

PROPERTY OWNERS MEETING SEWER SERVICE RATES

**Devonshire County Sanitation District
Harbor Industrial Sewer Maintenance District
Scenic Heights County Sanitation District
(Districts)**

May 11, 2023

6:30 PM

Via Zoom

Department of Public Works



ZOOM MEETING **GENERAL HOUSEKEEPING**

For those attending the meeting on the Zoom videoconference, during the public comment or question period, we will use the “raise hand” feature in order to organize any public comments or questions.

You may click the “raise hand” feature to raise your hand to speak. When you hear your name called, you will receive a request to unmute your microphone and you may begin speaking.

For those joining by phone, please press *9 to raise your hand, and press *6 to toggle mute/unmute.

DEPARTMENT OF PUBLIC WORKS
STAFF IN ATTENDANCE TONIGHT

Ann M. Stillman, Director

**Krzysztof Lisaj, Deputy Director, Engineering and Resource
Protection**

**Mark Chow, Principal Civil Engineer, Utilities-Flood Control-
Watershed Protection**

**Julie Young, Senior Civil Engineer, Utilities-Flood Control-
Watershed Protection**

**Anna Mui, Associate Engineer, Utilities-Flood Control-
Watershed Protection**

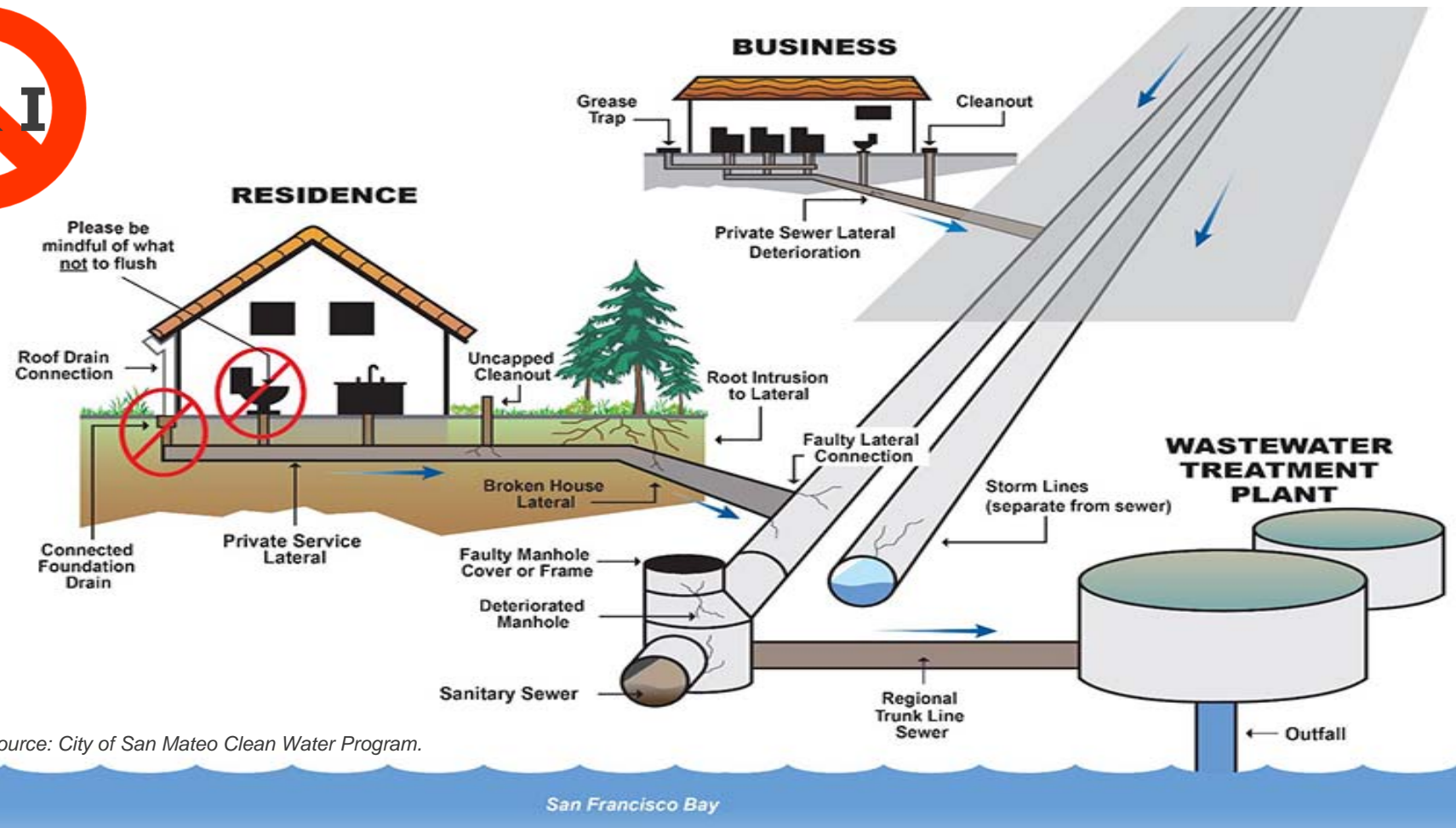


AGENDA

- ***District Information***
- ***District Funding***
- ***Programs, Services and Compliance***
- ***Elements of the Sewer Service Rates***
 - ***In District Costs***
 - ***Out of District Costs***
- ***Proposed Rates for Consideration***
- ***Rate Setting Timeline***

DISTRICT INFORMATION – HOW DOES A SEWER SYSTEM WORK?

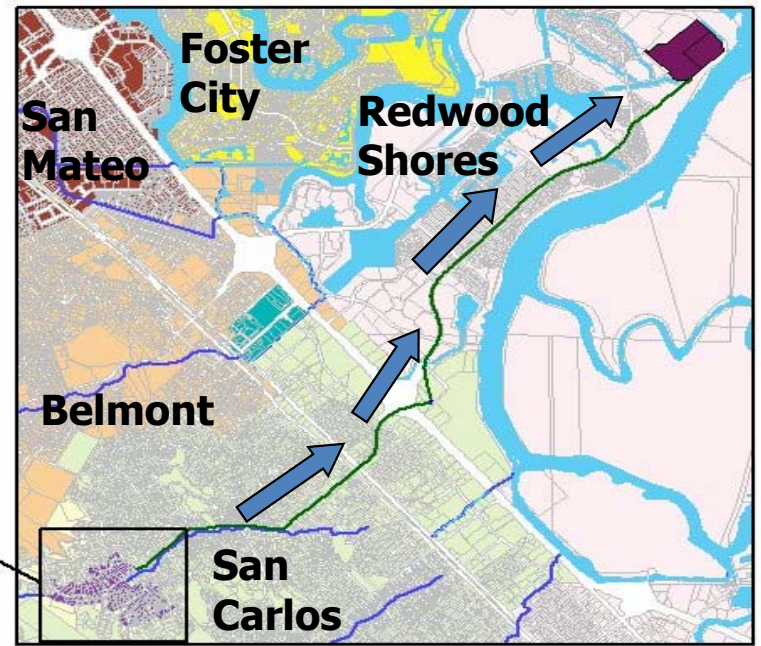
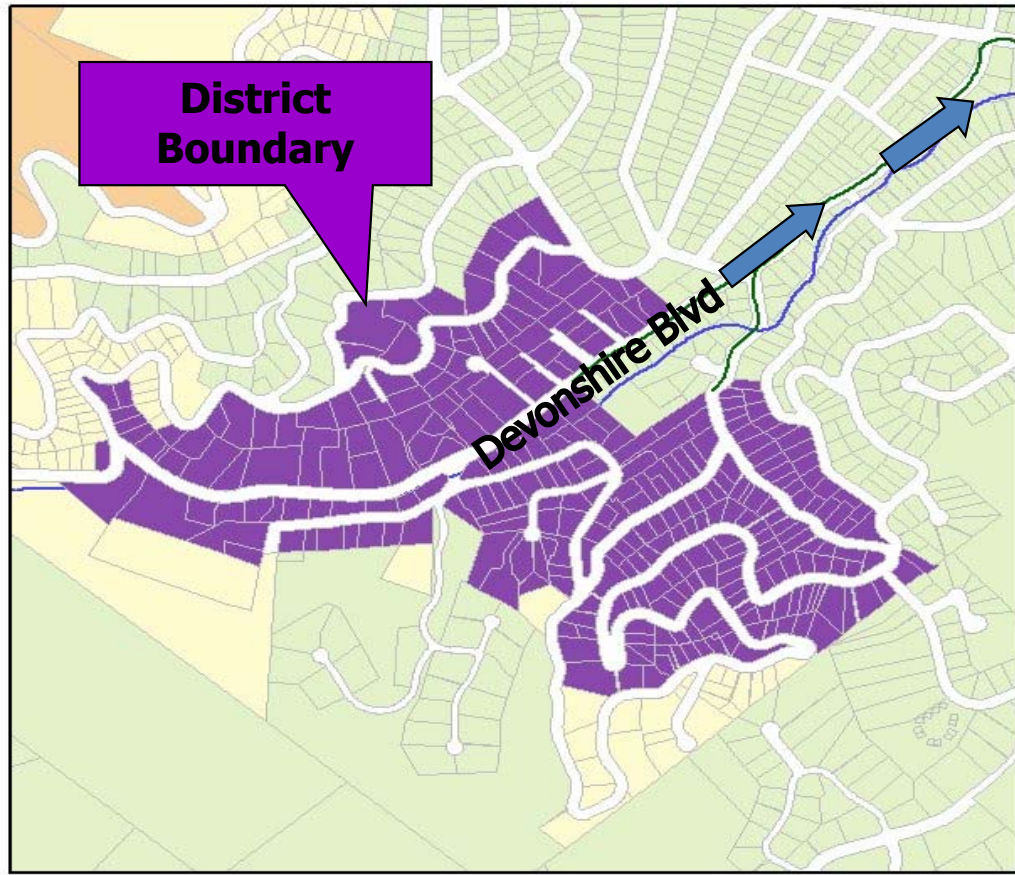
EACH DISTRICT RELIES ON DOWNSTREAM AGENCIES TO TRANSPORT SEWAGE COLLECTED BY THE DISTRICT TO THE TREATMENT PLANT



Source: City of San Mateo Clean Water Program.

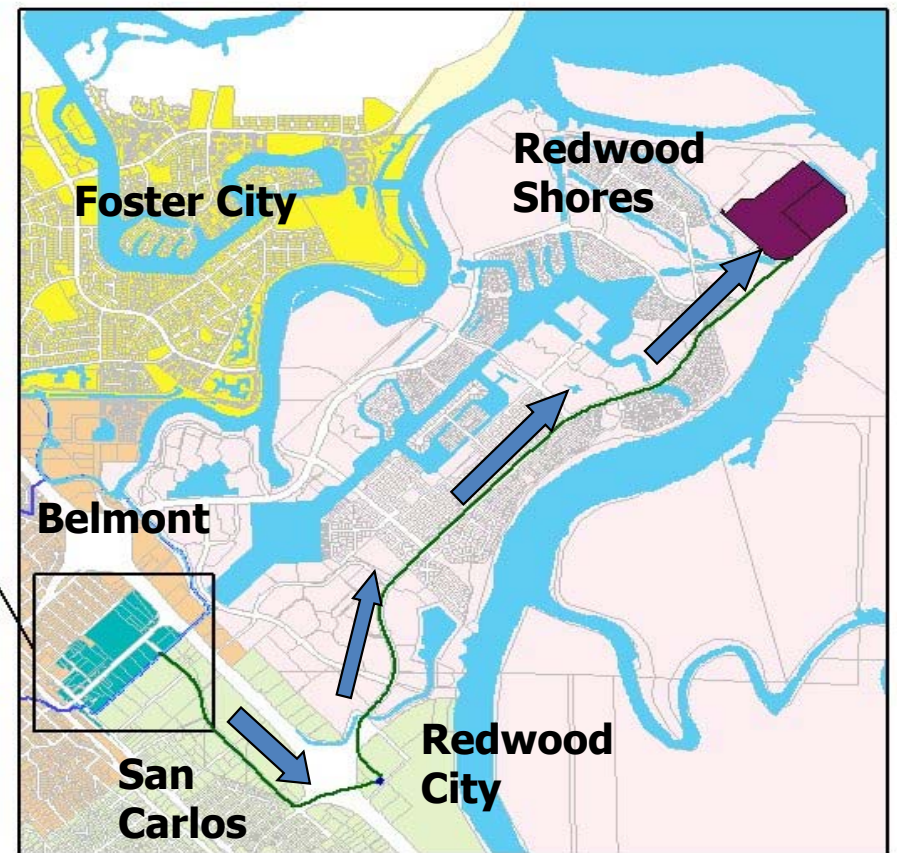
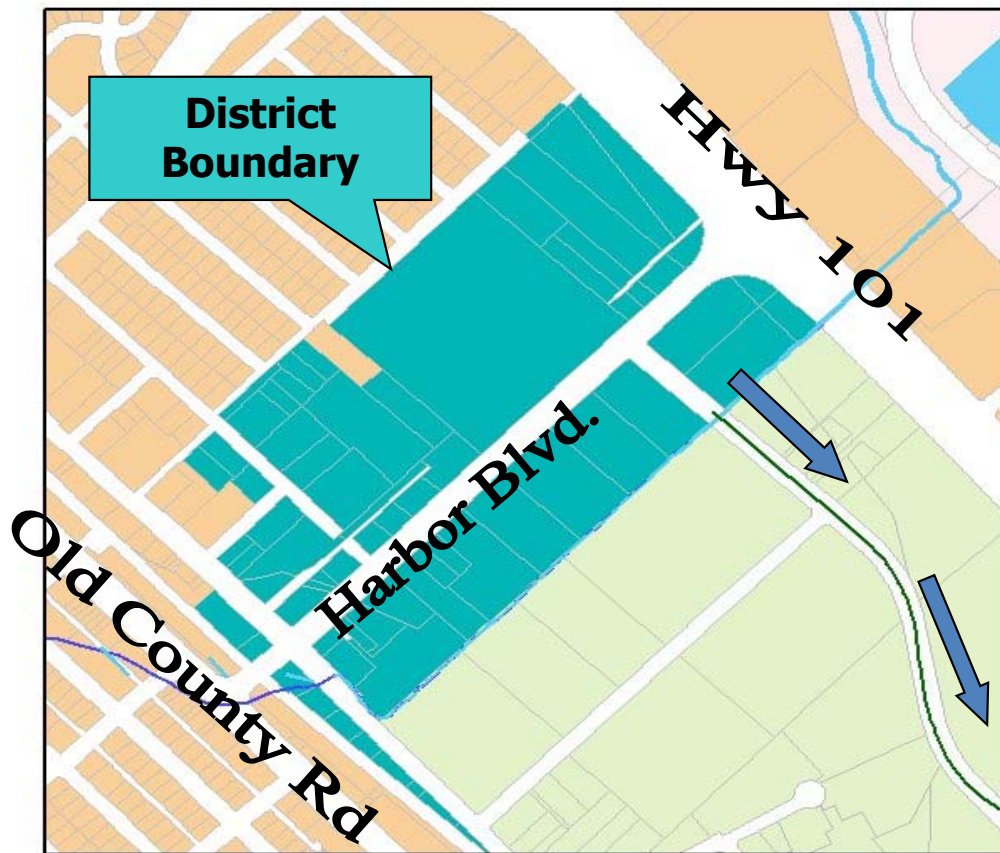
DISTRICT INFORMATION - DEVONSHIRE COUNTY SANITATION DISTRICT

SEWAGE FLOWS THROUGH CITY OF SAN CARLOS TO THE SILICON VALLEY CLEAN WATER (SVCW) SEWAGE TREATMENT PLANT IN REDWOOD SHORES FOR TREATMENT



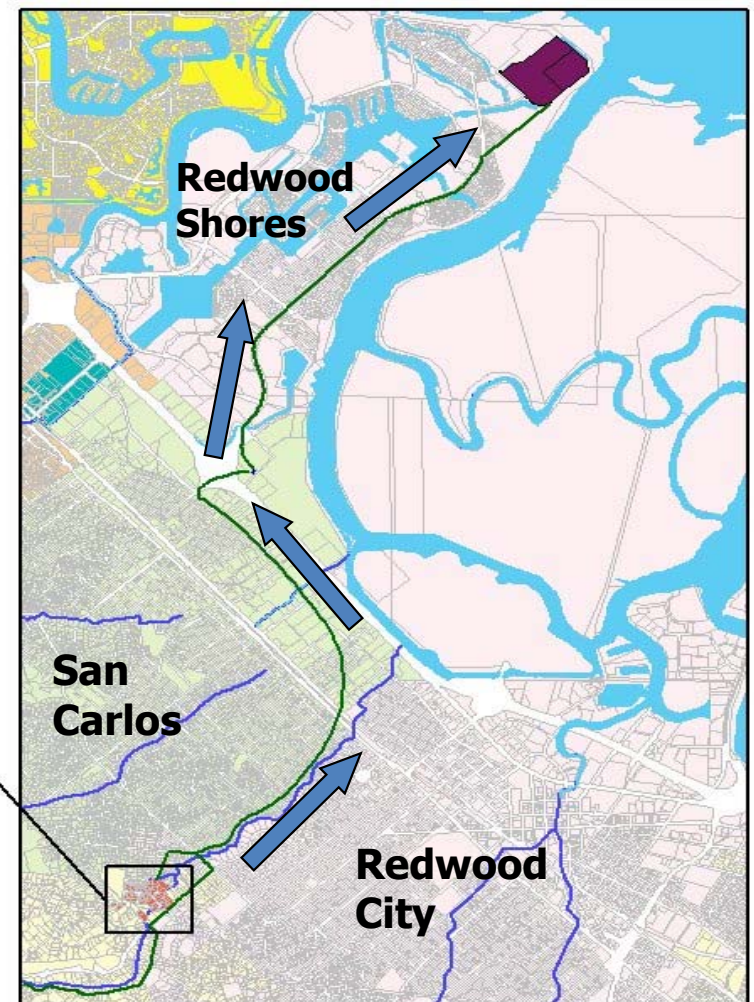
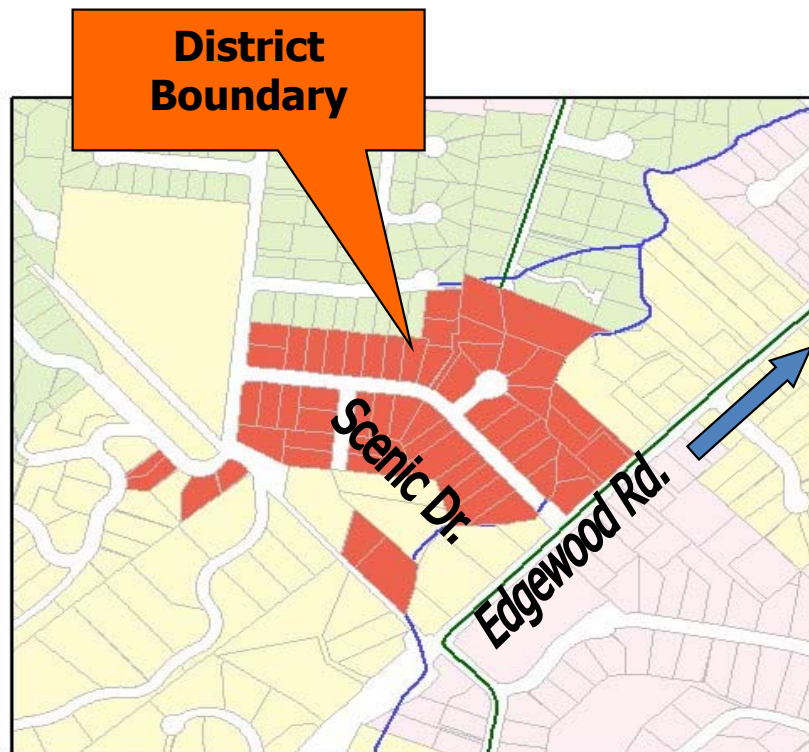
DISTRICT INFORMATION - HARBOR INDUSTRIAL SEWER MAINTENANCE DISTRICT

SEWAGE FLOWS THROUGH CITY OF SAN CARLOS TO THE SILICON VALLEY CLEAN WATER (SVCW) SEWAGE TREATMENT PLANT IN REDWOOD SHORES FOR TREATMENT



DISTRICT INFORMATION - SCENIC HEIGHTS COUNTY SANITATION DISTRICT

SEWAGE FLOWS THROUGH CITY OF SAN CARLOS TO THE SILICON VALLEY CLEAN WATER (SVCW) SEWAGE TREATMENT PLANT IN REDWOOD SHORES FOR TREATMENT



DISTRICT SPECIFIC STATISTICS

District	Age (Years) *	Number of Connections **	Equivalent Residential Units (ERU)	Downstream Transport Agency	Treatment Facility
Devonshire CSD	67	277	294	City of San Carlos	Silicon Valley Clean Water (SVCW)
Harbor Industrial SMD	72	61	183		
Scenic Heights CSD	74	54	57		

** Age based on District formation date*

*** Based on 2022-23 Sewer Service Charge Report*

District	Miles of Pipe	Percentage of Pipe in Easements	Percentage of Pipe in Streets
Devonshire CSD	4.1	38.48%	61.52%
Harbor Industrial SMD	0.9	15.80%	84.20%
Scenic Heights CSD	3.0	13.30%	86.70%

SEWER/SANITATION DISTRICTS IN COUNTY GOVERNMENT

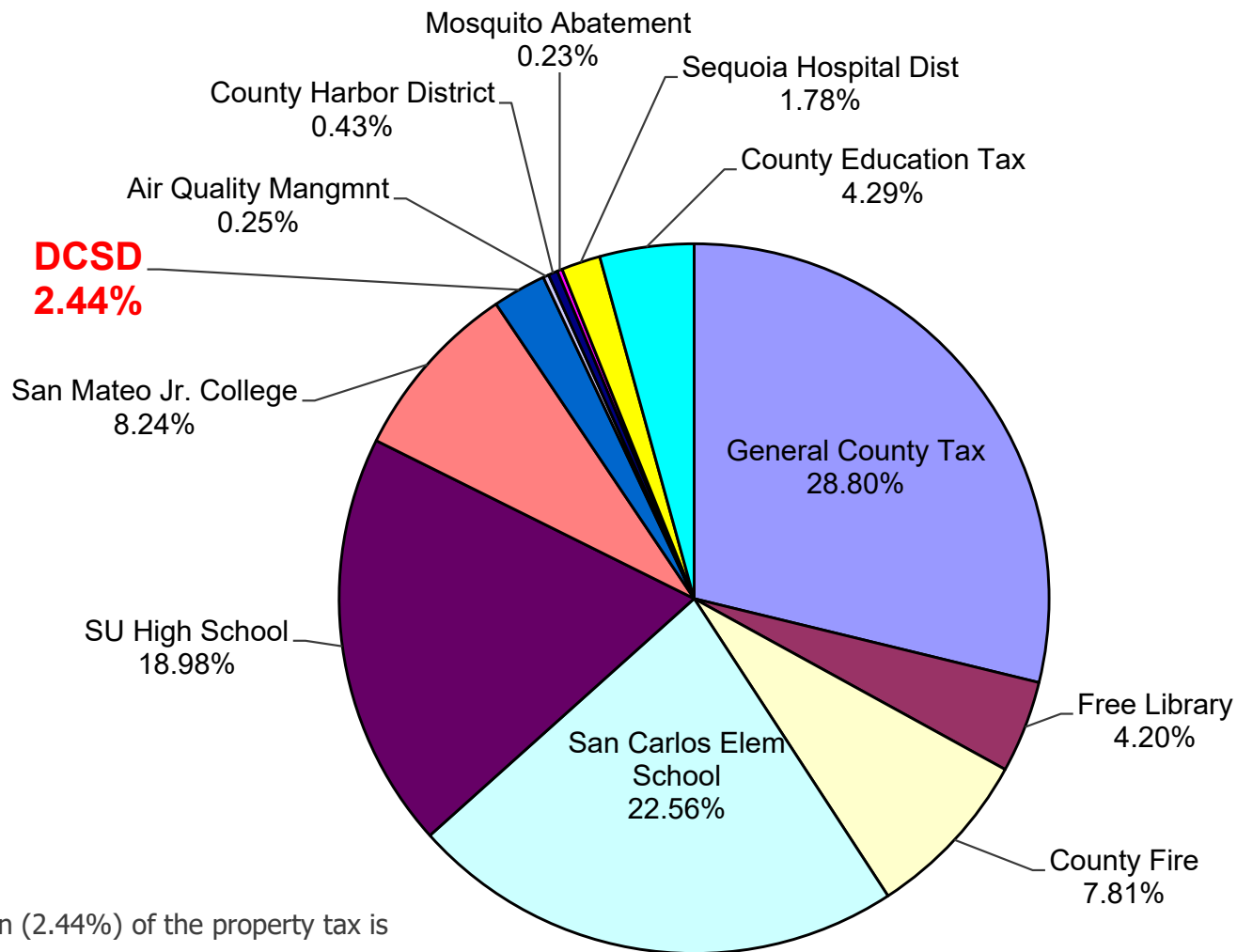
EACH DISTRICT IS AN INDEPENDENT ENTITY WITH ITS OWN SEPARATE BUDGET

- Each District's Governing Board is the Board of Supervisors
- The District receives Sewer Service Charges and limited property taxes within the District boundaries to fund sewer service
- The Sewer Service Charges are a Fee For Service, Not a Tax
- The District collects Sewer Service Charges on the Tax Bill because it is least costly way to collect the fee



WHERE DOES MY PROPERTY TAX MONEY GO?

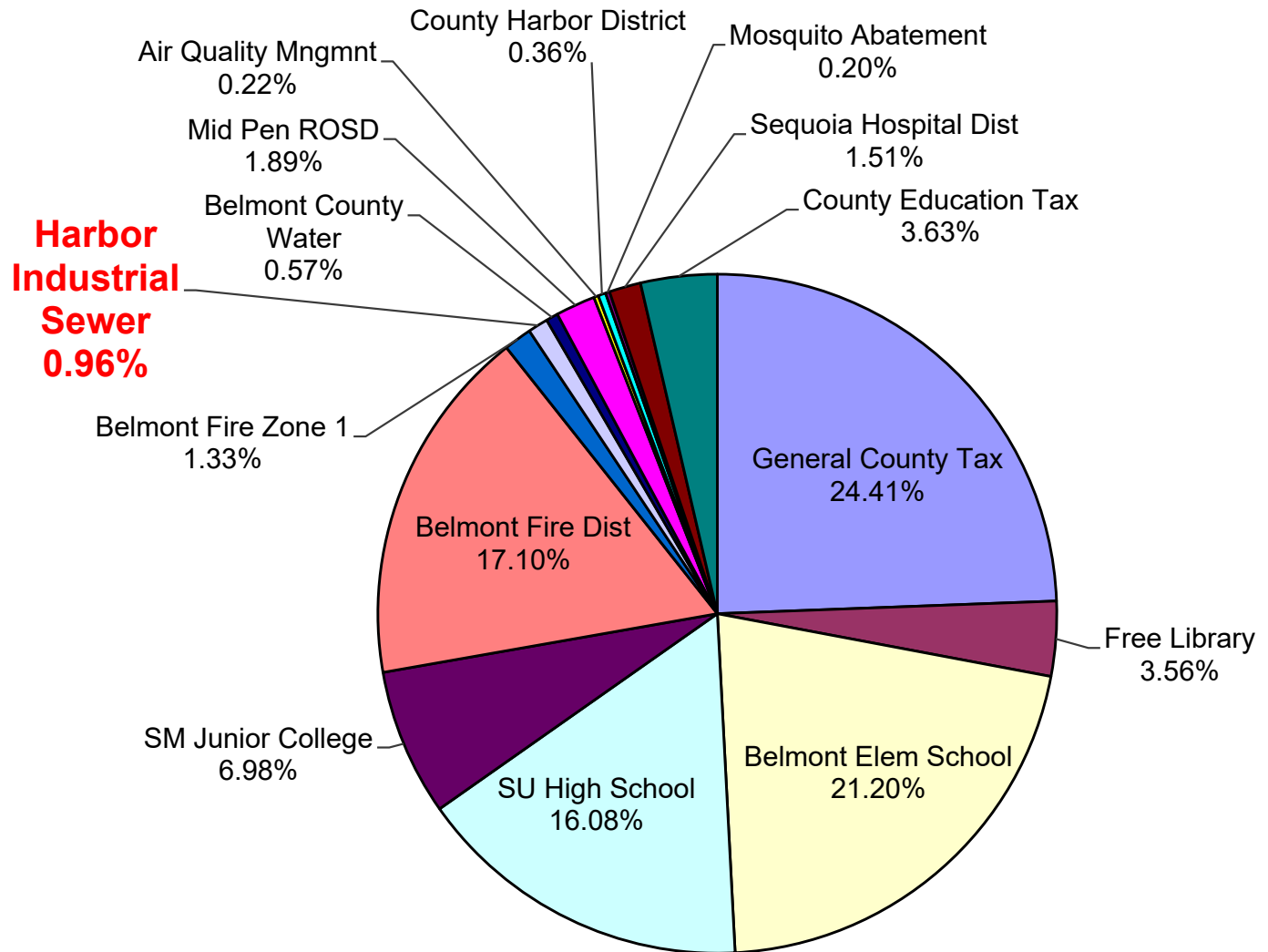
DCSD Sample Property Tax Allocation (TRA 076-005)



Note: DCSD allocation of a portion (2.44%) of the property tax is approximately \$46,800 per year

WHERE DOES MY PROPERTY TAX MONEY GO?

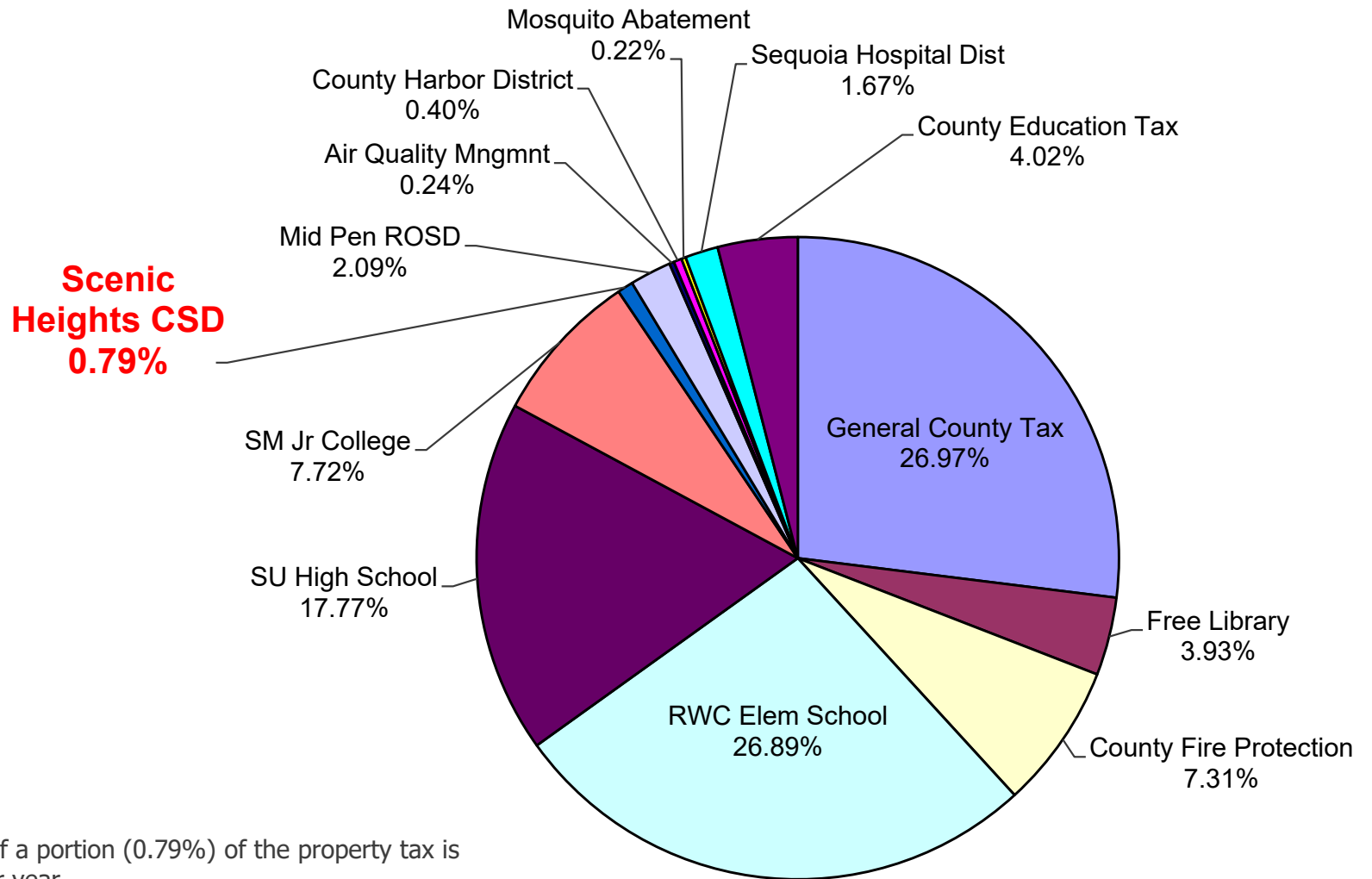
HISMD Sample Property Tax Allocation (TRA 053-017)



Note: HISMD allocation of a portion (0.96%) of the property tax is approximately \$12,900 per year.

WHERE DOES MY PROPERTY TAX MONEY GO?

SHCSD Sample Property Tax Allocation (TRA 073-025)



Note: SHCSD allocation of a portion (0.79%) of the property tax is approximately \$2,100 per year

PROGRAMS, SERVICES AND COMPLIANCE

- Sanitary Sewer Overflow (SSO) Response, Reporting, Water Quality Monitoring, and Public Awareness Program
- Development and continuous updating of Sewer System Management Plan (SSMP)
- Continue to provide 24/7 emergency response to clear blockages in private laterals
- Purchased shared maintenance equipment since the last rate increase (CCTV main line camera and van, lateral camera, and air compressor)



PROGRAMS, SERVICES AND COMPLIANCE

POLLUTION PREVENTION/PUBLIC AWARENESS PROGRAM

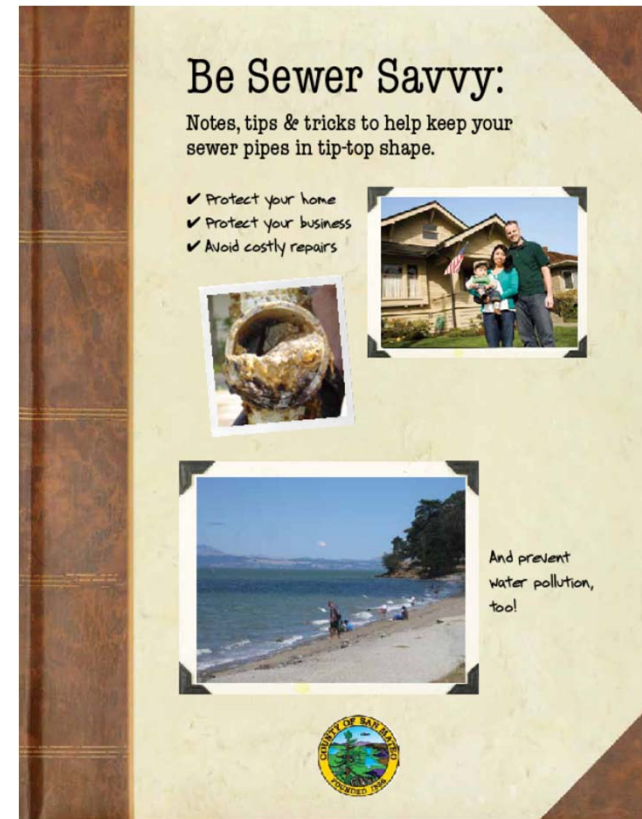


Flush only toilet paper, put trash in the trash can. Help prevent costly sewer problems and keep our environment safe from sanitary sewer backups and overflows!

Image sources: County of San Mateo and Central Contra Costa Sanitary District

PROGRAMS, SERVICES AND COMPLIANCE

POLLUTION PREVENTION/PUBLIC AWARENESS PROGRAM



Awareness brochures were developed and being distributed to customers during service calls and mailed to customers upstream of a sanitary sewer overflow. Copies are also available on website at <http://www.smcgov.org/sewers>

PROGRAMS, SERVICES AND COMPLIANCE

SANITARY SEWER OVERFLOWS (SSO)

District	2018	2019	2020	2021	2022	2023 (to date)
DCSD	3	1	1	5	2	1
HISMD	1	0	0	0	0	0
SHCSD	0	0	1	0	1	0

Over 2,400 feet of sewer pipes were replaced in DCSD, HISMD, and SHCSD in 2019.

Preventative maintenance on District sewer mains is being performed at frequencies ranging from 3 to 18 months, depending on conditions.



**The toilet is only meant
to flush the three P's—
pee, poop and paper.**
toilet

DISTRICT EXPENSES

IN DISTRICT COSTS:

- ***Operation and Maintenance***
- ***Regulation Compliance***
- ***District Projects***



OUT OF DISTRICT COSTS:

- ***Sewage Transport and Treatment***
- ***Downstream Agency Capital Improvement Projects***



ELEMENTS OF THE SEWER SERVICE RATES **– CAPITAL IMPROVEMENT PROJECTS (CIP)**

HIGH PRIORITY CIPs IDENTIFIED IN EACH DISTRICT THROUGH MASTER PLANS AND CONDITION ASSESSMENTS

- *Improvements are recommended based on the following:*
 - *Lack of capacity in pipe*
 - *Excessive maintenance costs*
 - *Structural defects in pipe*

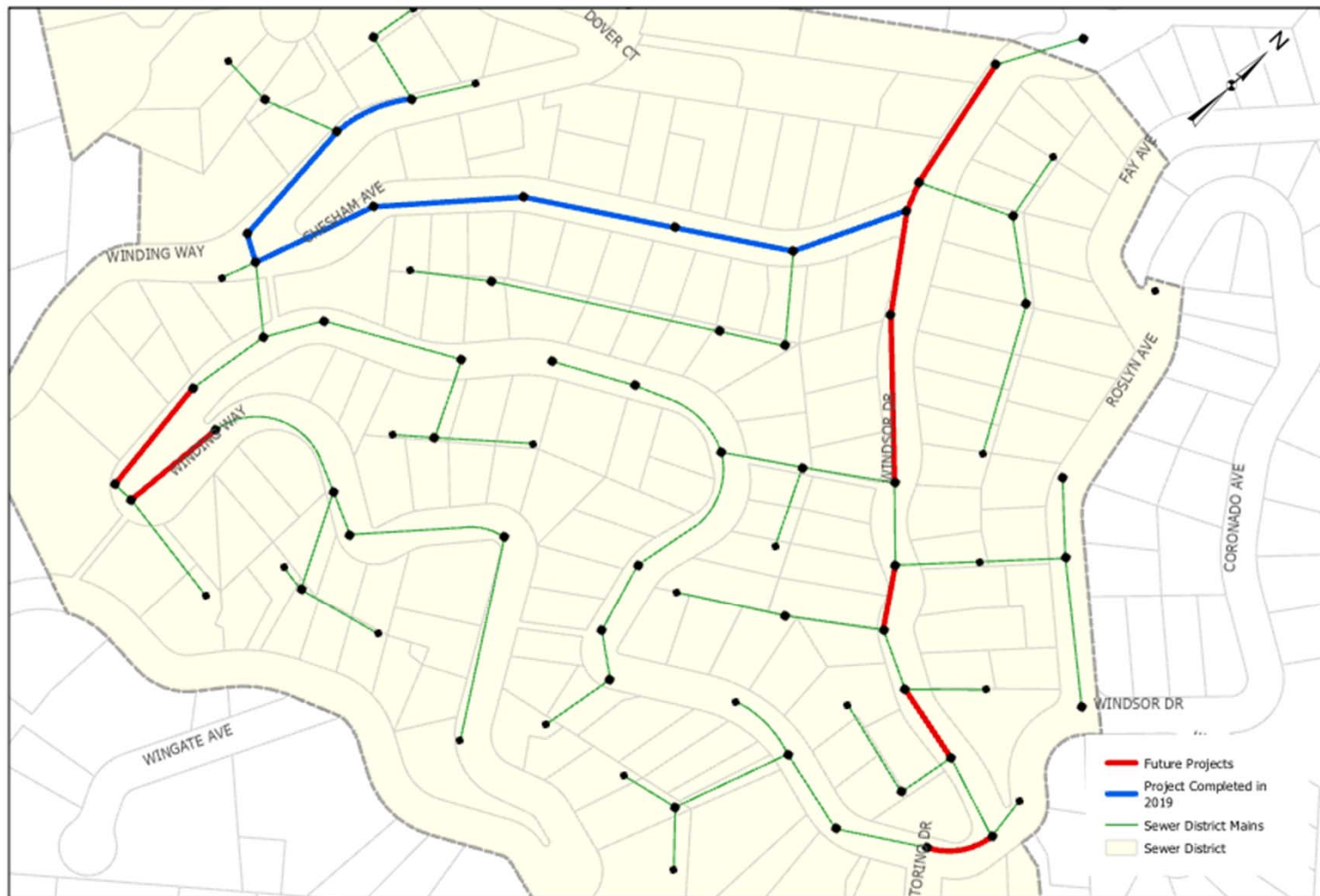
- *Portions of your Sewer Service Charges collected are used to pay for improvements.*

ELEMENTS OF THE SEWER SERVICE RATES – FUTURE PROJECTS AND ESTIMATED COSTS

Devonshire CSD:

Phase 2 - Winding Wy. and Windsor Dr.
(1,060 ft)

\$467,000

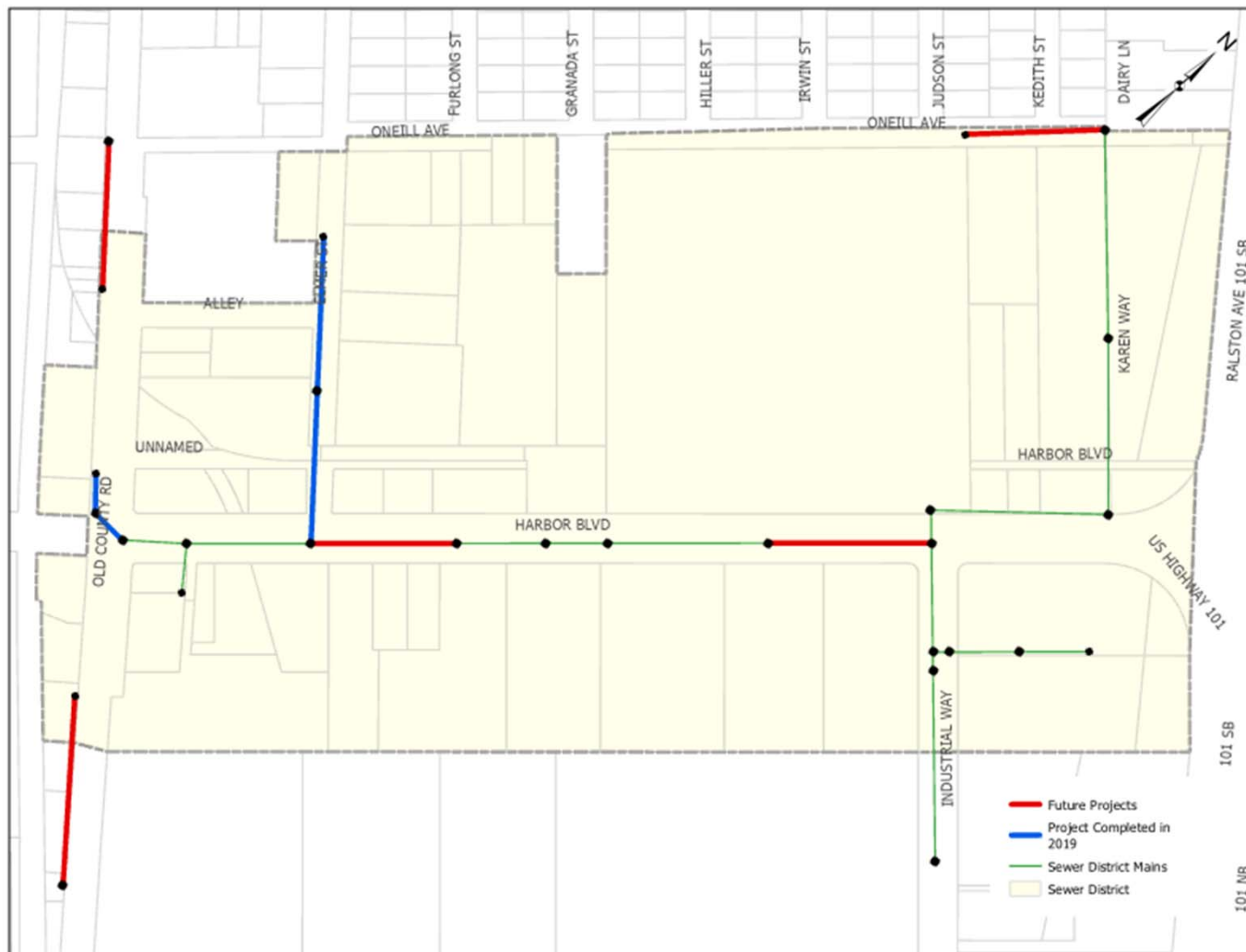


ELEMENTS OF THE SEWER SERVICE RATES – FUTURE PROJECTS AND ESTIMATED COSTS

Harbor Industrial SMD:

Phase 2 – Old County Road, Harbor Blvd,
and O’Neil Ave (1,800 ft)

\$640,000



ELEMENTS OF THE SEWER SERVICE RATES – FUTURE PROJECTS AND ESTIMATED COSTS

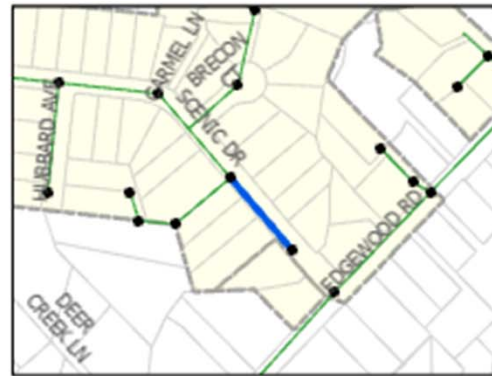
Scenic Heights CSD:

Edgewood Road

\$181,000 *

Phase 2 – Hassler Line (4,020 ft)

\$1,850,000 *



* Estimated project cost to be shared by 4-parties of the 1985 Agreement between the Scenic Heights CSD (10.5%), City of San Carlos (61.5%), Emerald Lake Heights SMD-Zone 1 (20%), and County Cordilleras Center (8%).

ELEMENTS OF THE SEWER SERVICE RATES **– OUT OF DISTRICT COSTS**

SEWAGE TRANSPORT, TREATMENT, AND DISPOSAL

- ***Each District has an Agreement with the City of San Carlos for sewage transport through City pipes with treatment and disposal at the SVCW***
- ***Harbor Industrial SMD, Devonshire CSD, and Scenic Heights CSD pays a portion of the City's allocable share of SVCW expenditures for treatment and transport***
 - ***City increased 4.5% average annual rate increase for FYs 2019-23. City is not expected to increase rate for FY 2023-2024, however, future rate increases are expected***
 - ***Based on number of ERUs for Devonshire CSD and Scenic Heights CSD***
 - ***Based on quantity and quality of flow for Harbor Industrial SMD***

ELEMENTS OF THE SEWER SERVICE RATES – OUT OF DISTRICT COSTS

WHAT AFFECTS THE AMOUNT THE DISTRICT PAYS?

- ***Sewer Service Rates established by San Carlos***

- ***Capital Improvement Projects at the SVCW:***
 - ***Capital improvements will replace equipment which have reached the end of their useful lives***

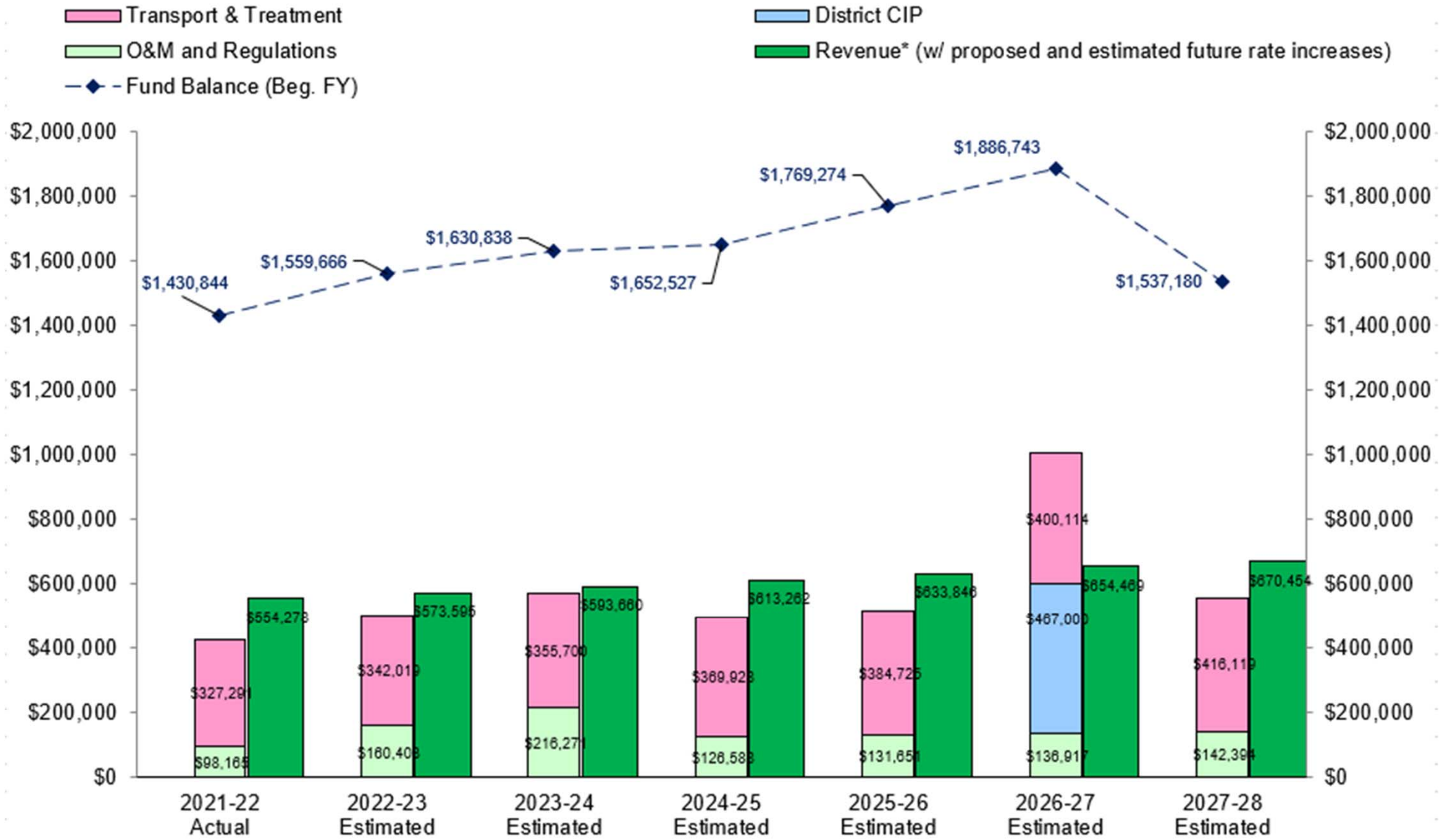
 - ***SVCW has spent \$620 million thru April 2022 (over 14 years)***

 - ***In April 2022, SVCW estimates \$330 million in CIP expenditures over the next decade***

 - ***SVCW will be charging the member agencies (Redwood City, San Carlos, Belmont, and West Bay Sanitary District) for cost of the capital improvements***

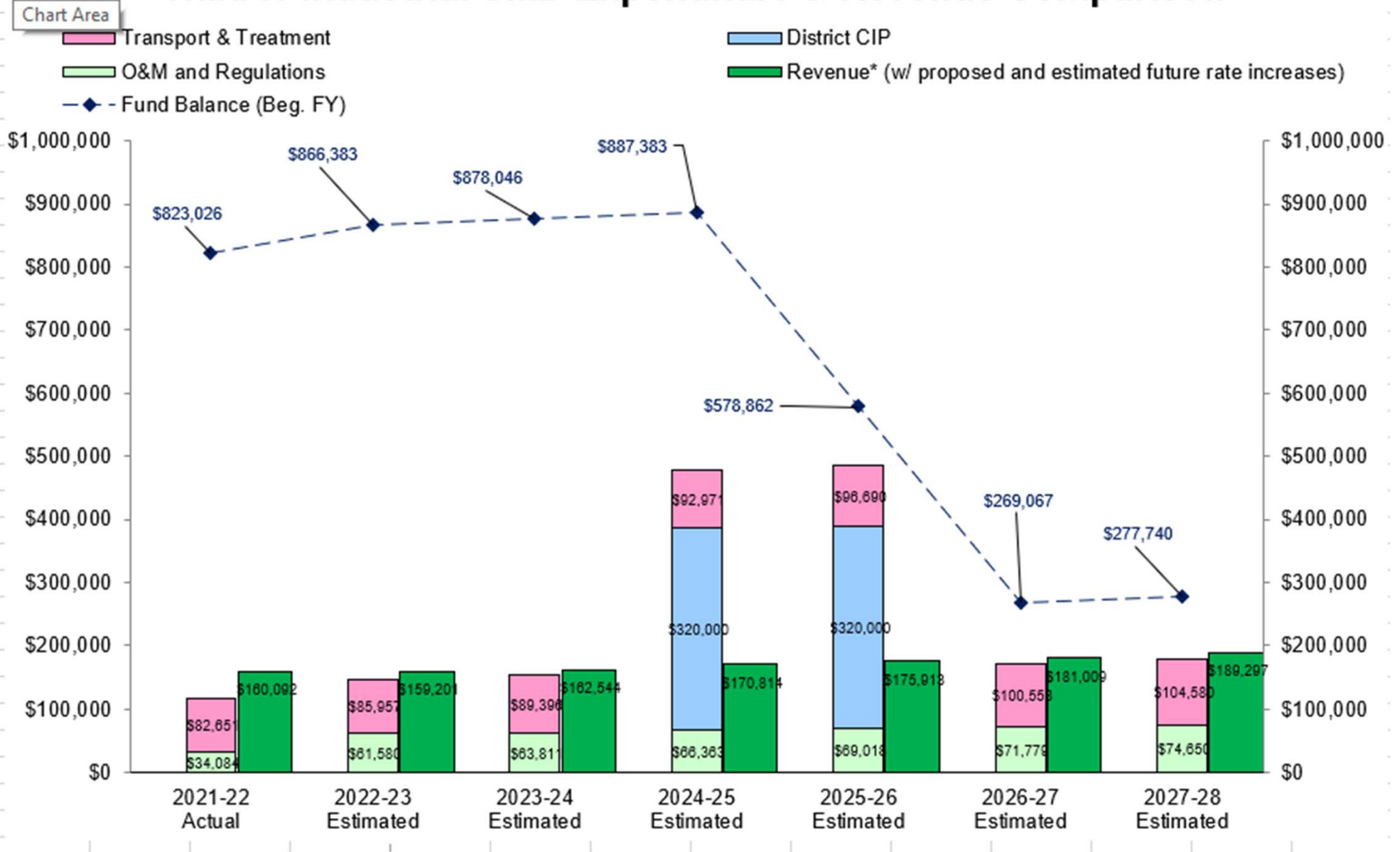
ELEMENTS OF THE SEWER SERVICE RATES

Devonshire CSD Expenditure & Revenue Comparison



ELEMENTS OF THE SEWER SERVICE RATES

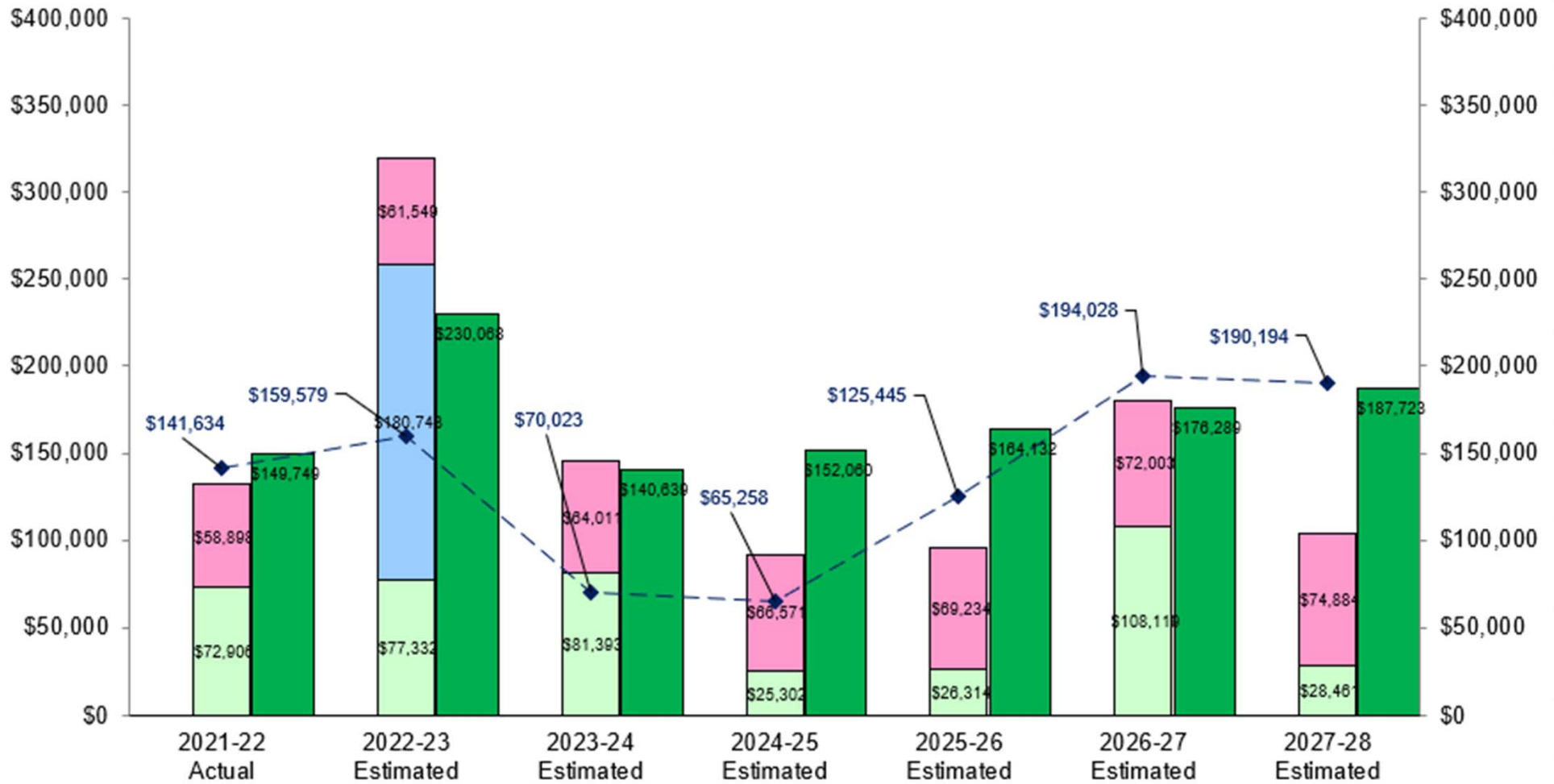
Harbor Industrial SMD Expenditure & Revenue Comparison



ELEMENTS OF THE SEWER SERVICE RATES

Scenic Heights CSD Expenditure & Revenue Comparison

- Transport & Treatment
- District CIP
- O&M and Regulations
- Revenue* (w/ proposed and estimated future rate increases)
- ◆ - Fund Balance (Beg. FY)



PROPOSED RATES

	Sewer Service Rates (\$/Year Per Equivalent Residential Unit)					
	Current Rate FY 2022-23	Proposed Rates				
		FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Devonshire CSD	\$1,620	\$1,680 (+ \$60/yr or \$5/mo)	\$1,740 (+ \$60/yr or \$5/mo)	\$1,800 (+ \$60/yr or \$5/mo)	\$1,860 (+ \$60/yr or \$5/mo)	\$1,920 (+ \$60/yr or \$5/mo)
Harbor Industrial SMD	\$645	\$685 (+ \$40/yr or \$3.33/mo)	\$725 (+ \$40/yr or \$3.33/mo)	\$765 (+ \$40/yr or \$3.33/mo)	\$805 (+ \$40/yr or \$3.33/mo)	\$845 (+ \$40/yr or \$3.33/mo)
Scenic Heights CSD	\$2,195	\$2,395 (+ \$200/yr or \$16.67/mo)	\$2,595 (+ \$200/yr or \$16.67/mo)	\$2,795 (+ \$200/yr or \$16.67/mo)	\$2,995 (+ \$200/yr or \$16.67/mo)	\$3,195 (+ \$200/yr or \$16.67/mo)

RATE SETTING TIMELINE

Key Dates	Actions
May 23, 2023	Introduce Ordinance with proposed sewer service rate and set Public Hearing for July 25, 2023.
June 5, 2023	Send Proposition 218 notice (45 days prior to public hearing) to property owners with proposed rates.
July 25, 2023	Hold public hearing, adopt Ordinance setting rates, and adopt FY 2023-24 Sewer Service Charges Report based on the adopted rates.

Emergency Response
24 Hours a Day, 7 Days a Week

Mainline (Blockage)

Customer Sewer Laterals

Call (650) 363-4100 to Report
Sewer Overflows

THANK YOU!

Please e-mail comments and questions to:
sewers@smcgov.org

Information is available on our website at:
<http://www.smcgov.org/sewers>



**The toilet is only meant
to flush the three P's—
pee, poop and paper.**
toilet

COUNTY OF SAN MATEO

