

# Ten County Sewer/Sanitation Districts

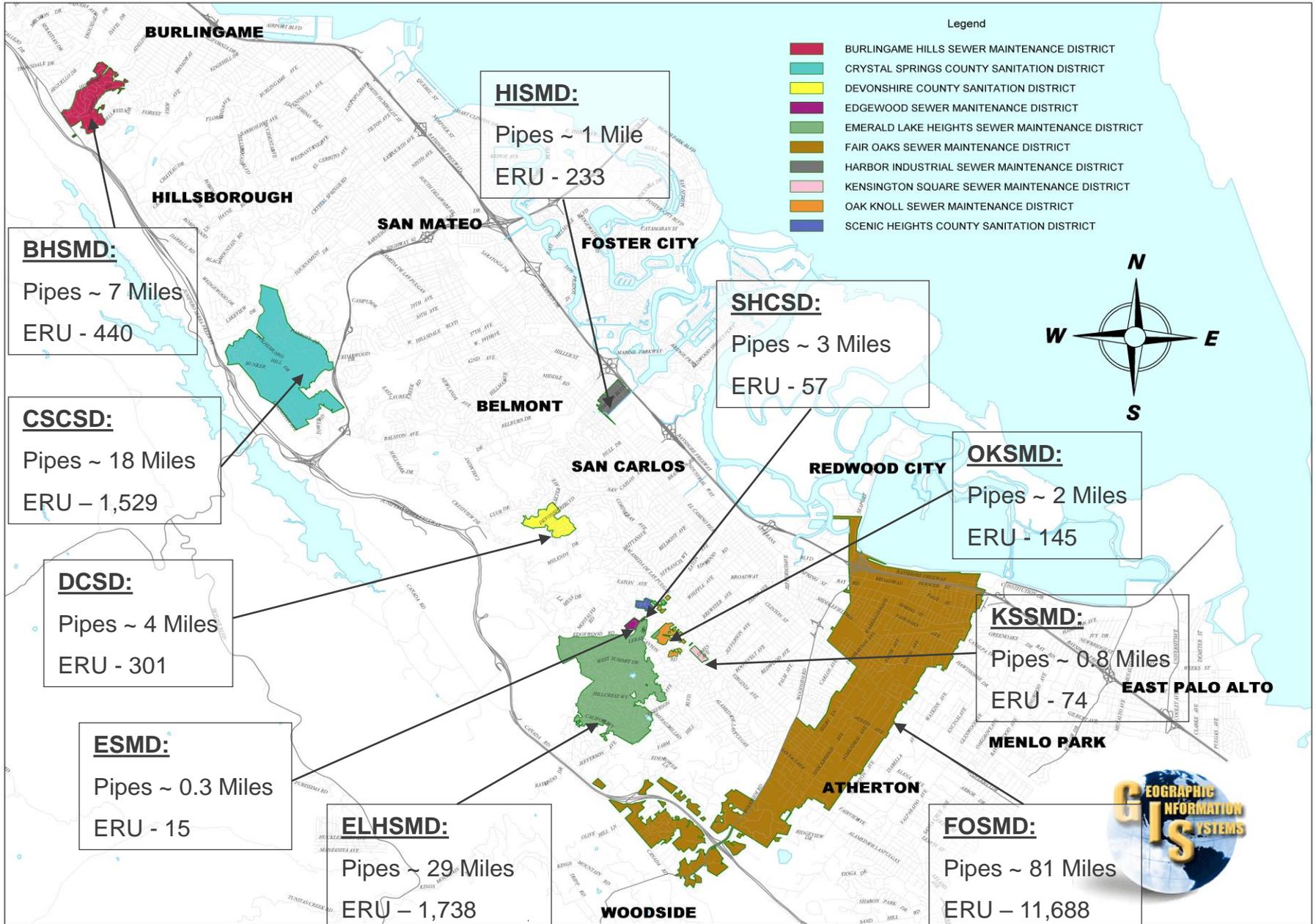
## Sewer Rates and Charges



June 2, 2020

James C. Porter  
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

## Sewer Service Charge Calculation Example

District	Proposed FY 2020-21 Sewer Rate		Equivalent Residential Unit (ERU)		Proposed FY 2020-21 Sewer Service Charge
Fair Oaks Sewer Maint. District	\$955	x	1	=	\$955
	\$955	x	2	=	\$1,910

# Sewer/Sanitation District Rates & Charges

## Background Information

- In 2017, New Sewer Rates were set for 3 years for 6 County sewer/sanitation districts and for 1 year for 4 County Districts (BHSMD, CSCSD, FOSMD, HISMD)
- In 2018, New Sewer Rates were set for 1 year for 4 County Districts (BHSMD, CSCSD, FOSMD, HISMD)
- Last year, New Sewer Rates were set for 1 year for 3 County Districts (CSCSD, FOSMD, HISMD) while the BHSMD rate set in 2018 remain unchanged
- Proposing to set rates for 3 years for 8 districts and 1 year for BHSMD and CSCSD due to the following uncertainties:
  - anticipated cost of work at the wastewater treatment plants and on the downstream collection systems
  - financial arrangements for capital improvements to downstream facilities

# Sewer/Sanitation District Rates

## Annual Rate Setting for 10 Districts

Sewer service charges pay for:

- Operation and maintenance of sewer collection system
- Repairs to and replacement of the aging pipes
- Inspections of pipes
- Emergency response (24/7) and providing essential services during the current COVID-19 pandemic
- 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

## Annual Rate Setting for 10 Districts - BHSMD

- Sewage from the BHSMD flows through the City of Burlingame's (Burlingame) facilities and is treated at Burlingame's Wastewater Treatment Plant
- Burlingame plans to implement capital improvement projects on its sewer collection system and at its wastewater treatment plant
- These projects are estimated to cost over \$23 million from FY 2018-19 thru FY 2022-23, which the BHSMD must pay a share of in accordance with the agreement with Burlingame
- The BHSMD's share of the \$23 million cost is estimated at approximately \$740,000

# Sewer/Sanitation District Rates

## Annual Rate Setting for 10 Districts - 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 is implementing 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
- CSCSD's share of the CWP costs is estimated to be over \$1.7 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 Rates

## Annual Rate Setting for 10 Districts – 8 Districts

- There are major Capital Improvement Projects (CIPs) at the Silicon Valley Clean Water (SVCW) wastewater treatment plant that the other 8 Districts flow into:
  - In 2008 SVCW began work on CIPs to replace equipment which have reached the end of their useful lives. This work is estimated to cost \$932 million in total.
  - SVCW estimates \$477 million in CIP expenditures over the next 7 years
  - SVCW will be charging the member agencies (Redwood City, San Carlos, Belmont, and West Bay Sanitary District) for their CIPs and the Districts will have to pay for their shares

# Sewer/Sanitation District Rates

## Completed Capital Improvement Projects

- The following projects were completed in 9 of the 10 Districts from 2017–2020 for a total construction cost of \$6.5 M:
  - Seneca Lane Mudslide Sewer Stabilization Project (CSCSD).
  - Eleanor Drive, 7<sup>th</sup> Avenue, and 3<sup>rd</sup> Avenue Sewer Rehabilitation Projects replaced over 14,900 feet of pipes (FOSMD)
  - 2019 Multi-District Sewer Rehabilitation Project replaced or rehabilitated over 5,500 feet of pipes in the following districts:
    - Burlingame Hills Sewer Maintenance District
    - Devonshire County Sanitation District
    - Emerald Lake Heights Sewer Maintenance District
    - Harbor Industrial Sewer Maintenance District
    - Kensington Square Sewer Maintenance District
    - Oak Knoll Sewer Maintenance District
    - Scenic Heights County Sanitation District

# Seneca Lane Mudslide Sewer Stabilization Project (Crystal Springs County Sanitation District)



← Before



After →

# 3<sup>rd</sup> Avenue Sewer Rehabilitation Project (Fair Oaks Sewer Maintenance District)



← Trenching



← Pipe Laying

→ Forming Manhole Base



# 2019 Multi-District Sewer Rehabilitation Project (Harbor Industrial Sewer Maintenance District)



← Pipe Laying and Lateral Connection

→ Installing Sewer Pipe in Steel Casing under Concrete Encased Conduits



# 2019 Multi-District Sewer Rehabilitation Project (Burlingame Hills Sewer Maintenance District)



Installing Sewer Pipe in Private Driveway (Easement)

# Sewer/Sanitation District Rates

## Proposed Rates for FYs 2020-21 through 2022-23

<i>District</i>	<i>Current Rates per ERU (2019-20)</i>	<i>Proposed Rates per ERU</i>		
		<i>2020-21</i>	<i>2021-22</i>	<i>2022-23</i>
Burlingame Hills SMD	\$1,675	\$1,742 (+\$67/yr or \$5.58/mo)	Rates to be evaluated during FY 2021-22	
Crystal Springs CSD	\$1,485	\$1,585 (+\$100/yr or \$8.83/mo)	Rates to be evaluated during FY 2021-22	
Devonshire CSD	\$1,500	\$1,540 (+\$40/yr or \$2.50/mo)	\$1,580 (+\$40/yr or \$2.50/mo)	\$1,620 (+\$40/yr or \$2.50/mo)
Edgewood SMD	\$1,580	\$1,605 (+\$25/yr or \$2.08/mo)	\$1,630 (+\$25/yr or \$2.08/mo)	\$1,655 (+\$25/yr or \$2.08/mo)
Emerald Lake SMD Zone 1 & Zone 2	\$1,490	\$1,565 (+\$75/yr or \$6.25/mo)	\$1,640 (+\$75/yr or \$6.25/mo)	\$1,715 (+\$75/yr or \$6.25/mo)

# Sewer/Sanitation District Rates

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		<i>2020-21</i>	<i>2021-22</i>	<i>2022-23</i>
Fair Oaks SMD	\$925	\$955 (+30/yr or \$2.50/mo)	\$985 (+30/yr or \$2.50/mo)	\$1,015 (+30/yr or \$2.50/mo)
Harbor Industrial SMD	\$555	\$585 (+30/yr or \$2.50/mo)	\$615 (+30/yr or \$2.50/mo)	\$645 (+30/yr or \$2.50/mo)
Kensington Square SMD	\$1,350	\$1,450 (+\$100/yr or \$8.83/mo)	\$1,550 (+\$100/yr or \$8.83/mo)	\$1,650 (+\$100/yr or \$8.83/mo)
Oak Knoll SMD	\$1,395	\$1,445 (+50/yr or \$4.17/mo)	\$1,495 (+50/yr or \$4.17/mo)	\$1,545 (+50/yr or \$4.17/mo)
Scenic Heights CSD	\$1,895	\$1,995 (+\$100/yr or \$8.83/mo)	\$2,095 (+\$100/yr or \$8.83/mo)	\$2,195 (+\$100/yr or \$8.83/mo)

# Sewer/Sanitation District Rates

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Devonshire CSD	\$1,500	\$1,540	\$1,580	\$1,620
Edgewood SMD	\$1,580	\$1,605	\$1,630	\$1,655
Emerald Lake SMD – Z1	\$1,490	\$1,565	\$1,640	\$1,715
Emerald Lake SMD – Z2	\$1,490	\$1,565	\$1,640	\$1,715
Fair Oaks SMD	\$925	\$955	\$985	\$1,015
Harbor Industrial SMD	\$555	\$585	\$615	\$645
Kensington Square SMD	\$1,350	\$1,450	\$1,550	\$1,650
Oak Knoll SMD	\$1,395	\$1,445	\$1,495	\$1,545
Scenic Heights CSD	\$1,895	\$1,995	\$2,095	\$2,195

# Sewer/Sanitation District Proposed Rates FY 2020-21 through FY 2022-23

- Sewer/Sanitation District Rates are set by Ordinance and follow this process:
  - Amend Ordinance Code to set:
    - FY 2020-21 through 2022-23 Sewer Service Rates for 8 Districts (June 2, 2020 action); and
    - FY 2020-21 for the BHSMD and the CSCSD (June 2, 2020 action)
  - Second Reading of Ordinance - July 21, 2020



# Sewer/Sanitation District Charges

## Proposed Rates for FY 2020-21

- Health and Safety Codes & SMC Ordinance Code stipulate the process for calculating Sewer Service Charges (fee for service) based on the sewer rates set. The process includes:
- Schedule a public hearing – (June 2, 2020 action)
  - Hold a public hearing on the Sewer Service Charges calculated based on the sewer rates – (July 21, 2020)
  - Consider objections and protests at the Public Hearing
  - Approve imposition of Sewer Service Charges based on Sewer Rates on properties within the districts on the property tax roll



**Thank you!**

**Questions?**

