



Proposition 218 Notification
A PUBLIC HEARING ON PROPOSED SEWER SERVICE CHARGE INCREASES
WILL BE HELD ON JUNE 4, 2015, AT 7 P.M.
AT THE DISTRICT BOARD ROOM, 5019 IMHOFF PLACE, MARTINEZ CA

Why am I receiving this notice?

The Central Contra Costa Sanitary District (District) Board of Directors will be considering a Sewer Service Charge increase during a Public Hearing at 7 p.m. on Thursday, June 4, 2015 at the District Board Room, 5019 Imhoff Place, Martinez, CA 94553.

The District recently completed a Comprehensive Cost of Service Study to ensure that the customer groups were paying their appropriate share of the costs associated with providing service to their group. The Sewer Service Charge is calculated for each customer group based on the quantity of wastewater discharged and other wastewater characteristics affecting the cost of treatment.

Residential Customers: Currently the annual charge for a residential unit is \$439. If the proposed increase is approved, the single family residential annual charge will become \$471.00 for tax year 2015-2016 and \$503.00 for tax year 2016-2017. The multi-family residential charge for apartments, condominiums, duplexes, second living units, or mobile homes will become \$463.00 per unit for tax year 2015-2016 and \$487.00 per unit for tax year 2016-2017 for each unit.

Non-residential Customers: The non-residential rates being considered have been revised based on the Comprehensive Cost of Service Study and are listed on the other side of this notice. In addition to the rate adjustments, additional user groups have been created and the criteria for some of the existing user groups have been revised. If your account has been placed in a new user group or your existing user group has been reclassified with a substantially higher rate, an additional attachment with more information has been included with this notice.

What services does the District provide?

The District collects and treats wastewater from properties within the service area in central Contra Costa County. The District also operates a Household Hazardous Waste Collection Facility for residents and small businesses, manages a pharmaceutical drop-off program with sites throughout the area, and provides recycled water to residential customers at the Recycled Water Filling Station in Martinez. Additionally, the District supplies recycled water to commercial and institutional customers for landscape irrigation and industrial use.

Why are rate increases necessary?

Currently more than 600 miles (40%) of the District's collection system (sewer pipes in the ground) are over 50 years old. The District must evaluate and rehabilitate or replace them when necessary in order to continue protecting the public health and the environment.

The District's current treatment facilities were designed and constructed in the early 1970s. Since that time the District has maintained an excellent operational record, and is in its 17th consecutive year with no violations of its discharge permit. Within the next few years regulations governing the treatment and discharge of wastewater will become more stringent. This will require the District to invest significantly in the treatment processes and facilities to comply with new standards.

The District started a Comprehensive Wastewater Master Plan to determine the long term needs of the District for a collection system, wastewater treatment, and recycled water perspective. The planning efforts will provide a clear direction of priorities and projects to be included in future Capital Improvement Plans.

The District's Board of Directors will also create an emergency reserve to protect the District from catastrophic losses.

How is the District being financially responsible?

The District recently completed a Staffing Needs Assessment to ensure staffing levels are reasonable based on the number of customers served and the types of services that the District provides. Beginning this year, the District will be auditing all of the non-residential customers to verify that customers are correctly assigned to the proper User Group. The District also looks to use appropriate technologies for the renovation or replacement of infrastructure in order to reduce impacts on customers and the community. The District has implemented cost-saving programs at its treatment facilities and continues to upgrade equipment to energy-efficient technology. Other programs include the use of landfill gas for solids handling and disposal, power production through the use of a co-generator, recycling ash for use in fertilizers, and the capture and reuse of heat and steam to reduce energy requirements of treatment processes. The District will continue to identify cost savings where possible to reduce the rate impact on all residential and non-residential customers.

What is the basis of the proposed rates?

Proposition 218 requires that public agencies, like the District, that provide a public utility service must clearly base their charges on the cost of providing those services. The District's Sewer Service Charge provides approximately 68% of its revenue, and this fee covers the costs associated with providing the services to over 330,000 residents and over 3,000 businesses in central Contra Costa County. It also helps pay for the operation of the Household Hazardous Waste Collection Facility, as well as the design, construction and renovation of sewer pipelines, pumping stations, and treatment plant facilities.

Questions about the proposed Sewer Service Charges can be directed to the District's Public Information Line by calling (925) 335-7702, or by emailing rates@centralsan.org.

What is the Proposition 218 hearing process?

Public comments and written protests will be accepted at the Public Hearing listed on the front of this notice. Please refer to the Board Policy on filing a protest, which can be found on the District’s website (www.centrialsan.org). Written protests may be mailed or hand-delivered to the District prior to the Public Hearing to the Secretary of the District at the address on the front of this notice, and must include the property’s address or Assessor Parcel Number. Scanned copies of signed protest letters may be submitted by fax (925-372-0192) or email (eboehme@centrialsan.org – Subject: Prop 218 Protest). All written protests must be received prior to the close of the Public Hearing.

Current & Proposed Sewer Service Charge Rates for Nonresidential Customers

User Group	Current Rate	Proposed Rate Effective July 1, 2015	Proposed Rate Effective July 1, 2016
Commercial and Standard Non-Industrial Customers (per Hundred Cubic Feet (HCF) unless otherwise indicated)			
Standard Commercial Rate for users not listed below	\$4.07	\$4.64	\$4.98
Auto Repair Facilities *	\$4.07	\$5.34	\$5.73
Bakeries	\$11.22	\$12.33	\$13.22
Hotels & Motels *	\$4.07	\$8.06	\$8.64
Mortuaries	\$7.99	\$10.70	\$11.47
Schools (Daycare, Preschool, University)	\$4.07	\$4.64	\$4.98
Schools, Elementary	\$5.62 per student	\$5.77 per student	\$6.19 per student
Schools, Intermediate	\$5.94 per student	\$11.34 per student	\$12.16 per student
Schools, High School	\$6.27 per student	\$16.93 per student	\$18.15 per student
Supermarkets	\$4.07	\$8.71	\$9.34
Restaurants	\$8.32	\$8.71	\$9.34
Industrial Customers			
Flow (per HCF)	\$1.68	\$3.42	\$3.67
Biochemical Oxygen Demand (per thousand pounds)	\$934	\$1,134	\$1,216
Suspended Solids (per thousand pounds)	\$667	\$529	\$567
Fixed component	\$0.00	\$81.38	\$87.23
Minimum Annual Charge**	\$456	\$480	\$504
Special Discharge Permits and Contracts	Determined individually	Determined individually	Determined individually

* New User Groups which were formerly included in the Standard Commercial Rate user group.

** All customers will be charged the **Minimum Annual Charge** or their calculated rate based on assigned category, whichever is greater. In most instances, if you were charged the **Minimum Annual Charge** for 2014/15 and you didn’t increase your water usage, you will be charged the new **Minimum Annual Charge**.

Notes

A non-residential customer's annual Sewer Service Charge is determined by multiplying the appropriate user group rate times the annual wastewater discharge volume measured in HCF (Hundred Cubic Feet), usually estimated from the property's water use. For example, a bakery discharging 250 HCF per year would pay an annual Sewer Service Charge at the July 1, 2015 proposed rate calculated as follows:

(\$12.33 per HCF) x (250 HCF per year) = \$3,082.50

If you have questions regarding the Sewer Service Charge program, or would like us to calculate a property-specific estimate of the Sewer Service Charge for 2015-2016 and 2016-2017, please send an email request including your name, Assessor's Parcel Number, address and phone number to rates@centrialsan.org, or call the District's Environmental Services Division at (925) 335-7739. Additional information is available on the District's website: www.centrialsan.org.