

PROPERTY OWNERS MEETING SEWER SERVICE RATES

Crystal Springs County Sanitation District
(District)

March 20, 2024

6:00 PM

Via Zoom

Department of Public Works



CRYSTAL SPRINGS COUNTY SANITATION DISTRICT

**Information on Proposed Sewer Service Rate Increase
for Fiscal Year 2024-28**

**To be Considered by the County of San Mateo Board of
Supervisors during a Public Hearing on:**

**Tuesday, June 11, 2024 at 9:00 a.m.
Board of Supervisors Chambers
Hall of Justice and Records
400 County Center, Redwood City**

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.



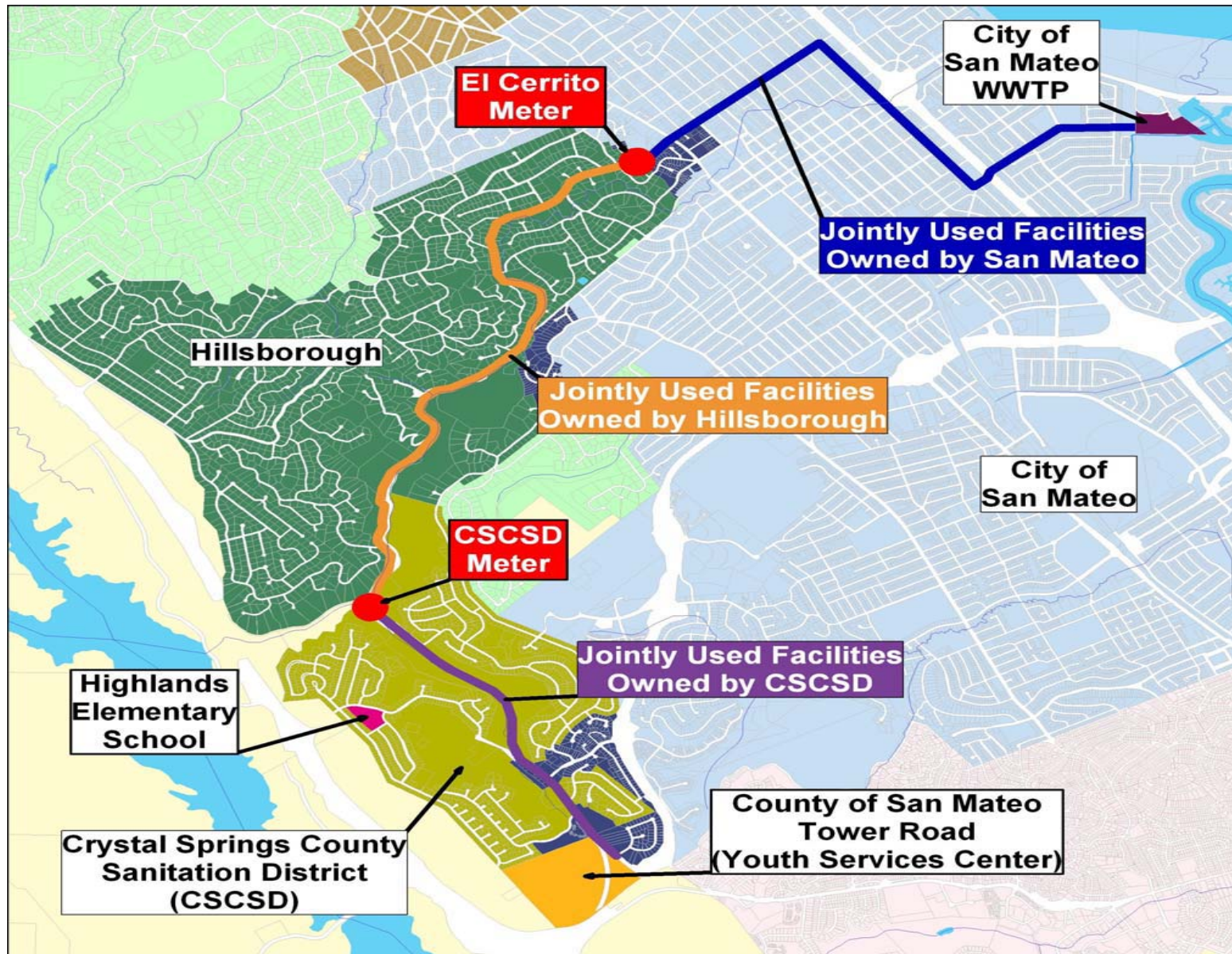
OVERVIEW

- ***District Information***
- ***District Funding***
- ***What has occurred since the last rate increase in 2021?***
- ***Programs, Services and Compliance***
- ***Elements of the Sewer Service Rates***
 - ***In District Costs***
 - ***Out of District Costs***
- ***Proposed Rates for Consideration***
- ***Rate Setting Timeline***



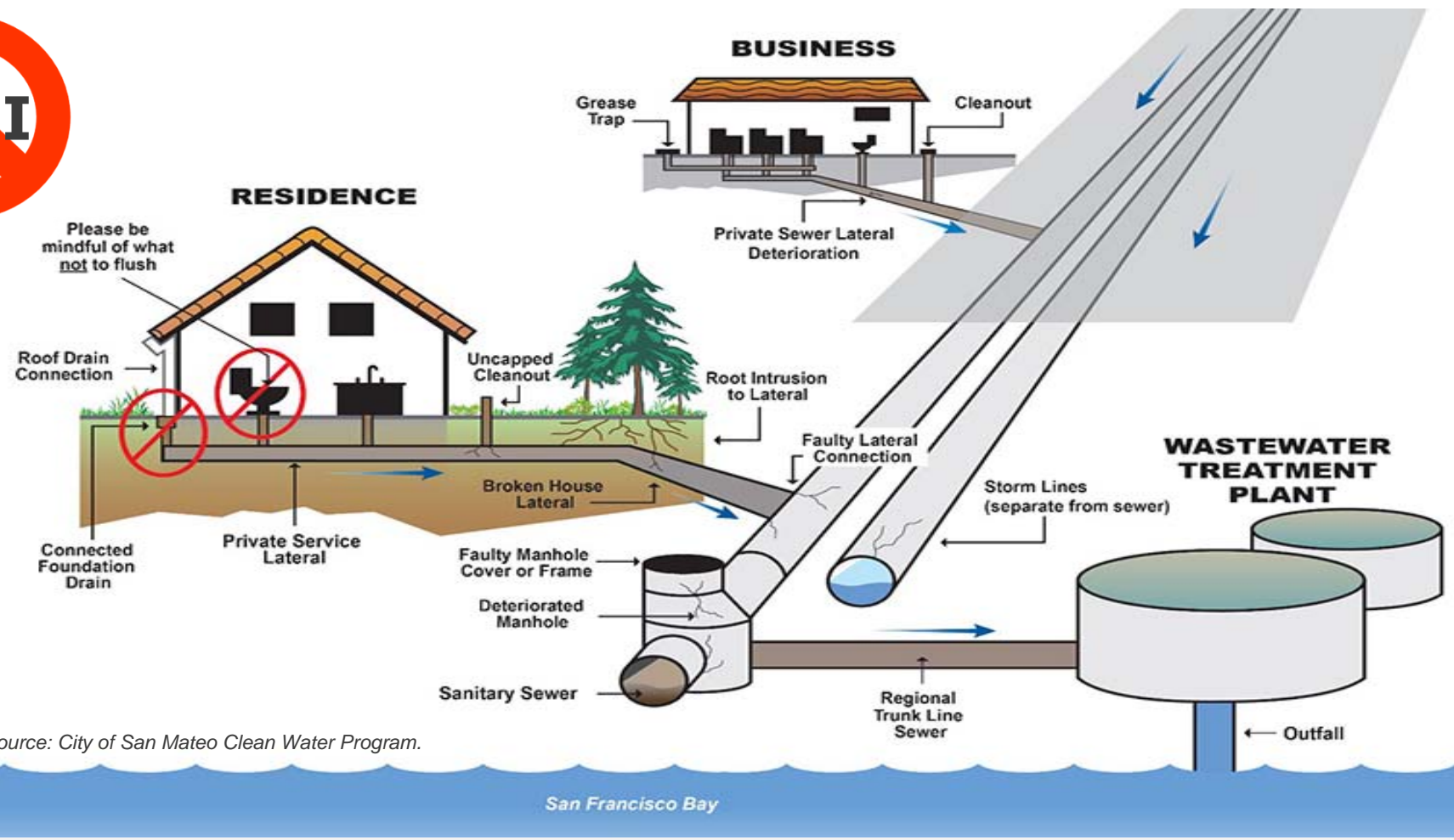
DISTRICT INFORMATION

SEWAGE FLOWS THROUGH TOWN OF HILLSBOROUGH AND CITY OF SAN MATEO TO THE CITY'S SEWAGE TREATMENT PLANT AT 2050 DETROIT DRIVE FOR TREATMENT



DISTRICT INFORMATION – HOW DOES A SEWER SYSTEM WORK?

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



Source: City of San Mateo Clean Water Program.

Image Source: Pixel-Gym

DISTRICT SPECIFIC STATISTICS

District	Age (yrs) *	Number of Connections **	Equivalent Residential Units **	Downstream Transport Agencies	Treatment Facility
Crystal Springs County Sanitation District (CSCSD)	79	1,450	1,547	Town of Hillsborough & City of San Mateo	City of San Mateo

**Age based on District formation date*

*** Based on 2023-24 Sewer Service Charge Report*

District	Miles of Pipe (Feet)	Percentage in Easements	Percentage in Streets
Crystal Springs County Sanitation District (CSCSD)	18 mi (95,100 ft)	15%	85%

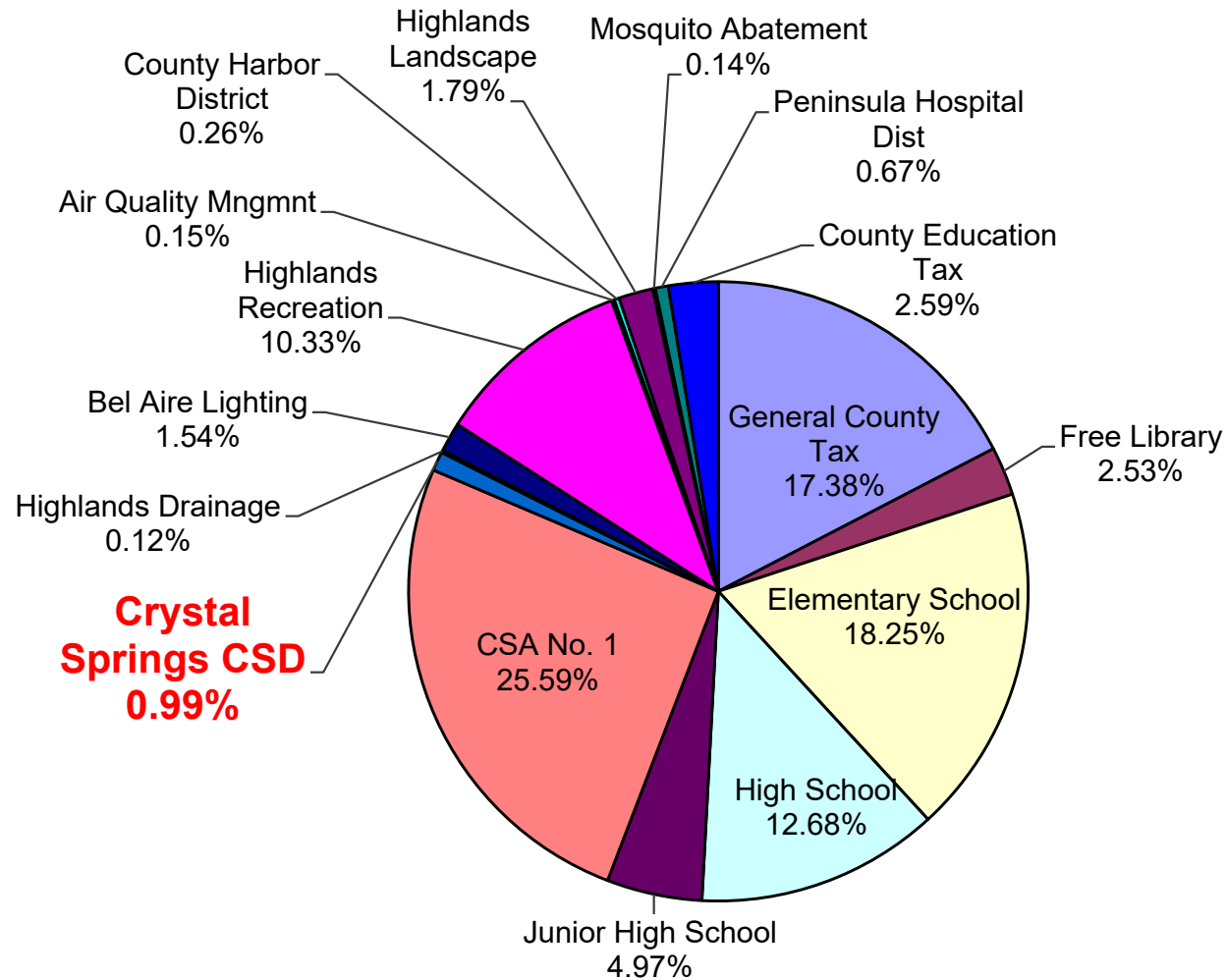
SEWER/SANITATION DISTRICTS IN COUNTY GOVERNMENT

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?

CSCSD Sample Property Tax Allocation (TRA 078-018)



Note: CSCSD allocation of a portion (0.99%) of the property tax is approximately \$100,000 per year.

WHAT HAS OCCURRED SINCE 2021?

- Completed the replacement of 403 feet of sewer main and 17 spot repairs in 2022 as part of a multi-district project (CSCSD share of approx. \$286,000)
- Closed circuit television (CCTV) inspection and condition assessment of all 18 miles of District sewer mains were completed in 2023 (Approx. cost of \$562,000)
- Paid \$6,833,856 to the City of San Mateo in FYs 2021-22 & 2022-23 as CSCSD's share of City's Clean Water Program cost on pay-as-you-go basis (Amendment No. 4 to 4-Party Agreement has not been executed to establish an annual payment amount utilizing City financing)
- Annual loan payment of \$176,898 to the County General Fund for the completed Crystal Springs/El Cerrito Trunk Line in the Town of Hillsborough (\$7.25 million loan)
- Contributed \$32,150 to the purchase of shared maintenance equipment (CCTV mainline camera/van, lateral camera, compressor)
- Sanitary Sewer Overflow (SSO) Response, Reporting, Water Quality Monitoring, Public Awareness Program, and staff training
- Continue to provide 24/7 emergency response to clear blockages in private laterals and services

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! Brochures 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>

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

PROGRAMS, SERVICES AND COMPLIANCE

STAFF TRAINING AND CONTINUING EDUCATION



Safety training and learning management for public works and wastewater utilities

[CLICK HERE TO SEARCH FOR TRAINING](#)



Live Open Enrollment Training

Online and In-Person

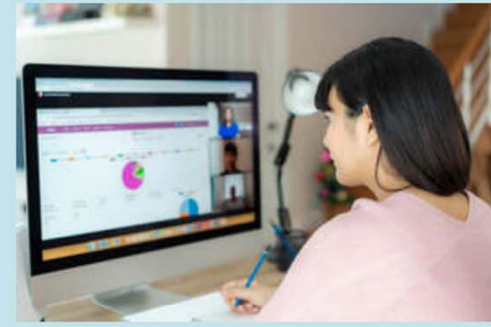
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ELEMENTS OF THE SEWER SERVICE RATES – DISTRICT COSTS

SANITARY SEWER OVERFLOWS (SSO)

District	2019	2020	2021	2022	2023	2024 (to date)
CSCSD	3	7	1	2	0	0

Primary Causes of SSOs: Roots, sand and gravel and construction debris.

Preventative maintenance on District sewer mains is being performed at 3 month and 9 month frequencies.



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

ELEMENTS OF THE SEWER SERVICE RATES

IN DISTRICT COSTS:

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



OUT OF DISTRICT COSTS:

- ***The Clean Water Program (CWP)***
- ***Sewage Transport and Treatment***
- ***Downstream Agency Capital Improvement Projects***

ELEMENTS OF THE SEWER SERVICE RATES – DISTRICT COSTS

REGULATORY COMPLIANCE CONTINUES:

➤ State Water Resources Control Board

- ***Continuous updating of Sewer System Management Plan (SSMP)***
- ***Reporting to State Office of Emergency Services certain types of SSO's within 2 hours***
- ***Sampling of water within 48 hours when SSO enters a creek or stream***
- ***Training maintenance staff on SSO response***
- ***2009 Cease and Desist Order (CDO) - Annual Reports due May 15th:***
 - a) ***Sewer System Cleaning and Root Control Program***
 - b) ***Infrastructure Renewal***
 - c) ***Progress of Short and Long Term Improvements***
 - d) ***Reporting required until City of San Mateo CDO is dismissed which is anticipated after the City completes its Clean Water Program projects in FY 2025-26 but most likely longer since the Water Board approval process may take months or years***

ELEMENTS OF THE SEWER SERVICE RATES – DISTRICT COSTS

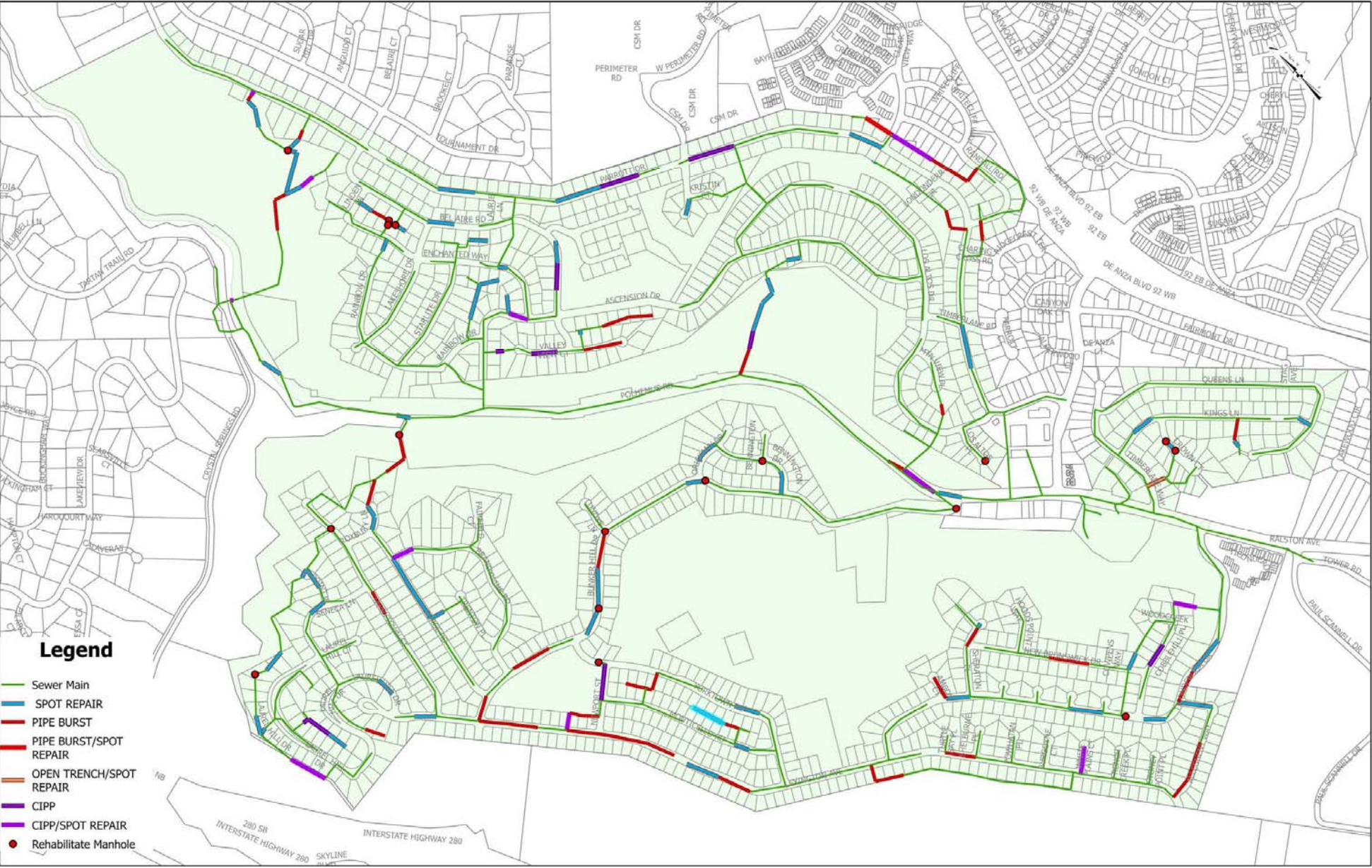
HIGH PRIORITY CAPITAL IMPROVEMENT PROJECTS (CIP) IDENTIFIED THROUGH CONDITION ASSESSMENTS

- ***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 system improvements.***



2023 CCTV INSPECTION AND CONDITION ASSESSMENT PROJECT RECOMMENDED CAPITAL IMPROVEMENTS

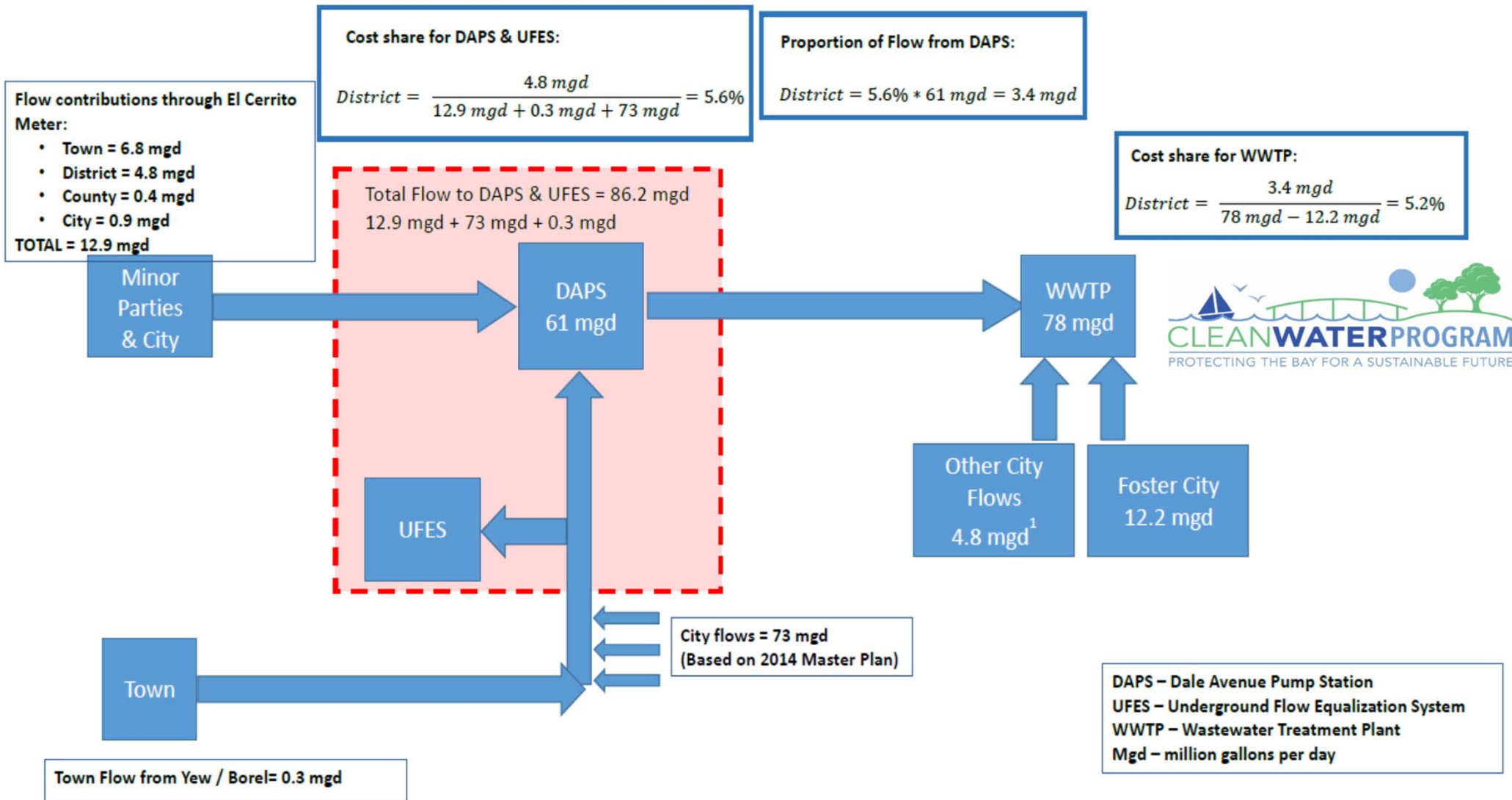


PRIORITY OF REMAINING CAPITAL IMPROVEMENT PROJECTS:

<u>Project Location</u>	<u>Estimated Cost</u>
<i><u>Planned for FY 2024-25</u></i>	
Easement along Billy Goat Hill	\$343,000
Laurel Hill Drive Access Road Repair	\$1,300,000
<i><u>Future Projects</u></i>	
Easement between Parrott and Randall	\$684,000
Easement from Ascension to Polhemus	\$137,000
Spot Repair Project	\$1,931,000
Manhole Rehabilitation Project	\$217,000
CIPP and Pipe Burst Project	\$1,500,000
Easement from Roxbury to Polhemus	\$472,000
Easement from Bel Aire to Rainbow	\$109,000
Ticonderoga (Upper Portion)	\$1,383,000
Lexington-Yorktown East	\$138,000
Lexington-Yorktown West	\$2,305,000
Easement between Lexington and PG&E	\$323,000
Total Cost for Future Projects ~ 13,400 feet of Pipe (14% of District mains)	\$10.84 M

ELEMENTS OF THE SEWER SERVICE RATES – OUT OF DISTRICT COSTS

District Cost Share of the Clean Water Program



1. Flow includes Bay Meadows PS, Flint PS, and Mariners Island.

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

Fourth Amendment to the 4-Party Agreement

- *Ensure compliance with State Water Board Cease and Desist Order*
- *Participation in City financial arrangement to be able to pay District's share of \$32.6 million over 30 years*
- *Annual installment payments of \$1 million instead of pay-as-you-go*
- *Sewer rates set in 2021 (approximately \$1,040 per ERU per year) for the three fiscal years (2021-22, 2022-23 & 2023-24) support the anticipated annual payments for the CWP*

ELEMENTS OF THE SEWER SERVICE RATES – OUT OF DISTRICT COSTS



➤ ***Sewage Transport and Treatment Cost Projections (4% Annual Increase):***

2023-24 (Estimated)	2024-25 (Estimated)	2025-26 (Estimated)	2026-27 (Estimated)	2027-28 (Estimated)
\$ 453,712	\$ 471,861	\$ 490,735	\$ 510,365	\$ 530,779

➤ ***Clean Water Program Contributions:***

2023-24 (Estimated)	2024-25 (Estimated)	2025-26 (Estimated)	2026-27 (Estimated)	2027-28 (Estimated)
\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000

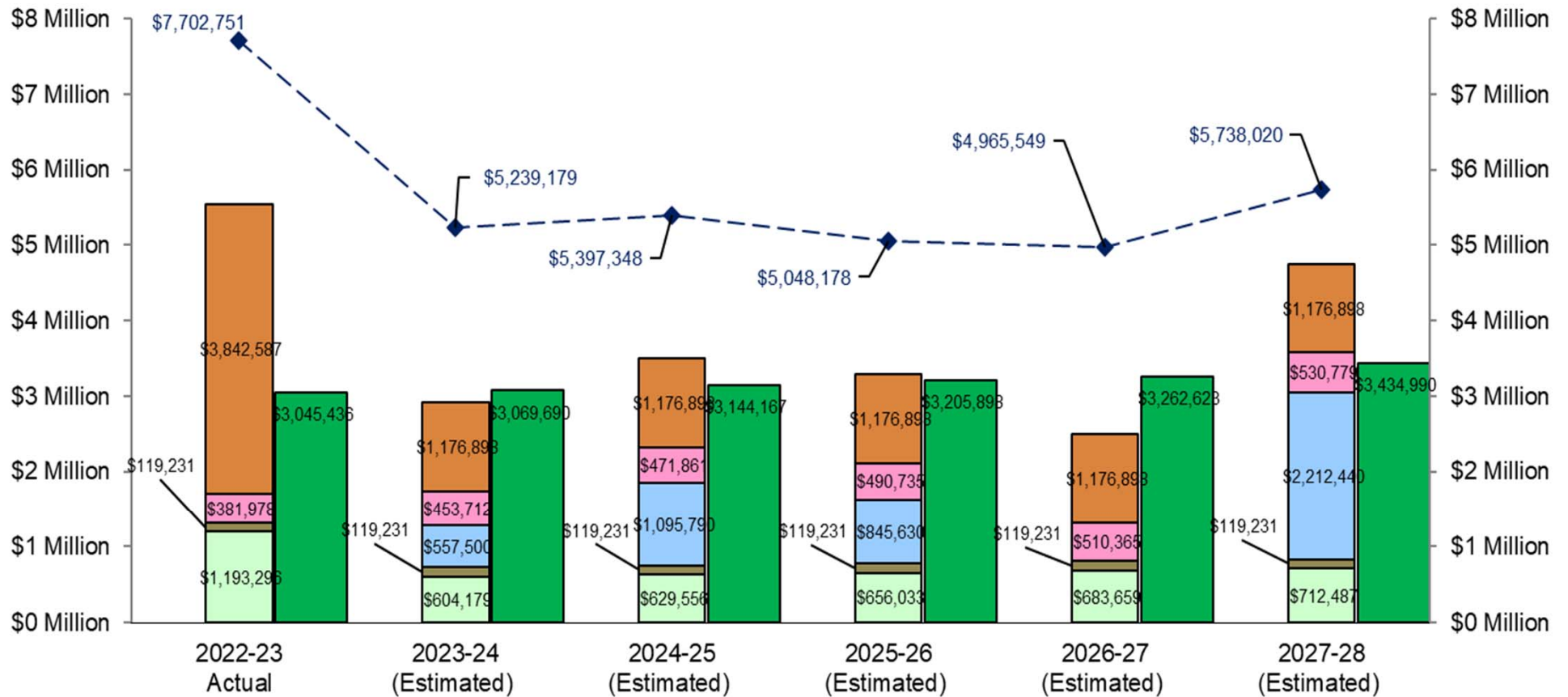
➤ ***Crystal Springs/El Cerrito Trunk Line General Fund Loan Repayment:***

2023-24 (Estimated)	2024-25 (Estimated)	2025-26 (Estimated)	2026-27 (Estimated)	2027-28 (Estimated)
\$ 176,898	\$ 176,898	\$ 176,898	\$ 176,898	\$ 176,898

ELEMENTS OF THE SEWER SERVICE RATES

Crystal Springs CSD Expenditure & Revenue Comparison

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



* Revenue may include: property taxes, interest, HOPTR, Sewer Service Charges, miscellaneous fees.

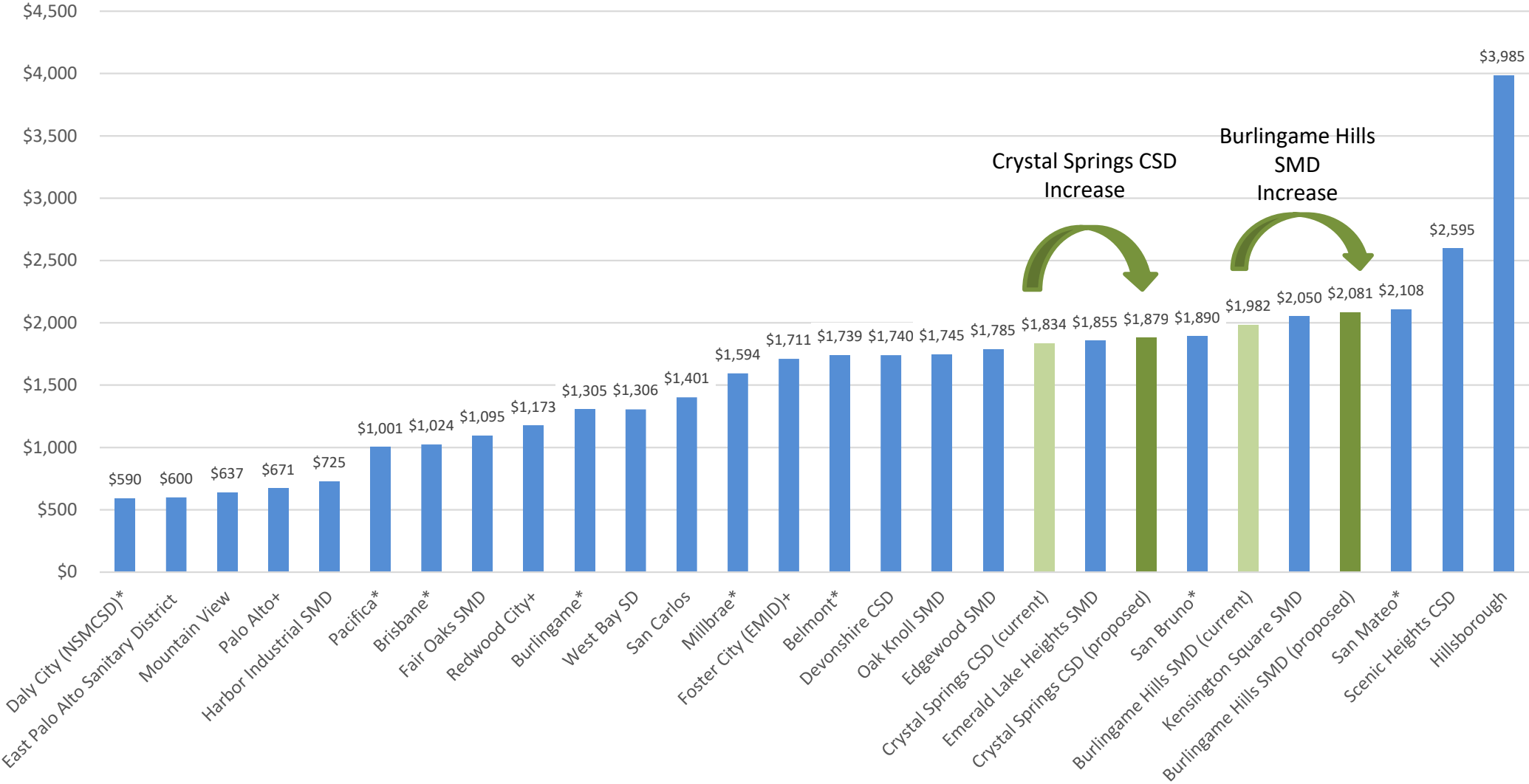
PROPOSED RATES

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

The proposed rate increases for the four fiscal years will support the anticipated annual CWP debt payments to City of San Mateo with the execution of Amendment No. 4 to the 4-Party Agreement.

SEWER RATE COMPARISONS

Annual Sewer Service Rate per ERU



* Denotes sewer rates with a flow-based component; Annual bill based on customer usage of 220 gpd

+ Denotes proposed sewer rate on July 1, 2024

RATE SETTING TIMELINE

Key Dates	Actions
March 2024	Community Meeting to provide Information on Proposed Sewer Service Rate Increase for Fiscal Year 2024-28
April 9, 2024	Introduce Ordinance with proposed sewer service rate and set Public Hearing for June 11, 2024.
April 26, 2024	Send Proposition 218 notice (45 days prior to public hearing) to property owners with proposed rate.
June 11, 2024	Hold public hearing, adopt Ordinance setting rate, and adopt FY 2024-25 Sewer Service Charges Report based on the adopted rate.



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>



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

