



San Rafael Sanitation District

PROPOSED RATE INCREASES

The District is considering changes to sewer service charges.

The current amount per residential unit is \$53.13 per month.

The proposed amounts are:

2013-14 \$57.91/month
2014-15 \$61.96/month
2015-16 \$65.68/month
2016-17 \$68.96/month
2017-18 \$71.72/month

More details about the proposed rates are found throughout this document.

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Board of Directors

Gary O. Phillips, Chairman
Barbara Heller, Secretary/Director
Katie Rice, Director

District Manager/Engineer
Doris Toy

NOTICE OF PUBLIC HEARING ON PROPOSED INCREASES IN SEWER SERVICE CHARGES

WHY INCREASES ARE NEEDED

San Rafael Sanitation District is proposing increases in its charges to cover the cost of providing all sanitary service needs, including collection, treatment and disposal. Key reasons for the proposed increases are:

- An increase in the amount charged to the District for use of the Regional Wastewater Treatment plant, which processes the District's sewage.
- Increase in reserve funds for operating expenses, facility improvements, equipment reserves, and other needs.
- Additional funds to speed up the replacement of aging sewer pipelines.

Higher Costs Charged by the Regional Treatment Plant. San Rafael Sanitation District is one of several local wastewater agencies that joined to build the Central Marin Sanitation Agency's regional wastewater treatment plant. The amount San Rafael Sanitation District must pay for treatment services is scheduled to increase substantially in each of the next five years. The increases are for improvements to the treatment plant to meet regulations, higher costs of numerous items including chemicals, and an increased charge for the strength of wastewater.

Our District has never been fined for a sewer spill or overflow. The District must continue upgrading its wastewater sewer system in order to continue protecting public health and the environment.

Speed Up Replacement of Aging Sewer Pipelines, Pump Stations. As sewer pipelines age, they can develop breaks, cracks and root intrusions, potentially leading to illegal and harmful spills and overflows. Similarly, we have 32 pump stations and other critical facilities that must run 24 hours per day, every day, without fail. The District has been investing about \$4.5 million each year, but must increase that to about \$6.3 million each year to maintain the system adequately.

Increase in Funding For Emergencies, Capital Facilities Reserves, etc. The District needs to increase the amount of cash reserves for a variety of financial requirements: 1) capital reserves to ensure the District can pay for needed improvements without borrowing; 2) reserves to pay for unexpected equipment breakdowns and other contingencies; and 3) cash flow to meet operating expenses at all times (Note that the District collects its money from the tax bill only twice each year, resulting in an eight month financial dry spell).

Basis for the Increase. The District Manager has calculated the increase in the sewer service charge based upon all estimated District costs, including those described in this document. A copy of these calculations is on file at the District office located at 111 Morphew Street, San Rafael.

BEFORE CONSIDERING AN INCREASE WE CUT COSTS

San Rafael works continuously to hold costs down. Some of the more notable cost-saving actions include:

Collaborate with Our Neighbors.

San Rafael Sanitation collaborates on many programs: pollution prevention, inspections, businesses outreach, household hazardous waste and more.

Participate in Joint Treatment Plant.

By sharing a single, regional wastewater treatment plant, SRSD and our neighbors improve quality, increase environmental protection and lower costs for all.

Cross-train staff. This allows us to maintain a smaller, more efficient workforce.

Install Energy saving, high-efficiency pumps and motors to lower electrical power and maintenance costs.

Combine sewer projects with City projects to lower construction, bidding, repaving, and management costs.

Carry out key services in-house, such as project management and inspection.

QUESTIONS? CONTACT US

If you have any questions or if you wish to review the data on which the District's charges are calculated, please:

Call the District office at (415) 454-4001 during regular business hours, Monday through Friday.

Participate in the Public Hearing on June 26, 2013 in the City of San Rafael Council Chambers.

Even with the proposed rate increase, our rates are expected to remain in the lower half in Marin County in the coming year.

NOTICE OF HEARING ON PROPOSED INCREASES IN SEWER SERVICE CHARGE

Wednesday, June 26, 2013, at 8:00 A.M. at the Council Chambers located in the City Hall of the City of San Rafael (1400 Fifth Avenue, San Rafael).

Proposed Charge Per EDU to Be Considered. At the hearing, the Board of Directors of the San Rafael Sanitation District will consider the passage of an ordinance to increase the District's sewer service charge per Equivalent Dwelling Unit (EDU) from the current \$53.13 per month (\$637.50 annually) to \$71.72 per month (\$860.63 annually) over a 5-year period. The proposed amounts are:

2013-14	\$57.91/month
2014-15	\$61.96/month
2015-16	\$65.68/month
2016-17	\$68.96/month
2017-18	\$71.72/month

During the hearing, the District Board will also consider all protests against the proposed increases and will vote on the proposed increases. Should a majority of the parcel owners make a written protest of the increase, then the Board will not impose any increase.

Residential Charges. One EDU is the average amount of wastewater calculated to come from each residential dwelling unit. All residential units are charged one EDU.

Non-Residential Charges. The sewer service charge for non-residential customers is calculated individually based upon the volume and strength (cost to treat) of the sewage measured in EDUs. For example, restaurants pay a higher strength factor due to the grease and food in their sewage. The same EDU rate that applies to residential users also applies to non-residential users, and the proposed increases in EDU rates are identical. For assistance calculating the specific charge for a business contact the District.

Effective Date. If there is no majority protest and the majority of the Board of Directors approves the sewer service charge increases, the increases will be reflected on the September, 2013, property tax bill and will be implemented in fiscal years 2013-2018.

HOW TO PROTEST THE PROPOSED CHANGES

Persons desiring to be heard on whether the sewer service charge should be increased and the reasons for it should attend the public hearing.

Protests must be submitted in writing, must identify the property for which the protest is submitted, must identify the owner(s) of the property or properties for which the protest is entered, must be signed by the property owner, and a confirming telephone number must be provided. If written protests against the proposed sewer service charge are presented by a majority of owners of parcels affected, the District will not approve the proposed changes in charges.

Protests can be mailed or hand delivered to the District office, or presented up until the close of the public comment portion of the hearing on this matter. Property owners submitting written protests need not be present for their vote to be counted. This notice is being sent to you pursuant to Proposition 218 [California Constitution, Article XIII, D., Section 6(c)]. Proof of service of this notice of public hearing to you is on file in the District office.