

Comments and Written Protests

Any affected property owner may submit a written protest to the proposed increase to the sewer rates; provided, however, only one protest will be counted per parcel. Each protest must (1) be in writing; (2) state that the identified property owner opposes the proposed increases to the sewer rates; (3) identify the parcel for which the protest is made (by assessor's parcel number or street address); and (4) include the signature of the property owner. Protests submitted by e-mail, facsimile, or other electronic means will not be counted. Written protests may be submitted by mail to the City Clerk at 330 W. 20th Avenue, San Mateo, CA 94403 or at the public hearing, so long as the protests are received before the public hearing ends. Please identify on the envelope for any written protest, whether mailed or submitted in person to the City Clerk, that the enclosed written protest is for the Public Hearing on the Proposed Sewer Rate Increase.

During the public hearing, the City Council will hear all public testimony and consider all written protests. At the conclusion of the public hearing, the City Council will decide whether to adopt the proposed sewer rates. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest, but the City welcomes your input. If, at the end of the public hearing, written protests against the proposed increases to the sewer rates are not presented by a majority of affected property owners of the identified parcels, the City Council will be authorized to adopt the rates.

CITY OF SAN MATEO
CITY CLERK
330 WEST 20TH AVENUE
SAN MATEO, CALIFORNIA 94403-1388



Need More Information?

Please visit our website,
CleanWaterProgramSanMateo.org, or
call (650) 522-7367.

Notice of Proposed Sewer Rate Increase



Public Hearing

**Date: June 19, 2017
At 7:00 p.m.**

San Mateo City Hall
Council Chambers
330 W. 20th Avenue
San Mateo, CA 94403

Notice of Public Hearing

The City of San Mateo, in compliance with Article XIID of the California State Constitution and the Proposition 218 Omnibus Implementation Act, is notifying all affected property owners of the following:

- The City is proposing to increase the current “Base Sewer Rate,” which is charged to Class A residential and Class B commercial customers, from \$9.05/CCF to \$12.31/CCF for fiscal year (FY) 2017-18. “CCF” means “hundred cubic feet,” which is 748 gallons. For a typical single-family residential property with an average monthly water usage of 5 CCF, the charge will increase from \$45.25 to \$61.55 per month in FY 2017-18. For other rate classifications, please see the chart of proposed sewer rates.
- An increase in the minimum annual sewer charge also is proposed. The proposed minimum charge will equate to \$30.78 per month in 2017-18, and will remain among the lowest in the region.
- On June 19, 2017 at 7:00 p.m. at the Council Chambers located at 330 W. 20th Ave, the San Mateo City Council will hold a Public Hearing to accept public comment and testimony on the proposed sewer service rate increase.

Why a Rate Increase Is Needed

Based on a detailed evaluation of revenue requirements, the City is proposing a 36% base sewer rate increase for FY 2017-18. Due to the 100% volumetric-based rate structure and the continued decline of water consumption over the years, the sewer charge revenues have been negatively impacted and the current revenue base is approximately 24% lower than the projected revenue needed.

The proposed increase will establish sufficient revenue to overcome the previous years’ revenue shortfalls, generate the funding needed for the City’s operating cost of providing wastewater service, and provide reliable future revenue for financing of the City’s capital improvement requirements to address the aging wastewater system infrastructure and comply with environmental regulations. Specifically, the proposed rate adjustments will enable the City to:

- Fund capital investments and debt service for high-priority capital needs in Fiscal Year 2017-18. These high-priority capital projects include improvements to the Sewer Collection System and the Wastewater Treatment Plant (WWTP), including annual sewer rehabilitation, capacity, and reliability improvements and projects at the WWTP to ensure responsive and functional facilities.
- Respond to increased regulatory requirements and issues associated with sanitary sewer overflow prevention, including construction

of relief sewer lines and facilities necessary to prevent overflows during significant rain events as well as increased cleaning, inspection, and rehabilitation of the existing collection system.

- Pay for the increases in annual operating and maintenance expense required to meet the City’s regulatory permit requirements, fund increasing annual debt service requirements, and keep revenues aligned with the costs of providing wastewater service.

Proposed Sewer Rates Effective July 19, 2017

The following tables show the current rates and effects of the proposed increase on residential and commercial sewer rates.

Residential

| Class | Current/Base Rate | Proposed Base Rate, FY 2017-18 |
|-------------------------|-------------------|--------------------------------|
| <i>Class A Standard</i> | \$9.05/CCF | \$12.31/CCF |
| <i>Minimum Charge</i> | \$22.62/month | \$30.78/month |

Commercial

| Class | Current/Base Rate | Proposed Base Rate, FY 2017-18 |
|-----------------------|--------------------|--------------------------------|
| <i>Class B</i> | \$9.05/CCF | \$12.31/CCF |
| <i>Class C</i> | \$13.39/CCF | \$18.20/CCF |
| <i>Class D</i> | \$20.27/CCF | \$27.57/CCF |
| <i>Class E</i> | Case-by-Case Basis | |
| <i>Minimum Charge</i> | \$22.62/month | \$30.78/month |

The City’s proposed sewer rates compare favorably with neighboring cities in San Mateo County. Current charges for a typical single family that used 5 CCF per month in other cities range from \$34.30/month to \$193.75/month, with a median of approximately \$62 per month. San Mateo’s sewer charge for similar usage is currently \$45.25, roughly 27% below the regional median. With the proposed rate increase, the sewer bill for 5 CCF of use would be \$61.55/month in FY 2017-18 and will remain low compared to other County agencies.

Please note that the sewer charge is billed annually on the property tax bill.

How to Calculate Your Sewer Service Charge

Your sewer service charge for the fiscal year is based on water consumption for the five preceding winter months (November through March). Your charge can be determined by multiplying the proposed rate for your customer class, by your average winter water usage, as illustrated in the following example:

| Example | Nov 2016 | Dec 2016 | Jan 2017 | Feb 2017 | Mar 2017 | Total |
|---------------------------|----------|----------|----------|----------|----------|-------|
| Water Consumption in CCF* | 7 | 5 | 4 | 4 | 5 | 25 |

* 1 CCF = 100 cubic feet, or 748 gallons

Annual Sewer Charge = Avg. Monthly Water Use x Rate x 12 Months

Using the example above, the steps to calculate the annual charge for a residence are as follows:

- To calculate your average monthly water use, take the total and divide it by 5:
25 CCF ÷ 5 months = 5 CCF average use per month.
- Calculate the monthly fee by multiplying your average monthly water use by the Class A rate: 5 CCF x \$12.31= \$61.55. (For businesses, use the rate for your customer class, which reflects the cost of treating different types of wastewater.)
- Next, calculate your annual sewer service charge by multiplying the monthly fee by 12 months:
\$61.55 x 12 = \$738.60.

Note: The proposed minimum charge equates to \$30.78 per month. This minimum charge will apply if there is any water use during the fiscal year.

Need Your Water Usage Information?

California Water Company customers may view their consumption history online at <https://secure6.i-doxs.net/CalWater/>. Customers of other water providers should refer to their water bills to determine consumption, or contact the provider.
