



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Public Works



**Date:** May 3, 2016  
**Board Meeting Date:** June 7, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors, Acting as the Governing Board of the ten County Sewer/Sanitation Districts

**From:** James C. Porter, Director of Public Works

**Subject:** FY 2016-17 Sewer Service Rates and Charges for the ten County Sewer / Sanitation Districts Governed by the Board of Supervisors

**RECOMMENDATION:**

Acting as the Governing Board of the ten County Sewer/Sanitation Districts:

- A) Introduction of an ordinance amending Section 4.32.020 of Chapter 4.32 of Title 4, of the San Mateo County Ordinance Code, setting the FY 2016-17 sewer service rates at the same level as the FY 2015-16 rates for the Burlingame Hills Sewer Maintenance District and the Crystal Springs County Sanitation District and waive the reading of the ordinance in its entirety; and
- B) Adopt a resolution setting Tuesday, July 26, 2016 at 9:00 A.M. at the regularly scheduled Board meeting as the time and place for a public hearing on filing of the sewer service charges report for FY 2016-17 for the ten County sewer maintenance and sanitation districts based on the sewer service rates set for FY 2016-17.

**BACKGROUND:**

Sewer service charges are collected on the property tax bill. The charges are based on sewer service rates approved by your Board.

In 2012, your Board approved the sewer service rates for eight (8) of the ten (10) districts (Districts) for five fiscal years beginning in FY 2012-13 to FY 2016-17. However, sewer service rates for the Burlingame Hills Sewer Maintenance District (BHSMD) and the Crystal Springs County Sanitation District (CSCSD) were set for FY 2012-13 only. At your Board's direction, the Department has been working with homeowner association representatives from the BHSMD and the CSCSD to address the issues specific to these districts. The sewer service rates for these two districts have

been set annually due to the uncertainty of funding required to maintain and operate both districts, and the cost of major capital improvements in both districts.

In 2015, your Board approved the FY 2015-16 sewer service rates at the same level as the FY 2014-15 rates for the BHSMD and the CSCSD.

**DISCUSSION:**

Public Input Process

Staff has continued to meet with representatives from the BHSMD Homeowners Association (HOA) and has provided periodic updates to the CSCSD HOA regarding projects, future sewer service rates, and issues specific to their district. Both BHSMD and CSCSD still face some uncertainties regarding future costs which may affect future rates including: anticipated cost of work at the treatment plants and on the downstream collection systems, financial arrangements for capital improvements to district facilities, and the long-term financial impacts as a result of complying with the requirements of the expired Baykeeper Consent Decree (for BHSMD) and a Cease and Desist Order (CDO) from the Regional Water Board (for CSCSD). The resolution of these issues will have a direct financial impact on the districts.

The BHSMD has completed the design of the capacity improvement project for approximately 4,800 linear feet of sewer mains on Canyon Road, and in the easements of Adeline Drive; and the project is currently in construction. We anticipate that the construction of the project will be completed by the end of 2016. The BHSMD has secured a Clean Water State Revolving Fund (SRF) Program loan for the project.

In February 2015, the CSCSD completed the construction of the in-district sanitary sewer improvement project, which replaced approximately 10,700 linear feet of sewer mains. This project was required by the CDO and was financed through a SRF loan. CSCSD is utilizing funds from a County loan, approved by your Board, to fund the District's share of downstream improvements in the Town of Hillsborough and City of San Mateo, which was also required by the CDO and anticipated to be completed in 2017.

The Department will continue to meet with the representatives from the BHSMD and the CSCSD on an as-needed basis during FY 2016-17, to discuss future sewer service rates and develop a rate structure to ensure that the existing commitments and outstanding issues mentioned previously can be met by the Districts.

We are proposing that the FY 2016-17 sewer service rates remain at \$1,595 per year per residential unit equivalent for the BHSMD and at \$1,350 per year per residential unit equivalent for the CSCSD.

The process to be followed to set the sewer service rates in the BHSMD and the CSCSD, and adopt the sewer service charges includes:

1. Amend the Ordinance Code to:

- a) Set the FY 2016-17 sewer service rate used to calculate the sewer service charge fee for each property within the BHSMD at \$1,595 per year per residential unit equivalent.
  - b) Set the FY 2016-17 sewer service rate used to calculate the sewer service charge fee for each property within the CSCSD at \$1,350 per year per residential unit equivalent.
2. Second reading and adoption of the amended ordinance on July 26, 2016 setting sewer service rates for FY 2016-17 for the BHSMD and the CSCSD.
  3. Hold a public hearing and receive testimony on the Sewer Service Charges calculated based on the adopted sewer service rates.
  4. After considering all written and oral objections to the sewer service charges for all ten (10) Districts, close the public hearing.

Individual notice to property owners in the BHSMD and the CSCSD is not required, as the sewer service rates are not proposed to increase. Sewer service rates for the other eight districts have been set with the previously adopted sewer service rates; therefore, individual notice to property owners in these districts is also not required.

County Counsel has reviewed and approved the ordinance and resolution as to form.

Setting of the sewer service rates for FY 2016-17 contributes to the Shared Vision 2025 outcome of a Healthy Community by providing revenue to the ten (10) sewer districts and allowing for uninterrupted service to district customers.

**FISCAL IMPACT:**

The following are the current and proposed sewer service rates for the BHSMD and the CSCSD:

District	Sewer Service Rates (\$/Year Per Residential Unit Equivalent)	
	FY 2015-16	FY 2016-17
Burlingame Hills Sewer Maintenance District	\$1,595	\$1,595
Crystal Springs County Sanitation District	\$1,350	\$1,350

There is no impact on the General Fund.

**ORDINANCE NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA  
ACTING AS THE GOVERNING BOARD OF THE TEN COUNTY  
SEWER MAINTENANCE/SANITATION DISTRICTS**

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**ORDINANCE TO AMEND SECTION 4.32.020 OF CHAPTER 4.32 OF TITLE 4, OF  
THE SAN MATEO COUNTY ORDINANCE CODE, SETTING THE FY 2016-17  
SEWER SERVICE RATES AT THE SAME LEVEL AS THE FY 2015-16 RATES  
FOR THE BURLINGAME HILLS SEWER MAINTENANCE DISTRICT AND THE  
CRYSTAL SPRINGS COUNTY SANITATION DISTRICT**

The Board of Supervisors of the County of San Mateo, State of California,  
ordains as follows:

**SECTION 1.** Chapter 4.32 of Title 4, Sanitation and Health, of the San Mateo County

Ordinance Code is hereby amended to read as follows:

Section 4.32.020 RATES. Sewer Service Charges are hereby prescribed  
for each residential unit or residential unit equivalent per connection to  
each district's sanitary sewerage system, per year or portion thereof, as  
follows:

<b><i>District</i></b>	<b><i>2012-13</i></b>	<b><i>2013-14</i></b>	<b><i>2014-15</i></b>	<b><i>2015-16</i></b>	<b><i>2016-17</i></b>
Burlingame Hills SMD	\$1,595	\$1,595	\$1,595	\$1,595	\$1,595
Crystal Springs CSD	\$1,350	\$1,350	\$1,350	\$1,350	\$1,350
Devonshire CSD	\$1,025	\$1,050	\$1,075	\$1,100	\$1,125
Edgewood SMD	\$1,025	\$1,100	\$1,175	\$1,250	\$1,325
Emerald Lake SMD – Zone 1	\$1,160	\$1,190	\$1,220	\$1,250	\$1,280
Emerald Lake SMD – Zone 2	\$850	\$890	\$930	\$970	\$1,010

<b><i>District</i></b>	<b><i>2012-13</i></b>	<b><i>2013-14</i></b>	<b><i>2014-15</i></b>	<b><i>2015-16</i></b>	<b><i>2016-17</i></b>
Fair Oaks SMD	\$500	\$530	\$560	\$590	\$620
Harbor Industrial SMD	\$330	\$340	\$350	\$360	\$370
Kensington Square SMD	\$1,015	\$1,055	\$1,095	\$1,135	\$1,175
Oak Knoll SMD	\$930	\$960	\$990	\$1,020	\$1,050
Scenic Heights CSD	\$1,080	\$1,110	\$1,140	\$1,170	\$1,200

**SECTION 2.** This Ordinance shall be in full force and effect 30 days after its adoption.

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**RESOLUTION NO. 074529**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA  
ACTING AS THE GOVERNING BOARD OF THE TEN COUNTY  
SEWER/SANITATION DISTRICTS**

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**RESOLUTION SETTING TUESDAY, JULY 26, 2016 AT 9:00 A.M. AT THE  
REGULARLY SCHEDULED BOARD MEETING AS THE TIME AND PLACE FOR A  
PUBLIC HEARING ON FILING OF THE SEWER SERVICE CHARGES REPORT FOR  
FY 2016-17 FOR THE TEN COUNTY SEWER MAINTENANCE AND SANITATION  
DISTRICTS BASED ON THE SEWER SERVICE RATES SET FOR FY 2016-17**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, as the Governing Board of the following County Sewer Maintenance and Sanitation Districts:

**Burlingame Hills Sewer Maintenance District;  
Crystal Springs County Sanitation District;  
Devonshire County Sanitation District;  
Edgewood Sewer Maintenance District;  
Emerald Lake Heights Sewer Maintenance District;  
Fair Oaks Sewer Maintenance District;  
Harbor Industrial Sewer Maintenance District;  
Kensington Square Sewer Maintenance District;  
Oak Knoll Sewer Maintenance District;  
Scenic Heights County Sanitation District.**

that

**WHEREAS**, San Mateo County Ordinance Code Chapter 4.32 requires that sewer service charges for FY 2016-17, in the above named County Sewer Maintenance and Sanitation Districts, be collected on the tax roll in accordance with the amounts shown for each parcel of real property receiving such services, and a written report be filed with the Clerk of the Board; and

**WHEREAS**, California Health and Safety Code Section 5473.1 requires that the

Clerk of the Board shall cause notice of the filing of said written sewer service charges report, and of the time and place of a hearing thereon, to be published once a week for two successive weeks prior to the date set for said hearing in a newspaper of general circulation in the above named County Sewer Maintenance and Sanitation Districts.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that:

**Tuesday, July 26, 2016, at 9:00 A.M.**, in the Chambers of the Board of Supervisors of the County of San Mateo, in the Hall of Justice and Records, Redwood City, California, is hereby fixed as the time and place of the hearing on the filing of the FY 2016-17 Sewer Service Charges Report based on the adopted sewer service rates for FY 2016-17 for the ten (10) County Sewer Maintenance and Sanitation Districts with the Clerk of the Board.

**IT IS HEREBY FURTHER DETERMINED AND ORDERED** that the Department of Public Works shall cause a copy of the "NOTICE OF PUBLIC HEARING", attached hereto, be published once a week for two successive weeks prior to the date set for said hearing in a newspaper of general circulation in the above named County Sewer Maintenance and County Sanitation Districts.

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## Notice of Public Hearing

The County of San Mateo Board of Supervisors has scheduled a public hearing on the adoption of the FY 2016-17 Sewer Service Charges Report for County Sewer Maintenance and Sanitation Districts. This report contains the individual charges for each parcel of real property receiving sanitary sewer service in one of the following County Sewer Maintenance or Sanitation Districts:

**Burlingame Hills Sewer Maintenance District;  
Crystal Springs County Sanitation District;  
Devonshire County Sanitation District;  
Edgewood Sewer Maintenance District;  
Emerald Lake Heights Sewer Maintenance District;  
Fair Oaks Sewer Maintenance District;  
Harbor Industrial Sewer Maintenance District;  
Kensington Square Sewer Maintenance District;  
Oak Knoll Sewer Maintenance District;  
Scenic Heights County Sanitation District**

The adoption of the FY 2016-17 Sewer Service Charges Report for County Sewer Maintenance and Sanitation Districts will result in these charges being placed on the tax roll. They will appear on the tax bill of each affected property and be collected in the same manner as the property tax.

***The public hearing will be held on Tuesday, July 26, 2016 at 9:00 A.M. in the Chamber of the Board of Supervisors, located in the Hall of Justice and Records, 400 County Center, Redwood City, California.*** The meeting will be open to the public and anyone interested may appear and be heard on this matter or submit a written statement.

If you own property in one of these districts, you may obtain information about these charges from the County of San Mateo Department of Public Works, 555 County Center, 5<sup>th</sup> Floor, Redwood City, telephone (650) 363-4100, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday or by visiting the Department of Public Works' website at: <https://publicworks.smcgov.org/sewer-services>.



*Regularly passed and adopted this 7th day of June 2016*

*AYES and in favor of said resolution:*

*Supervisors:* \_\_\_\_\_ *DAVE PINE*

\_\_\_\_\_ *CAROLE GROOM*

\_\_\_\_\_ *DON HORSLEY*

\_\_\_\_\_ *WARREN SLOCUM*

\_\_\_\_\_ *ADRIENNE J. TISSIER*

*NOES and against said resolution:*

*Supervisors:* \_\_\_\_\_ *NONE*

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*Absent Supervisors:* \_\_\_\_\_ *NONE*

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*President, Board of Supervisors  
County of San Mateo  
State of California*

*Certificate of Delivery*

*I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the President of the Board of Supervisors.*



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*Deputy Clerk of the Board of Supervisors*