



WEST BAY SANITARY DISTRICT

PUBLIC HEARING ON PROPOSED INCREASE IN SEWER SERVICE CHARGES MAY 8, 2024

(Please Share This Information with Tenants)



The West Bay Sanitary District provides sewer service to approximately 55,000 customers in areas of Menlo Park, Atherton, Portola Valley, East Palo Alto, Woodside, and Unincorporated San Mateo and Santa Clara Counties. The District, established in 1902, owns and operates more than 200 miles of public sewer pipelines and 13 pumping stations throughout the service area. The District's sewer system is aging. To meet our goal of providing safe, reliable service to our customers, the District proposes three sewer service rate changes 1) effective July 1, 2024, through the property tax bill for FY 2024/25; 2) effective July 1, 2025, through the property tax bill for FY 2025/26; and 3) effective July 1, 2026, through the property tax bill for FY 2026/27

To ensure proper maintenance of the collection system and proper connections to the system, the District employs 31 people. The District's fiscal year begins on July 1 and ends on June 30 of the following year. Customers are billed annually on the San Mateo County tax rolls.

Collection System Infrastructure Replacements

Since 2010, the District has been committed to a system-wide rehabilitation and replacement infrastructure program. The District's goal is to proactively replace the entire 210-mile sewer system before it reaches the end of its useful life. More than half of the District's sewer lines are in excess of 50 years old. These older pipes often experience heavy root intrusion, corrosion, and local failures. Gaps in the pipeline system admit groundwater during wet weather; this additional water floods the system and, if severe, could result in overflows from the existing system manholes. During heavy storm events the regional plant relies on the Flow Equalization Facility (FEF) behind Bedwell Park in Menlo Park, to store raw wastewater until it can be treated at the regional plant. The levee around the FEF must be raised to protect the site and the San Francisco Bay from contamination. The additional rain and groundwater increases the flows that need treatment at the regional treatment plant (see below). The estimated cost of this infrastructure program, for the District's service area, is approximately \$19.0 million annually, which has increased significantly in recent years as construction costs continue to rise at a rate greater than inflation.

In addition, the District has implemented an aggressive preventive maintenance program in accordance with guidelines established by the State Water Resources Control Board. In order to continue to fund these sewer system operations and infrastructure improvements on a pay-as-you-go basis, which ultimately keeps costs down for the ratepayers, the sewer service charge must be increased in fiscal years 2024/25, 2025/26, and 2026/27.

SVCW Treatment Plant Improvements

The District sends wastewater north to the Silicon Valley Clean Water (SVCW) Wastewater Treatment Plant, located in Redwood Shores. The SVCW facility also treats wastewater from Redwood City, San Carlos, and Belmont. The District's share of operating costs for SVCW are approximately \$7M per year. In addition, in 2008, SVCW began a significant program to plan, design, and construct over \$931 million in capital improvement projects through 2030. These projects replace aging facilities and enable the treatment plant to meet more stringent wastewater permit requirements. The cost of funding the District's portion of these critical projects must be incorporated in the sewer rates, and are defined as a separate wastewater component of the rates. This cost represents a large portion of the required sewer service charge increase.

Proposed Rates

A sewer service charge rate study, completed by the District's rate consultant, HF&H Consultants (HF&H), found District rates need to increase to cover operating and capital expenses for fiscal years 2024/25, 2025/26, and 2026/27. Residential and Commercial/Industrial rates are proposed to increase by 5.0% each year.

Approximately 95 homes in the Portola Valley area (located within the On-Site Wastewater Disposal Zone) pay higher charges for the maintenance of their STEP or Grinder Sewer Collection Systems. The District currently charges an additional \$920 annually to maintain these collection systems. To realign charges with the cost of service, charges for the maintenance of the STEP/Grinder Sewer Collection Systems are proposed to increase 5.0% each year. For fiscal year 2024/25, the proposed STEP/Grinder Sewer Collection System charge is \$966, an increase of \$46. For fiscal year 2025/26 the proposed STEP/Grinder Sewer Collection System charge is \$1,014, and for fiscal year 2026/27, the proposed STEP/Grinder Sewer Collection System charge is \$1,065. Non-residential customers pay charges based on their metered water use from the prior twelve months (measured in hundred cubic feet or CCF). Each non-residential charge is the product of the customer's flow multiplied by the rate corresponding to the customer's class. Industrial customers are billed based on each

Proposed Rates

	Proposed FY 2024/25	Proposed FY 2025/26	Proposed FY 2026/27
Residential (per Dwelling Unit)			
Single Family, Multi-Family	\$1,371	\$1,440	\$1,512
On-site Wastewater Disposal Zone	\$2,337	\$2,454	\$2,577
Commercial (per CCF)			
Retail/Commercial	\$11.05	\$11.60	\$12.18
Institution/Public	\$10.06	\$10.56	\$11.09
Restaurants	\$23.27	\$24.43	\$25.65
Supermarkets with Grinders	\$23.53	\$24.71	\$25.95
Hospitals	\$11.42	\$11.99	\$12.59
Hotels with Dining Facilities	\$18.78	\$19.72	\$20.71
Industrial			
Flow rate (per CCF)	\$8.15	\$8.56	\$8.99
BOD (per pound)	\$1.44	\$1.51	\$1.59
TSS (per pound)	\$1.64	\$1.72	\$1.81

customer's prior annual flow and the strength of the customer's wastewater based on sampling data.

Single-Family Rate Breakdown (per Dwelling Unit)

Component	Proposed (per dwelling unit)			
	Current	FY 2024/25	FY 2025/26	FY 2026/27
Collection	\$719 (55%)	\$867 (63%)	\$977 (68%)	\$985 (65%)
Treatment	\$587 (45%)	\$504 (36%)	\$463 (32%)	\$527 (35%)
Total	\$1,306	\$1,371	\$1,440	\$1,512

Fairness Principle

The proposed rates were calculated by the District in order to evenly spread applicable costs amongst sewer users according to the proportionate cost of service to each user. The proposed rate increases will provide funds to pay for the District’s planned operational costs, capital improvements through June of 2027 (including engineering, administrative, and implementation costs.) The proposed rate increase will also cover the ongoing SVCW Operations & Maintenance costs, repay the District’s share of principal and interest on SVCW loans and bonds, as well as, the newly identified capital improvement projects of 2024.



SVCW Regional Treatment Plant

Emergency Service

To request service, please call (650) 321-0384, 24 hours a day, 365 days per year.

The District provides 24-hour emergency service. We recommend that you always contact the District in the event that you are having a problem with your sewer pipelines. District Emergency Response crews will check the main line sewer to ensure that it is flowing correctly, and will advise you if the problem is located in the portion of the sewer from the main line to your home or business (this portion is your private sewer lateral).

If your property has a conforming cleanout (which looks like a 4-inch capped pipe near the street or near your home or business), District crews will perform a courtesy cleaning of your sewer pipe. If you do not have a conforming clean out, it is recommended that you install one. A permit must be obtained from the District. The District will then provide a courtesy cleaning. All new installations require conforming cleanouts. Please visit our website for more information.

www.westbaysanitary.org



West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025-3427

**Important Information – Notice of Public Hearing
Wednesday, May 8, 2024 at 7:00 p.m.**

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WEST BAY SANITARY DISTRICT
NOTICE OF PUBLIC HEARING

Notice is given that the Board of Directors of West Bay Sanitary District will conduct a Regular Meeting and Public Hearing on **Wednesday evening, May 8, 2024 at 7:00 p.m.** The location of the meeting:

West Bay Sanitary District - Ronald W. Shepherd Admin. Building
500 Laurel Street
Menlo Park, California 94025 or by Zoom or Telephone
<https://us06web.zoom.us/j/88590407326?pwd=mEVotKa0u6Z1aoee9YlfkXHTLUfobN.1>
Meeting ID: 885 9040 7326 Passcode: 549236

The purpose of the Public Hearing will be to consider proposed increases in Sewer Service Charge fees for all District customers, for fiscal year 2024/25, 2025/26, and 2026/27. At the Public Hearing, any interested persons may address the District Board. The proposed rates are \$1,371 per Single Family Residence for fiscal year 2024/25 (a \$65 per year increase), \$1,440 for fiscal year 2025/26 (a \$69 per year increase), and \$1,512 for fiscal year 2026/27 (a \$72 per year increase). For customers in the On-Site Wastewater Disposal Zone, the proposed rates are \$2,337 for fiscal year 2024/25 (a \$111 per year increase), \$2,454 in fiscal year 2025/26 (a \$117 per year increase), and \$2,577 for fiscal year 2026/27 (a \$123 per year increase). Proposed rates for Commercial or Industrial Customers are set forth on Page One of this Notice. If you wish to file a written protest, please send a letter in a sealed envelope to the address above. Your letter must identify the real property you own or rent by street address and assessor’s parcel number (APN). Your letter must be legibly signed by any one of the current property owners or ratepayers of record. The District must receive your letter in a sealed envelope by 4:00 p.m. on May 8, 2024, or it must be presented at the District Board meeting on May 8, 2023 prior to the close of the public hearing. Any person interested, including all sanitary sewer customers of the West Bay Sanitary District, may appear at the public hearing and be heard on any matter related to the proposed increase in rates. At the public hearing, the agency shall consider all written protests against the proposed fees. If written protests against the proposed fees are presented by a majority of District customers, the District shall not adjust the fees.