

Department of Public Works

BOARD OF SUPERVISORS
CAROLE GROOM
DON HORSLEY
ROSE JACOBS GIBSON
DAVE PINE
ADRIENNE J. TISSIER



COUNTY OF SAN MATEO

555 COUNTY CENTER, 5TH FLOOR • REDWOOD CITY • CALIFORNIA 94063-1665 • PHONE (650) 363-4100 • FAX (650) 361-8220

JAMES C. PORTER
DIRECTOR

May 11, 2012

Dear Property Owner or Account Holder:

Re: Proposition 218 Notice of Proposed Increase in County Service Area No. 11 (Pescadero Water System) Water Service Rates

Este informe contiene información muy importante sobre su agua potable. Si necesita una traducción en Español de esta carta llame al numero (650) 599-1473

This notice is to advise you of the County of San Mateo Board of Supervisors' (Board) proceedings to consider proposed increases in water rates and meter service charges, as well as, implementation of a tiered rate structure based on water usage for County Service Area No. 11 (CSA 11). On June 26, 2012 at 9:00 a.m., the Board will hold a public hearing to consider adoption of the proposed rates and rate structure to be effective on July 1, 2012. This notice is given in accordance with Proposition 218 and Article XIII D of the California Constitution.

CSA 11 is an independent government entity, it is financially self-sufficient, has its own budget, and the Board serves as the governing body. CSA 11's budget is supported by funds collected within CSA 11 through water usage and service charges. These funds are spent solely on CSA 11 expenses. The cost to operate, maintain, administer, repair and replace infrastructure, such as pipes and pumps, continues to increase. The cost to operate the system includes the expense of continuing to meet the regulatory requirements necessary for providing safe drinking water to CSA 11 customers. CSA 11 customers have experienced one rate increase (in 2003) since the system became operational, and cannot be adequately operated or maintained without an increase in revenue.

The water rates and meter charges must support the following at a minimum:

- Operation and maintenance of CSA 11 water distribution system, including the storage tank, wells, and pumps, as required by the Operations and Maintenance Plan approved by the State Department of Public Health
- Administration of CSA 11 to comply with reporting requirements, customer support, and customer billing
- Emergency response and repairs
- Upgrades to the existing alarm, monitoring, and electrical systems
- Minimum fund reserve to respond to emergency events
- Long term capital improvements, including addressing the limitation of the aquifer (constructing a deeper well) and storage capacity of the CSA 11 system
- Compliance with local, state, and federal health, safety, and environmental protection regulations

The Department of Public Works (Department) has notified the property owners and customers of the need and importance of increasing the water rates and meter charges through letters and public meetings. Information that was previously provided by the Department is posted to our website at: www.co.sanmateo.ca.us/water

CSA 11 water charges are currently based on a flat rate per unit of water regardless of how much water is used and a monthly meter service charge. In an effort to promote water conservation and efficient use of water, we are proposing to implement a tiered rate structure based on the amount of water used. We have increased the number

of units of water included in Tier 1 from our previous recommendations, based on the feedback we received from property owners and customers. The following table lists the proposed water rate structure and meter service charges based on the rates recommended to the Board:

Water Service Description	Existing Rates	Proposed Rates Effective July 1, 2012
<u>Monthly Meter Service Charge</u> (Varies by meter size)		
5/8" x 3/4" meter	\$22	\$28
1 1/2" meter	\$33	\$42
Fire Detector Check	\$22	\$28
<u>Water Charge</u> (1 Unit = 100 cubic feet or 748 gallons of water)		
ALL UNITS	\$1.38	N/A
Tier 1 (0 – 11 units)	N/A	\$2.69
Tier 2 (12 - 25 units)	N/A	\$4.04
Tier 3 (26 – 40 units)	N/A	\$5.45
Tier 4 (> 40 units)	N/A	\$7.36

N/A – Not Applicable.

The table below provides the method used to calculate the water service charges based on the existing and proposed rates for a residential customer that uses 12 units of water in one month:

Calculation of Charges for 12 Units of Water Based on:	Existing Rate Structure		Proposed Rate Structure	
Monthly Meter Service Charge (5/8" x 3/4" meter)	\$22.00		\$28.00	
Water Usage Charge	\$1.38 x 12 units	\$16.56	\$2.69 x 11 units	\$29.59
			\$4.04 x 1 unit	\$4.04
Total Charges		\$38.56		\$61.63

The Department has recommended to the Board that the proposed rates be approved and evaluated after one year to determine their adequacy. We anticipate that a tiered rate structure will encourage water conservation and an evaluation after one year will be important to determine the impact to revenue due to water conservation measures taken by customers.

What can you do to Reduce the Impact of the Rate Increase on Your Water Bill?

Start taking steps now to reduce your water use. Some suggestions for reducing your consumption include:

- Stop any leaks. Check your home, business, or landscaping water systems for water leaks. Some leaks can go unnoticed and customers will be billed for the water used.
- Use low flow fixtures (toilets and shower heads). Older toilets, installed prior to 1992, use a lot of water. Low flow toilets use 1.6 gallons of water per flush.
- Don't use the toilet as a waste paper basket.
- Wash only full loads of laundry and adjust water based on the load size. Use Energy Star™ washing machines as they can use 35-50% less water and 50% less energy per load.
- Wash only full loads in the dishwasher.
- Do not let the water run when brushing your teeth or shaving.
- If you have a well on your property, use it for outside water (landscaping).
- Select plants that are appropriate for your climate and are drought tolerant.
- Do not over water and water at the appropriate time of day (early in the morning or in the evening) when the winds are low.

Additional water saving information can be found on the internet, as well as, on our website at:
www.co.sanmateo.ca.us/water


The Board has scheduled a Public Hearing on **Tuesday, June 26, 2012 at 9:00 a.m. in the Board of Supervisors Chambers, located in the Hall of Justice and Records, 400 County Center, Redwood City, California**, to consider adopting a resolution to increase water rates and meter service charges, as well as, implementing a tiered rate structure based on water usage for CSA 11. The Public Hearing will be open to the public and anyone interested may appear and be heard on this matter or submit a written statement. At the conclusion of the hearing, the Board is expected to adopt the resolution implementing a tiered rate structure and setting the water rates and meter service charges for CSA 11 to be used for billing purposes.

If a majority protest exists, the Board may not impose the increased rates for CSA 11. Any property owner or tenant of real property who may be directly liable to pay for water service in CSA 11 may file a written protest against the proposed rate increase. Although the Board will consider all input, State law provides that only written protests from property owners or tenants of a parcel(s) subject to the proposed rates, may be counted to determine whether a majority protest to the proposed increase exists. 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 does not exist, the Board will consider adoption of the proposed resolution. The written protest must include the name of the property owner or tenant (account holder), property service address, assessor's parcel number (first line of the address label on the envelope), and signature. If the name on the written protest is not shown on the last equalized assessment roll of the County as the owner of the property, the signer of the protest must also submit written evidence of ownership. Written protests submitted by tenants must be submitted by the account holder to be considered valid. You may receive more than one notice based on the address and account listings, but each parcel receives only one protest vote. Written protests may be hand delivered or mailed to:

**Clerk of the Board of Supervisors
San Mateo County
400 County Center, 1st Floor
Redwood City, California 94063**

A copy of the Board Report considered by the Board on May 8, 2012 regarding the rate increase and other associated CSA 11 charges may be obtained by visiting the Department of Public Works' website (www.co.sanmateo.ca.us/water) or by visiting the Board's website at: <http://sanmateo.siretechnologies.com/sirepub/mtgviewer.aspx?meetid=96&doctype=AGENDA> (under Consent Agenda, Governing Board).

Should you have any questions, need additional information, or need assistance calculating what your water charges would be based on the proposed rates, please call the Department of Public Works at (650) 363-4100 between 8:00 a.m. and 5:00 p.m., Monday through Friday.


for James C. Porter
Director of Public Works

JCP:AMS:MC:EVG:mc

G:\users\utility\water_CSA-11\RATE\2011\CSA11 Prop 218 Notice - May 2012.doc