



James C. Porter  
Director

County Government Center  
555 County Center, 5<sup>th</sup> Floor  
Redwood City, CA 94063  
650-363-4100 T  
650-361-8220 F  
[www.smcgov.org](http://www.smcgov.org)

June 4, 2021

Dear Property Owner:

**RE: Proposition 218 Notice of Proposed Increase in the Sewer Service Rates – Burlingame Hills Sewer Maintenance District**

This notice is to advise property owners of the Board of Supervisors’ (Board) proceedings to set the rates for sewer service for a three-year period (2021-22 through 2023-24 fiscal years) in the Burlingame Hills Sewer Maintenance District (District) for which the Board serves as the governing body. The rates will result in property related charges, and this notice is given in accordance with Proposition 218 and Article XIID of the California Constitution. On July 20, 2021, the Board will hold a Public Hearing to consider an ordinance setting the sewer service rates for the 2021-22 through 2023-24 fiscal years and implementing sewer service charges for the 2021-22 fiscal year.

The District is financially self-sufficient and has its own independent budget derived from funds collected through sewer service charges. These funds are spent solely on District expenses. The charges for sewer service appear on your property tax bill because that is the least costly way for the District to collect the charges. However, the sewer service charge is not a tax.

District staff responds to emergencies, maintains pipes, and assures compliance with environmental regulations. The County of San Mateo does not operate a sewage treatment plant, nor do any of the ten (10) districts that we operate. Sewage from your District flows through District-owned pipes to the City of Burlingame (City), the owner of the “downstream” pipes and sewage treatment plant. The District has an agreement with the City that provides for the District to pay for services to transport and treat sewage from the District.

The current sewer service rate of \$1,742 per year per equivalent residential unit was adopted for your District in July 2020. The current sewer service rate enabled the District to make payments on a State Revolving Fund (SRF) loan in the amount of \$2.3M that financed the construction of the capital improvement project to replace approximately 4,800 feet of sewer pipe on Adeline Drive and Canyon Road, and allows the current and future property owners in the District to pay for this sewer project over time. The rate also provided the funds to allow for the District to complete the design of another capital improvement project to replace or rehabilitate an additional 6,570 feet of sewer pipe in the Adeline Drive/Hillside Drive/Newton Drive area. The District was able to proceed with construction of this project after securing a \$465,000 loan from the County. The project is anticipated to be completed by the end of July 2021.

We have evaluated the current sewer service rate in relation to the anticipated District expenses for the 2021-22 through 2023-24 fiscal years. Based on our analysis of future cost demands on the District, we are proposing adjustments to the sewer rates for the next three fiscal years (2021-22 through 2023-24) to pay for the District operation and maintenance work, increases in sewage treatment costs, the District’s percentage of the City’s sewer projects, repayment of the recent County loan, and regulatory requirements. The proposed increases have been evaluated and supported by a majority of the representatives of the Burlingame Hills Improvements Association (BHIA), and they do not include an allocation of funds for implementation of the remaining capital improvement projects estimated to cost over \$10 million.

The following indicates the proposed sewer service rates for each type of property use in the District for the 2021-22 through 2023-24 fiscal years based on the rates recommended by the Department of Public Works (Department) to the Board:

Customer Type	Current Annual Rate	Proposed Sewer Service Rates (\$/Fiscal Year Per Residential Unit)		
	2020-21 FY	2021-22 FY	2022-23 FY	2023-24 FY
Single Family Residential (SFR) Rate	\$1,742	\$1,812	\$1,892	\$1,982
<i>\$ increase per Residential Unit</i>	-	<i>\$70/yr or \$5.83/mo</i>	<i>\$80/yr or \$6.67/mo</i>	<i>\$90/yr or \$7.50/mo</i>
<i>% increase</i>	-	<i>4.02%</i>	<i>4.42%</i>	<i>4.76%</i>



### **Multi-Family Housing Complexes**

The annual sewer service charge (SSC) for a Duplex Unit is calculated at 2 times the SFR rate (i.e. 2 \* \$1,812 = \$3,624), Triplexes are calculated at 3 times the SFR rate, etc.

### **Commercial/Industrial Rate**

The annual sewer service charge (SSC) for Commercial and Industrial Users are calculated using their water consumption history and the following formula:

$$SSC = (\text{Base Rate})(ERU)\{0.4+[0.3*(BOD/275)]+[0.3*(SS/300)]\}$$

#### **Where:**

SSC = Sewer Service Charge

Base Rate = The approved District Single Family Residential Rate

ERU = Annual Water Usage / 220 Gallons Per Day

BOD = Biological Oxygen Demand (varies based on the property use)

SS = Suspended Solids (varies based on the property use)

Your sewer service rate pays 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 percentage of the improvements to the City's sewer collection system
- A percentage of the operation and maintenance costs of the City's sewer treatment plant
- A percentage of the improvements to the City's sewer treatment plant
- Compliance with local, state, and federal health, safety, and environmental protection regulations
- Repayment of the SRF and County loans

### **Public Hearing**

The Board has scheduled a Public Hearing on **Tuesday, July 20, 2021 at 9:00 a.m. by teleconference only**, to consider adopting an ordinance increasing the sewer service rates for the District and adopting the sewer service charges based on the adopted sewer service rates for all the properties located in the ten (10) County sewer maintenance/sanitation districts. **The Board Chambers are currently not open to the public for Board of Supervisors' meetings. The public should visit the Board's website at:**

<https://bos.smcgov.org/board-supervisors-agenda-information>

The Public Hearing will be open to the public through videoconference only and anyone interested may participate and be heard on this matter or submit a written statement electronically. The Meeting Agenda provides details for how to participate in the meeting.

The sewer service charges are contained in the Sewer Service Charge Report, a draft copy of which will be available for review by Friday, July 16, 2021 in the Department located at 555 County Center, 5th Floor in Redwood City by appointment. At the conclusion of the hearing, the Board is expected to adopt an ordinance setting the new sewer service rates for the District, impose the sewer service charges based on the adopted rate for FY 2021-22, and authorize their collection on the tax bill of each affected property in the same manner as the property tax.

Although the Board will consider all input, State law provides that only written protests from property owners may be counted to determine whether a majority protest to the proposed increases exists. If a majority protest exists, the Board may not impose the increased rates for the District. Any property owner in the District may file a written protest against the proposed rate increases. The Clerk of the Board of Supervisors must receive a written protest not later than the end of the Public Hearing specified above to be counted. If, at the conclusion of the Public Hearing, a majority protest of property owners does not exist, the Board will consider adoption of the proposed ordinance.

**The written protest must include the property owner's name, property service address, assessor's parcel number (first line of the address label on the envelope), and the property owner's signature.**

Written protests must be mailed to the Clerk of the Board at 400 County Center, Redwood City, California 94063. No more than one protest per parcel may be submitted.

Additional information about the proposed rate increases and the Board Report recommending the rate increases may be obtained by visiting the Department's website at

<https://publicworks.smcgov.org/rates2021>

If you have any questions, please contact the Department of Public Works by e-mail at: [sewers@smcgov.org](mailto:sewers@smcgov.org)