

April 11, 2019

Dear Property Owner:

**Re: Proposed Sewer Service Rates and Community Meeting**

We are sending this letter to property owners in the Harbor Industrial Sewer Maintenance District (District) to provide important information regarding a proposed sewer service rate adjustment for Fiscal Year (FY) 2019-20 that begins on July 1, 2019. **We are proposing a \$50/year per equivalent residential unit or a 9.9% sewer service rate increase.** As explained below, this increase is primarily due to District capital improvement projects.

**We have scheduled a meeting to discuss this proposed increase.** At this meeting we will review the financial implications of the District capital improvement projects and other infrastructure and operational challenges facing the District. Here are the meeting details:

**Monday, April 29, 2019 at 6:30 p.m.**  
**San Carlos Library**  
**610 Elm Street, 2nd Floor**  
**San Carlos**

**Background**

The District is administered by the County of San Mateo Department of Public Works. The San Mateo County Board of Supervisors is the governing board of the District. The current sewer service rate of \$505 per year per equivalent unit was adopted for your District in July 2018.

The current sewer service rate has enabled the District to pay the costs associated with operations and maintenance of the District's sewer system, and treatment of sewage emanating from the District.

Silicon Valley Clean Water (SVCW) owns and operates the sewer treatment plant that treats sewage from the District. Sewage from your District flows through district-owned pipes to the downstream agency (City of San Carlos) and to the sewage treatment plant. The District has an agreement with the City of San Carlos that provides for the District to pay a portion of the costs of maintenance and operation payable by City of San Carlos to SVCW attributable to the treatment of sewage from the District's territory.

**Proposed Sewer Service Rate**

We are proposing to set the new sewer service rate for FY 2019-20, as shown in the table below:

	Sewer Service Rate (\$/Year Per Equivalent Residential Unit)	
	Current Rate FY 2018-19	Proposed Rate FY 2019-20
Harbor Industrial Sewer Maintenance District	\$505	\$555



The proposed rate includes a 9.9% increase of \$50/equivalent residential unit or \$4.17/month/equivalent residential unit. We have evaluated the current sewer service rate in relation to the anticipated District expenses for FY 2019-20. Based on our analysis of the future cost demands on the District, this rate increase is required in order to pay for the District maintenance and improvement work, increases in sewage treatment costs, and regulatory requirements.

Your sewer service rate must pay for:

- Operation and maintenance of the District's sewer collection system
- Repairs to and replacement of the District's aging pipes
- Inspections of the District's pipes
- Emergency response and repairs
- A portion of the operation and maintenance of the SVCW sewer treatment plant
- A portion of the improvements to the SVCW sewer treatment plant
- Compliance with local, state and federal health, safety and environmental protection regulations.

Your District continues to face the challenges of aging sewer pipes that must be replaced to avoid sewer main failures and subsequent overflows, protect public health and safety, and enhance the water quality of the Bay.

### **Public Meeting Date**

As noted above, we have scheduled a meeting for the Harbor Industrial Sewer Maintenance District at 6:30 p.m. on Monday, April 29, 2019 on the second floor meeting room at the San Carlos Library.

During this meeting we will be discussing overall sewer system management, what the previously set rate has supported, provide more detailed information about the sewer service rate calculations, and discuss the impact of capital improvement projects in the District. This information will also be posted on our website by the meeting date. Most importantly, we want to hear your comments and input on this issue before we finalize our recommendations to the Board, and provide answers to any questions you may have.

If you are unable to attend the meeting, but would like to provide comments please direct them to:

James C. Porter, Director  
Department of Public Works  
County of San Mateo  
555 County Center, 5<sup>th</sup> Floor  
Redwood City, CA 94063  
or  
e-mail: [sewers@smcgov.org](mailto:sewers@smcgov.org)

Additional information about your district, frequently asked questions, and the timeline for rate setting can be found on our website at: [www.smcgov.org/sewers](http://www.smcgov.org/sewers)