

**QUESTIONS SUBMITTED  
FOR  
COUNTY OF SAN MATEO  
DEPARTMENT OF PUBLIC WORKS**

**LISTED BELOW ARE THE QUESTIONS (Q) SUBMITTED DURING THE FIRST COMMUNITY MEETING HELD ON OCTOBER 29, 2025 AT THE PESCADERO MIDDLE-HIGH SCHOOL REGARDING PROPOSED WATER RATE INCREASES FOR COUNTY SERVICE AREA NO. 11 (PESCADERO COMMUNITY WATER SYSTEM)**

**THE COUNTY OF SAN MATEO DEPARTMENT OF PUBLIC WORKS  
HAS PROVIDED RESPONSES (R) TO THE QUESTIONS BELOW**

Q1. What will be the water usage of the new Fire Station, and was it accounted for in the rate study?

R1. The Fire Station operations are being relocated from its current location on Pescadero Creek Road to the new Fire Station (Station) to be constructed adjacent to the Pescadero Middle-High School (School). Since the Fire staff and equipment will be transferred rather than expanded, the overall increase in water usage is expected to be minimal. The new Station is in the design phase and has not yet begun construction. The Station Project is currently undergoing permitting and coordination with various agencies, so the timing of when the new Station will become operational is not yet known. Once the facility is constructed and operational, CSA-11 will monitor its actual water use and incorporate it into future rate evaluations as appropriate.

Q2. Why can't the properties located along the new waterline (Pescadero High School CSA-11 Water Line Extension Project [Project]) to the School connect to the system?

R2. The extension is solely to connect to the School and Station to the CSA-11 system. No additional connections are allowed through this Project. Due to restrictions in the Local Coastal Program and limited water supplies in the CSA-11, the Project would only achieve necessary approvals from the California Coastal Commission by limiting new connections to essential public facilities. The County of San Mateo has developed website to answer comment questions like this one, which can be found here: <https://www.smcgov.org/ceo/smcpescaderoconnect>

Q3. Has the County looked into developing an additional water source for CSA-11?

R3. CSA-11 completed the "Pescadero (CSA-11) Water Supply Yield and Sustainability Study Task 9, Screening Analysis of Future Water Supply Options" (Study), dated May 24, 2024. The Study included a definition of water quantity and quality objections, identification of six water supply alternatives, feasibility evaluation and identification of uncertainties for each alternative, development of conceptual capital and operating cost estimates for

each alternative, and screening and preliminary ranking of alternatives. A copy can be found at the link below:

[https://www.smcgov.org/sites/default/files/2025-02/CSA-11\\_supply\\_options\\_screening\\_TM\\_2024-05-24\\_0.pdf](https://www.smcgov.org/sites/default/files/2025-02/CSA-11_supply_options_screening_TM_2024-05-24_0.pdf)

At this time, CSA-11 does not have funding or staffing resources to further pursue feasibility of any of the identified alternatives. However, staff recognize the importance of long-term supply planning and will evaluate potential grant or loan opportunities to study supplemental sources in the future.

- Q4. How will CSA-11 pay for operational expenses if the system runs a deficit?
- R4. If system revenues are insufficient to cover operating costs, CSA-11 will need to obtain an loan. Historically this has come from either another Department funding source or the County General Fund. Any loans become a liability to CSA-11 and would need to be repaid with accrued interest from future CSA-11 revenues once rate adjustments are in place.
- Q5. How can the public review the CSA-11 financial records?
- R5. The Department of Public Works (Department) has been providing financial reports to the Pescadero Municipal Advisory Council (PMAC) for CSA-11 and the Pescadero Highway Lighting District on a quarterly basis for several years. It is our understanding PMAC has been posting this information on their website and under the “Documents” tab found here: <https://www.pescaderocouncil.org/pmacfiles>
- Q6. How were the water rate tiers determined, and what was the basis for those tiers?
- R6. The tiered rate structure is intended to promote water conservation while ensuring fair cost recovery. Tiers are based on a review of historical customer usage patterns, system costs, and State guidelines promoting efficient water use. Tiers are also based on feedback from the community during the 2012 rate setting process, which adjusted the first tier from 0-8 units in the originally proposal, to 0-11 units as is currently set.
- Q7. Are tiered rates legal under Proposition 218?
- R7. Yes. Tiered rates are allowed under Proposition 218 (Government Code § 53755 et seq.) when they are designed to reflect differences in water usage and encourage conservation. The CSA-11 tier structure is consistent with these principles and is based on the relative cost of providing water at varying usage levels. Tiered rates are commonly used by public water systems throughout California to promote efficient water use and ensure fairness among customers.
- Q8. Under Proposition 218, does each property count as one protest, or can both the owner and tenant submit protests?

- R8. Under Proposition 218, each parcel that receives service is entitled to one protest vote. If a tenant pays the water bill, that tenant may submit the protest on behalf of the property. However, both owner and tenant protests for the same parcel count as one valid protest.
- Q9. Can undeveloped parcels within the CSA-11 boundary submit a protest, and are they included in the total parcel count for the protest calculation?
- R9. Undeveloped parcels that are within the CSA-11 boundary are considered part of the service area and are typically included in the total parcel count for calculating the majority protest threshold, even if they are not yet connected. They may submit a protest if they may be subject to the proposed water rate or charge in the future and even though they may not currently have a water connection.
- Q10. What constitutes a valid Proposition 218 protest?
- R10. A valid protest must:
- Be in writing (no emails or verbal statements accepted).
  - Include the parcel owner's or tenant's name, service address or Assessor's Parcel Number (APN).
  - Be received by the County Clerk or designated address prior to the close of the public hearing stated in the Prop 218 notice.
  - Each parcel may submit only one protest, and protests cannot be withdrawn after the close of the public hearing.
- Q11. What is the process for the community to take over management of CSA-11 or form an independent water system?
- R11. To transition CSA-11 operations to a community-run system, residents/property owners would need to establish a new public agency (such as a community services district) through the Local Agency Formation Commission (LAFCo) process. This requires a petition, feasibility study, public hearings, and majority voter approval within the affected area. The County and LAFCo would need to coordinate closely on governance, funding, and asset transfer.
- Q12. Was there a letter from the ratepayers committee to the PMAC Chair, and has the County responded?
- R12. At the time of the public meeting on October 29, 2025, the Department was not aware of this letter. Since the public meeting, the letter dated October 13, 2025 from the "Pescadero Community Organizers and CSA-11 Rate Payers" has been shared with the Department. The letter was sent to the PMAC Chair and the County of San Mateo Board of Supervisors as well as others that were carbon copied.

Q13. There are two line items identified in the County's Capital Projects List 1)Pescadero Alternate Water Source Evaluation (CSA-11), and 2)Pescadero (CSA-11) Aquifer Study. What is the status of these projects and is this new funding?

R13. The Pescadero Alternate Water Source Evaluation (CSA-11) was originally funded at \$100,000 in FY 17/18. No work has occurred for this effort and the money has been rolled over each year with \$100,000 remaining. The Pescadero (CSA-11) Aquifer Study was originally funded at \$300,000 in FY17/18. Work for this budget line item included completing the "Source Water Capacity Assessment CSA-11 Pescadero Water System San Mateo County", dated June 12, 2019 by Todd Groundwater. There is a remaining balance of \$32,400 which will be returned to the County as this was funded by the County's Measure A (now known as Measure K) Funds.

The report can be found here: <https://www.smcgov.org/media/40366/download?inline=>