



Ann M. Stillman
Director

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February 28, 2024

Dear Property Owner:

Re: Proposed Sewer Service Rates and Virtual Community Meeting

We are sending this letter to property owners in the Crystal Springs County Sanitation District (District) to provide important information regarding proposed sewer service rate adjustments for the next four fiscal years (2024-25 through 2027-28).

We have scheduled a virtual meeting to discuss the proposed increases. At this meeting we will review the financial implications of the City of San Mateo's Clean Water Program and other infrastructure and operational challenges facing the District.

The Zoom meeting will be held on:

Date: Wednesday, March 20, 2024
Time: 6:00 PM to 7:00 PM
Meeting Platform: Zoom
Meeting Link: <https://bit.ly/2428cscsd>
or use the QR code on the right



To Join by phone:
Phone Dial-In: (669) 900-9128
Meeting ID: 856 5478 8695
Passcode: 318948

Background

The District is administered by the County of San Mateo Department of Public Works. The San Mateo County Board of Supervisors (Board) is the governing board of the District. The current sewer service rate of \$1,834 per fiscal year (FY) per equivalent residential unit was adopted by the Board for your District in July 2021. The sewer service rates set in previous years provided the funds for the costs associated with operations and maintenance of the District's sewer system and treatment of sewage emanating from the District.

The City of San Mateo (City) 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 agencies (Town of Hillsborough [Town] and the City) and to the sewage treatment plant. The District has an agreement with the Town and the City that provides for the District to pay a portion of downstream improvement projects, both in the trunk lines and facilities used by the District including the City's sewer treatment plant. The sewer rates must also pay for these expenses.



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City’s Clean Water Program

The City’s Clean Water Program (CWP) is estimated to cost approximately \$1 billion in total and the District has a financial responsibility to pay approximately \$32.6 million of the costs that are attributed to the sewer treatment plant reconstruction and other system improvements relied upon by the District. Information about the City’s CWP is posted here: <http://CleanWaterProgramSanMateo.org/>

The City’s CWP is being implemented to meet current and future regulatory requirements, replace aging infrastructure in the collection system and treatment plant, build wet weather system capacity to prevent sanitary sewer overflows, and align with sustainability goals. The CWP consists of a major upgrade to the wastewater treatment plant, improving capacity of specific sewer pipes, rehabilitating sewer pipes, upgrading pump stations, and construction of a 5.3-million-gallon underground flow equalization system.

The City’s CWP projects have a direct financial impact on the District’s sewer service rates. The District’s rates must support portions of the CWP projects that benefit the District.

Proposed Sewer Service Rates

We are proposing to set the new sewer service rates for a four-year period (2024-25 through 2027-28 FYs), as shown in the table on below:

	Sewer Service Rate (\$/FY Per Residential Unit)				
	Current Rate (2023-24)	Proposed Rates			
		2024-25	2025-26	2026-27	2027-28
Crystal Springs County Sanitation District	\$1,834	\$1,879	\$1,919	\$1,954	\$1,984
<i>\$ increase per Equivalent Residential Unit</i>		<i>(+\$45/yr or \$3.75/mo)</i>	<i>(+\$40/yr or \$3.33/mo)</i>	<i>(+\$35/yr or \$2.92mo)</i>	<i>(+\$30/yr or \$2.5/mo)</i>
<i>% increase</i>		<i>2.5%</i>	<i>2.1%</i>	<i>1.8%</i>	<i>1.5%</i>

We have evaluated the current sewer service rate in relation to the anticipated District expenses for FYs 2024-25 through 2027-28. Based on our analysis of the future cost demands on the District, these rate increases are required in order to pay for the District’s portion of the City’s CWP, the District maintenance and future capital improvement work, increases in sewage treatment costs, and regulatory requirements. The District and City are working on an agreement that will outline the District’s financial obligations for the CWP to minimize future rate adjustments and allow for payments over time.

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 percentage of the operation and maintenance cost of the City’s sewer treatment plant
- A percentage of the improvements to the City’s sewer treatment plant
- A percentage of the improvements to the downstream agencies’ (i.e. Town’s and City’s) sewer system used by the District

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- Compliance with local, state and federal health, safety and environmental protection regulations
- Payment on a State Revolving Fund Loan and other loan payments for completed downstream projects

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.

During the virtual meeting on Wednesday, March 20, 2024 at 6:00 PM we will be discussing overall sewer system management, review what the previously set sewer service rate has supported, provide more detailed information about the sewer service rate calculations, and discuss the City's CWP and its financial implications for the District. This information will also be posted on our website (listed below) after the meeting date. The meeting provides an opportunity to hear your comments and input on this issue before we finalize our recommendations to the Board and to 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:

Ann M. Stillman, Director
Department of Public Works
County of San Mateo
555 County Center, 5th Floor
Redwood City, CA 94063
or
e-mail: sewers@smcgov.org

Additional information about your district and the timeline for rate setting can be found on our website at: www.smcgov.org/sewers