

County Sewer/Sanitation Districts

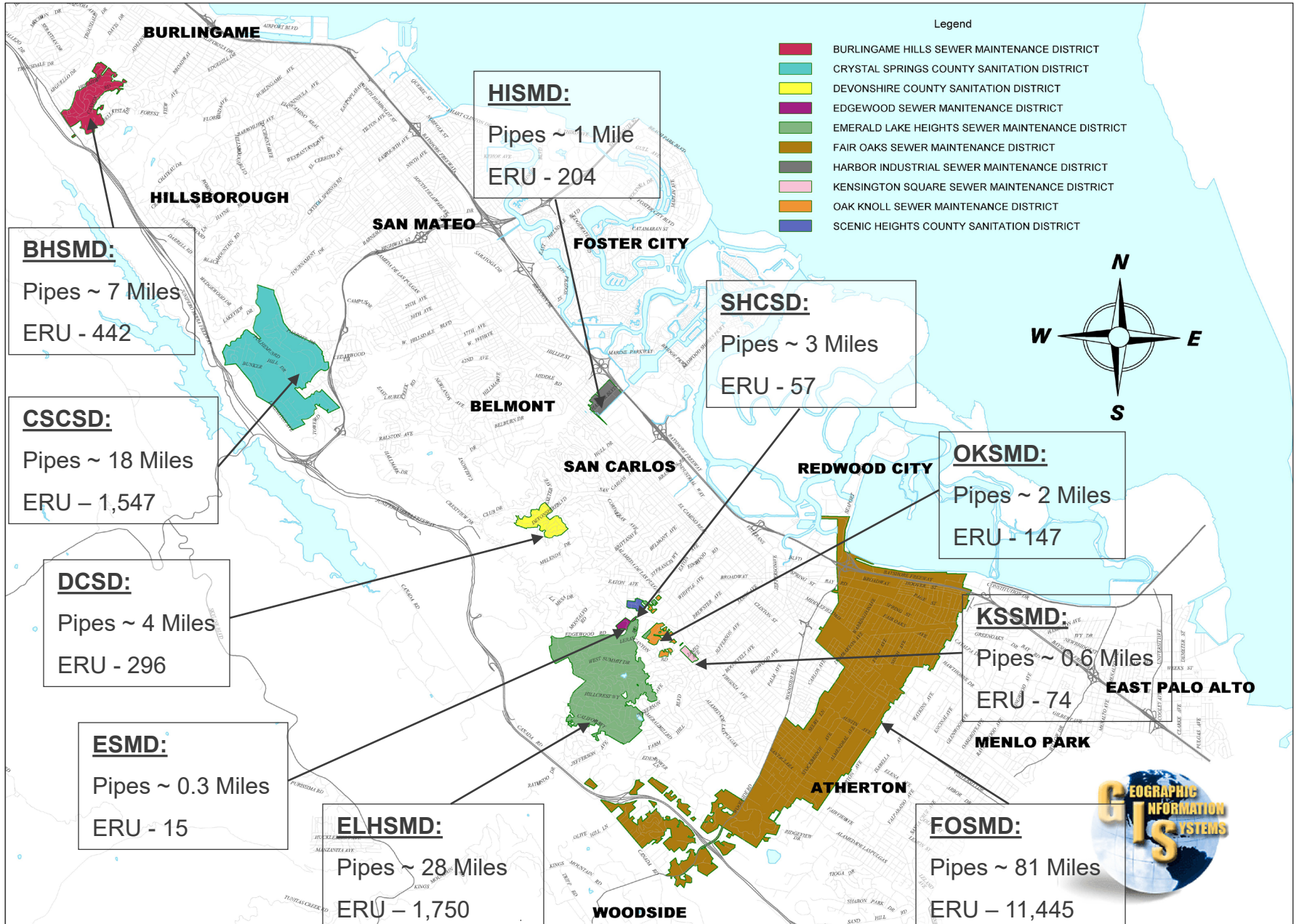
Sewer Rates and Charges



June 11, 2024

Ann M. Stillman
Director of Public Works

County Administered Sewer and Sanitation Districts



Sewer/Sanitation District Rates & Charges

Background Information

- The County operates 10 sewer/sanitation districts.
- Each district is an independent entity with its own separate budget.
- The Sewer Rates are used to calculate Sewer Service Charges (the Fee for Providing Sewer Service) for each parcel in the districts.
- The Sewer Service Charges are levied on the Tax Bill.

Sewer/Sanitation District Rates & Charges

Adopted and Proposed Rates

- In 2021, Sewer Rates were set for 3 fiscal years (FYs 2021-22 through 2023-24) for the Burlingame Hills Sewer Maintenance District (BHSMD) and the Crystal Springs County Sanitation District (CSCSD)
- Proposing to set rates for 4 FYs (FYs 2024-25 through 2027-28) for BHSMD and CSCSD to adequately fund:
 - anticipated cost increases for operation and maintenance and sewage treatment
 - financial arrangements for capital improvements to downstream facilities
 - repayment of loans

Sewer/Sanitation District Rates & Charges

Sewer Service Rates and Charges pay for:

- Operation and maintenance of sewer collection system
- Repairs to and replacement of the aging pipes
- Inspection and assessment of pipe conditions
- Emergency response (24/7) to clear blockages and cleanup overflows
- Operation and maintenance costs at the wastewater treatment plant
- Improvements to the wastewater treatment plants
- Compliance with local, state, and federal health, safety, and environmental protection regulations



Sewer/Sanitation District Rates & Charges

Rate Setting for BHSMD

- Annual loan payment of \$95,637 to the State Revolving Fund Program for the completed Adeline Drive/Canyon Road Sewer Capacity Improvement Project (\$2.3 million loan to be paid off in FY 2046-47)
- Construction of Hillside Drive/Adeline Drive Area Sewer Rehabilitation Project completed in 2021 (Final cost - \$2,631,188)
- Annual loan payment of \$34,405 to the County General Fund for the completed Hillside Drive/Adeline Drive Area Sewer Rehabilitation Project (\$465,000 loan to be paid off in FY 2036-37)

Sewer/Sanitation District Rates & Charges

Rate Setting for CSCSD

- Sewage from the CSCSD flows through the City of San Mateo's (San Mateo) facilities and is treated at San Mateo's Wastewater Treatment Plant
- San Mateo has implemented their Clean Water Program (CWP) estimated to cost approximately \$1 billion as a result of the Cease and Desist Order and their National Pollutant Discharge Elimination System (NPDES) permit restrictions
- The proposed annual increases include anticipated payments of the CSCSD's share of the CWP costs, estimated to be over \$1 million each year for 30 years through San Mateo obtained bond financing and low interest loans; Percentages, Financing, and Agreement(s) will need to be determined and executed



Sewer/Sanitation District Proposed Rates FY 2024-25 through FY 2027-28

- Sewer/Sanitation District Rates are set by Ordinance and following this process:
 - April 9, 2024 - Introduced Amendment to Ordinance Code to set FY 2024-25 through 2027-28 Sewer Service Rates for the BHSMD and CSCSD and set public hearing; and
 - **June 11, 2024** - Second Reading of Ordinance, Public Hearing, and Adoption of Sewer Service Rates for the BHSMD and CSCSD
 - Consider protests to the proposed rates at the public hearing
 - Approve FYs 2024-25 through 2027-28 Sewer Service Rates

Sewer/Sanitation District Rates

Proposed Rates for FYs 2024-25 through 2027-28

| <i>District</i> | <i>Current Rates per ERU (2023-24)</i> | <i>Proposed Rates per ERU</i> | | | |
|----------------------|--|---|---|---|--|
| | | <i>2024-25</i> | <i>2025-26</i> | <i>2026-27</i> | <i>2027-28</i> |
| Burlingame Hills SMD | \$1,982 | \$2,081 (+ \$99/yr or \$8.25/mo) 5% increase | \$2,185 (+ \$104/yr or \$8.67/mo) 5% increase | \$2,294 (+ \$109/yr or \$9.08/mo) 5% increase | \$2,408 (+ \$114/yr or \$9.5/mo) 5% increase |
| Crystal Springs CSD | \$1,834 | \$1,879 (+ \$45/yr or \$3.75/mo) 2.5% increase | \$1,919 (+ \$40/yr or \$3.33/mo) 2.1% increase | \$1,954 (+ \$35/yr or \$2.92/mo) 1.8% increase | \$1,984 (+ \$30/yr or \$2.5/mo) 1.5% increase |

ERU – Equivalent Residential Unit

Sewer/Sanitation District Rates

Number of Written Protests Received

| <i>District</i> | No. of Properties in District | Written Protests Received* | Percent (%) |
|----------------------|--------------------------------------|-----------------------------------|--------------------|
| Burlingame Hills SMD | 441 | 0 | 0% |
| Crystal Springs CSD | 1,485 | 2 | 0.13% |

*Number of protests as of June 7, 2024

Sewer/Sanitation District Sewer Charges Based on Rates for FY 2024-25

- Health and Safety Codes & SMC Ordinance Code stipulate the process for setting the Sewer Service **Charges** (fee for service) based on the sewer rates set. The process includes:
 - April 9, 2024 – Scheduled a public hearing for June 11, 2024
 - **June 11, 2024** - Hold a public hearing on the Sewer Service Charges calculated based on the Sewer Rates
 - Consider objections and protests at the public hearing
 - Approve imposition of Sewer Service Charges based on Sewer Rates set for FY 2024-25

Sewer/Sanitation District Rates

Proposed Rates for BHSMD & CSCSD and Previously Set Rates for Other 8 Districts

| <i>District</i> | <i>Current Rates per ERU (2023-24)</i> | <i>Proposed Rates per ERU</i> | | | |
|-------------------------------------|--|-------------------------------|----------------|----------------|----------------|
| | | <i>2024-25</i> | <i>2025-26</i> | <i>2026-27</i> | <i>2027-28</i> |
| Burlingame Hills SMD | \$1,982 | \$2,081 | \$2,185 | \$2,294 | \$2,408 |
| Crystal Springs CSD | \$1,834 | \$1,879 | \$1,919 | \$1,954 | \$1,984 |
| Devonshire CSD | \$1,680 | \$1,740 | \$1,800 | \$1,860 | \$1,920 |
| Edgewood SMD | \$1,720 | \$1,785 | \$1,850 | \$1,915 | \$1,980 |
| Emerald Lake SMD Zone 1 & Zone 2 | \$1,785 | \$1,855 | \$1,925 | \$1,995 | \$2,065 |
| Fair Oaks SMD | \$1,055 | \$1,095 | \$1,135 | \$1,175 | \$1,215 |
| Harbor Industrial SMD | \$685 | \$725 | \$765 | \$805 | \$845 |
| Kensington Square SMD | \$1,850 | \$2,050 | \$2,250 | \$2,450 | \$2,650 |
| Oak Knoll SMD | \$1,645 | \$1,745 | \$1,845 | \$1,945 | \$2,045 |
| Scenic Heights CSD | \$2,395 | \$2,595 | \$2,795 | \$2,995 | \$3,195 |

ERU – Equivalent Residential Unit

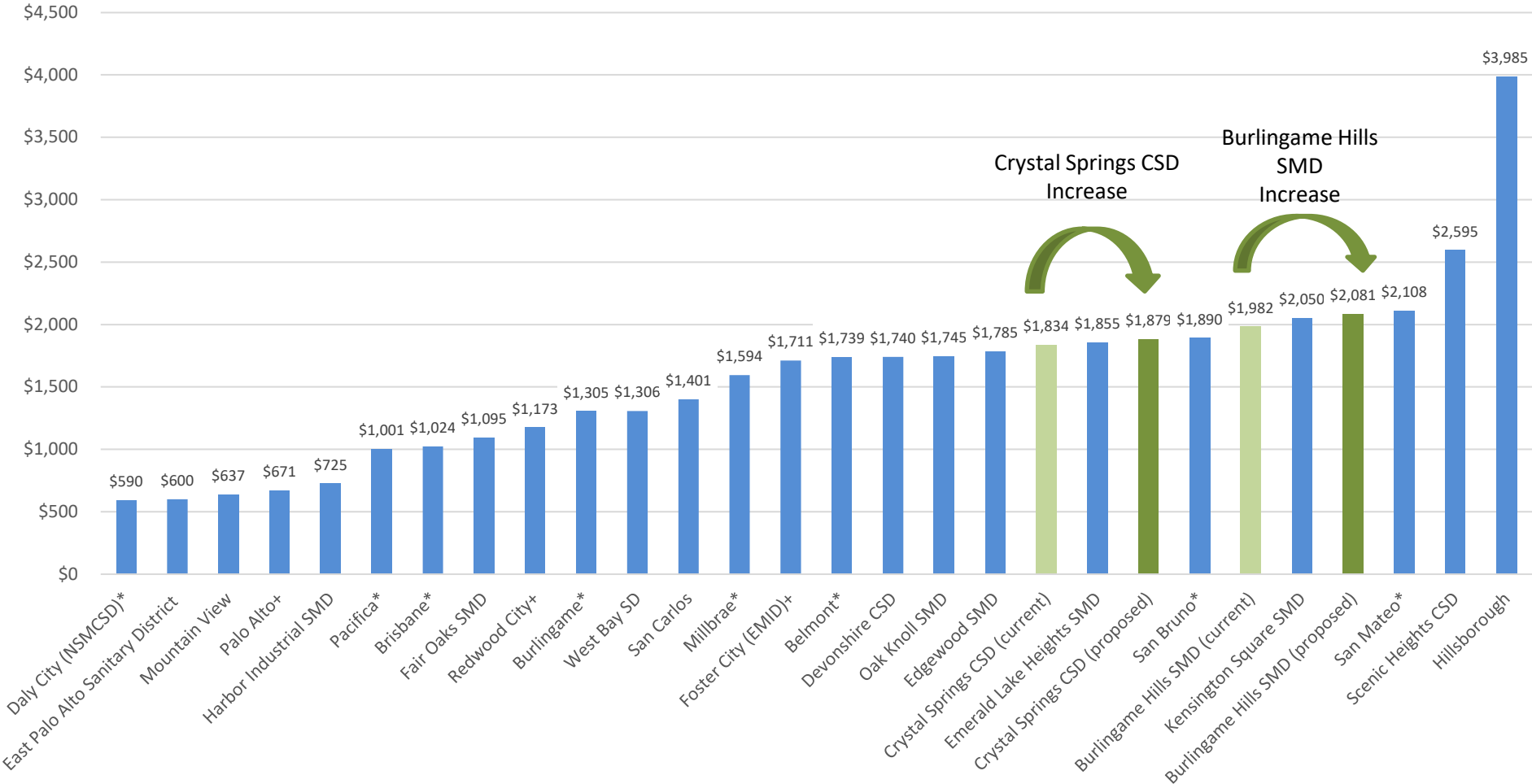
Thank you!

Questions?



SEWER RATE COMPARISONS

Annual Sewer Service Rate per ERU



* Denotes sewer rates with a flow-based component; Annual bill based on customer usage of 220 gpd

+ Denotes proposed sewer rate on July 1, 2024

Sewer/Sanitation District Rates & Charges

Sewer Service Charge Calculation Example

| District | Proposed FY 2024-25 Sewer Rate | | Equivalent Residential Unit (ERU) | | Proposed FY 2024-25 Sewer Service Charge |
|--|--------------------------------------|---|---|---|--|
| Burlingame Hills Sewer Maintenance District | \$2,081 | x | 1 | = | \$2,081 |
| | \$2,081 | x | 2 | = | \$4,162 |

Sewer/Sanitation District Rates & Charges

Sewer Service Charge Calculation Example

| District | Proposed FY 2024-25 Sewer Rate | | Equivalent Residential Unit (ERU) | | Proposed FY 2024-25 Sewer Service Charge |
|--|---|---|--|---|---|
| Crystal Springs County Sanitation District | \$1,879 | x | 1 | = | \$1,879 |
| | \$1,879 | x | 2 | = | \$3,758 |