.). Income includes any sources of gross income received regularly from employment, net business or farm income, veteran's payments, unemployment compensation, child support, Social Security or supplemental security income, public assistance, retirement, survivor or disability pensions, interest payments, or alimony. Income received by children under the age of 15 for work such as baby sitting, paper routes, or lawn mowing does not need to be included.
2. Every household within the MHI income survey boundary needs to have an equal opportunity to be included in the sample. There are two options to use in order to select households to be surveyed:
  - a. If the service area has less than or equal to 3,300 service connections, every household will be contacted. The minimum number of responses required is based on the number of households in the service area and is outlined in the table below.
  - b. If the service area is greater than 3,300 service connections the households to be surveyed can be selected using a random numbers table or a random numbers generator such as available on the following two websites; [www.randomizer.org](http://www.randomizer.org) and [www.random.org](http://www.random.org). Both give guidance on how to choose random numbers for surveys, and will generate a list of random numbers. The minimum number of responses required is based on the number of households in the service area and is outlined in the table under Item No. 5 below. It is advisable to obtain more than the minimum number of required samples in case unreachable households, unoccupied homes, and other

nonresponsive situations are encountered. Nonresponsive households may be replaced with households on the reserve list in the order the replacements were selected. For example, if a list of 200 households is drawn in an effort to obtain 152 interviews, the first household designated as unreachable should be replaced by the 153<sup>rd</sup> household in the sample. If a door to door survey is conducted, two or more passes through the area at different times should be attempted. With a telephone survey three calls should be attempted before replacing a household with another one from the reserve list.

3. The system shall send an introductory letter using the template provided in this guide. Then, the third party surveyor will send a letter with the survey form to each home within the permitted service area, using the templates provided in this guide. Surveys may be returned by mail. If the occupant does not return a completed form, it may be necessary to go door to door. The funding agency must approve the letter explaining the need for the income survey and the survey methodology before the survey is started. Once the survey is completed it must be used in all funding projects regardless of whether it results in a higher or lower MHI than previously.
4. Documented evidence will be provided that the households in the proposed service area (universe) have been contacted by phone, letter, or visit. Each household needs to complete the survey and return it even if it is a rental property.
5. Documentation will be provided that the survey results are statistically accurate reflecting at least a minimum response rate as outlined in the table below. The following response rates are minimum guidelines and may be held to a higher percentage of response if required by other co-funding sources to avoid the duplication of work in completing the income surveys. The universe is defined as all households occupied for six months out of the year.

## Households in Universe

## Sample Size as Percentage

1	–	55	90
56	–	63	87
64	–	70	85
71	–	77	84
78	–	99	80
100	–	115	78
116	–	153	72
154	–	180	69
181	–	238	67
239	–	308	57
309	–	398	50
399	–	650	38
651	–	1,200	25
1,201	–	2,700	13

2,701 – or more

10

6. A reliable impartial party who is not associated with the project will conduct the survey and will certify the results obtained as well as how the random samples were selected. The party selected to conduct the survey must be approved by the funding agency prior to beginning the income survey.
7. The actual income survey results will be submitted to the funding agency for review and concurrence. The median income is defined as that income in the middle of the data collected from the universe after all incomes are ranked in order from lowest to highest incomes. For example, if there nine houses surveyed, and the five ranks of income are \$15k, \$16k, **\$17k**, \$18k, \$19k, then \$17k is the median income because it is two from the top and two from the bottom rank. The median may require averaging if you have an even number of universe data available, and the two incomes in the middle are different.
8. The final report should include the following; a copy of any initial results letter, a summary of the income survey methodology, survey results, response rate calculations, service boundary map, residents list (including homes that responded, didn't respond, vacant lot/homes, and commercial properties), sample letters and forms, and median household income data table.
9. Evidence will be provided that there is a reliable method in place to identify each potential survey responder and further to cross reference each responder with corresponding survey returns.
10. The funding agency holds the right to audit the data five years from date published.

The key to the user list and the actual survey returns will be available to the funding agency for review.

If you have any questions, please contact \_\_\_\_\_ at  
\_\_\_\_\_ or e-mail at \_\_\_\_\_.

Sincerely,

[Funding Agency Contact Person]



## 2. Sample Letter to Notify Users (for use by the system applying for funding)

(Use system letter head)

(Current Date)

Dear Customer,

(System name) has plans to apply to federal or state funding programs for (water/sewer) system improvements and upgrades. We hope to optimize our funding opportunities for a (water/sewer) improvement project that will include the following;

➤ (insert description of project).

These improvements will help the system operate reliably, and address (describe system deficiencies here, including exceeded MCL for specific contaminants for water systems and discharge limits exceeded for wastewater systems).

As part of the application process (system name) will have an impartial third party contractor perform a focused household income survey of their customers. This income survey will be used by funding agencies to determine (water/sewer companies) eligibility for low interest loans and grants.

(name of company/organization doing the survey) will perform this survey. An income survey will be mailed to you in the next few days. Please complete the information and return it to (name and address to return survey). Income surveys require a high percentage of residents to respond for the survey to be considered valid under current guidelines. It is therefore critical that you provide the information requested on the survey form. Your responses to this survey are strictly confidential. No personal identifying information will be reported in the survey results.

You can help your community and (water/sewer) system obtain the best possible funding from federal and state funding agencies, so that needed improvements can be made. Thank you for your assistance. For more information please feel free to contact:

(System Contact information)

(Contact information for the company/organization doing the survey)

Thank you for your help,

(Name, and Title)

**3. Sample Letter and Sample Survey Form (for use by third party entity)**

(Current Date)

**ATTENTION: RESIDENTS OF  
(System Name)**

The (system name) has authorized (name of company/organization) to conduct a confidential income survey in your neighborhood. Attached is the survey form that will be utilized to obtain the needed information. Please complete the survey to the best of your ability.

The information on this survey is necessary to assist the water system obtain funding from various federal or state funding programs. The funding will be used to construct a (description of project). This will enable the District to meet current (drinking water standards or discharge requirements) and upgrade the (water/sewer) system to improve the (water quality or discharge). This survey is being conducted to establish an accurate Median Household Income (MHI) of the (water/sewer) service area.

**This information will not be made public. It is important that the information you provide is an accurate representation of the questions asked. Please take the minute or two that it takes to complete the attached survey now.** Please return the completed survey form to the following address (insert address). If you request it, assistance can be arranged to help you fill it out. **If a response is not received within 15 days, you will receive an additional notice with a second copy of the form for your response.** A high response rate is needed for the (water/sewer) system to be considered for optimal funding alternatives. No identifying information will be kept with the questionnaires.

Once the completed surveys have been received, the (company/organization) will analyze the responses, determine the MHI for your community, and report the results to the funding agencies that disburse the loans and grants. **Responses to this survey form are confidential.**

If you would like more information about the survey and how the information will be utilized to assist the residents of (system name), please feel free to contact:

(System contact person, address, phone number, e-mail address)

(Company/organization contact person, address, phone number, e-mail address)

**Median Household Income (MHI) Survey for Special Funding Eligibility  
Verifiable Income from (enter tax year before mailing) Federal Income Tax Filing**

Residential Address \_\_\_\_\_ Survey Number \_\_\_\_\_

**1. Was this survey sent to a commercial business?**

- Yes ☐ Stop and return this form in the envelope provided.  
No ☐ Complete the survey.

**2. Did you live at this residence within the water or sewer district boundary more than six months of the year?**

- Yes ☐ Please complete Questions 3 to 6 and return this form in the envelope provided.  
No ☐ This is a **vacation** home (stop and return this form in the envelope provided).  
No ☐ This is a **vacant** home (stop and return this form in the envelope provided).  
No ☐ This home is **currently rented**, and I am the owner (please complete the information on the back of this form and return in the envelope provided).

**3. How many people reside at this household, including children and adults?** \_\_\_\_\_

**4. Provide the total household annual gross earnings in (tax year) from:**  
Wages, salary, commissions, & bonuses from all jobs of residents 15 or older \$ \_\_\_\_\_

**5. Provide the total household net annual earnings in (tax year) from:**  
Farm or non-farm business, professional practice, or partnership income. \$ \_\_\_\_\_

**6. Provide any other household annual earnings in (tax year) from:**  
Social Security or supplemental security income, public assistance,  
retirement plans, veteran's payments, child support, alimony,  
unemployment benefits, interest income, survivor or disability pensions,  
or any other source of income received regularly. \$ \_\_\_\_\_

**TOTAL INCOME (enter tax year)** \$ \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Property Address

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## ATTACHMENT #1

(Continued from front page) If property is a rental, please complete the information below:

### Property Rental Information

Renter's Name:	<hr/>
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Mailing Address:	<hr/>
	<hr/>
	<hr/>

Service Address:	<hr/>
	<hr/>
	<hr/>

**Please return this survey in the enclosed postage-paid envelope.**

ATTACHMENT #1

**4. Sample Table to Tabulate Income Survey Results (for use by third party entity)**

Survey Ascending Order	Survey Number	# of People in Residence	Annual Gross Income Reported	Survey Date
1				
2				
3				
4				
5				
6				
7				
8				
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11				
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**Median Household Income (MHI) Survey for Special Funding Eligibility  
Verifiable Income from 2016 Federal Income Tax Filing**

Residential Address \_\_\_\_\_ Survey Number \_\_\_\_\_

**1. Was this survey sent to a commercial business?**

- Yes ☐ Stop and return this form in the envelope provided.  
No ☐ Complete the survey.

**2. Is this your primary residence? (please check only one box)**

*A primary residence is a household that is occupied more than 6 months out of the year or is occupied by migrant farm workers.*

- Yes ☐ Please complete Questions 3 & 4 and return this form in the envelope provided.  
No ☐ This is a **vacation** home (stop and return this form in the envelope provided).  
No ☐ This is a **vacant** home (stop and return this form in the envelope provided).  
No ☐ This home is a rental property, and **I am the owner** (please complete the information on the back of this form and return in the envelope provided).

**3. How many people reside at this household, including children and adults?**

**4. What was the household income in 2016? (see below what is considered household income)**

\$ \_\_\_\_\_ /month

OR

\$ \_\_\_\_\_ /year

*Income includes:*

- 1. Gross wages, salary, commissions, and bonuses from all jobs of residents 15 or older (prior to state and federal taxes).*
- 2. Farm or non-farm business, professional practice, or partnership net income*
- 3. Social Security or supplemental security income, public assistance, retirement plans, veteran's payments, child support, alimony, unemployment benefits, interest income, survivor or disability pensions, or any other source of income received regularly.*

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Property Address

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



ATTACHMENT #1

2a. (Continued from front page) If property is a rental, please complete the information below:

**Property Rental Information**

Renter's Name:	<hr/>
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Mailing Address:	<hr/>
	<hr/>
	<hr/>

Service Address:	<hr/>
	<hr/>
	<hr/>

Please return this survey in the enclosed postage-paid envelope.