

### CITY OF SAUSALITO

Ray Withy, Mayor

Adam Politzer, City Manager

### Dear Property Owner:

The City of Sausalito's 75-year-old sewer system is old and deteriorated and needs upgrades. We have over 27 miles of pipe in Sausalito that take our waste water to treatment facilities. Many of these sewer pipes were built in the 1930s and are made of clay, which breaks easily. These crumbling pipes are literally falling apart and cannot keep hazardous sewage from spilling into our environment and polluting the Bay.

Our sewer system must be upgraded to ensure the safe removal of our waste water and to protect the environment and the health and safety of Sausalito residents.

The City has done everything it can to reduce the frequency and volume of sewage spills that pollute our environment by increasing the maintenance, evaluation, and repairs of our sewage collection system. This ongoing maintenance has kept our sewer system in compliance with a 2008 U.S. Environmental Protection Agency Administrative Order, avoiding tens of thousands of dollars in fines.

But spills of raw sewage are still too frequent. Even with ongoing repairs, hundreds of thousands of gallons of raw sewage have spilled into the Bay over the past five years. Our deteriorated sewer pipes and infrastructure need significant upgrades to continue to comply with the Environmental Protection Agency Administrative Order and clean water requirements, and reduce sewage spills.

Working with an independent sewer expert, the City has identified \$5 million dollars in capital improvement projects to be accomplished over the next five years to address priority sewer system needs and help prevent future spills of raw sewage – protecting our rate payers, residents, the environment, and the Bay.

In order to make these necessary environmental, health and safety upgrades, the City of Sausalito is proposing increases in your sewer service charges, beginning July 1, 2014 and through May 2019. This will allow the City to improve service to you, to protect our Bay environment, and to construct critical projects to prevent dry weather sewer spills and wet weather overflows.

We have prepared a Sewer Rate Study to identify the substantial local costs of improving sewer system services and facilities to continue to comply with the EPA mandates. The report provides a basis to calculate the proposed sewer service charges, and a comprehensive assessment of the City's customer base, rate structure,

and cost of service. The report documents the need for, amount of, and timing of rate increases and the financial impact on both the customers and the City. The attachment to this letter itemizes the proposed rates.

The proposed rate structure was developed to ensure costs of service are fair and equitable for all customers. Proposed residential customer rates improve equity by being based in part on winter water consumption (when little water is used outdoors), so that residents who conserve water pay less. Proposed rates for commercial customers align more closely with water consumption so that businesses which use more water, and therefore place a greater strain on the sewer system, pay more.

We invite you to attend the Public Hearing on the Proposed Increase in Sewer Service Charges May 6, 2014 at 7:00 p.m. at Council Chambers in City Hall, located at 420 Litho Street. The hearing will include a presentation on the proposed new rates and property owners will have an opportunity to express their concerns and have their questions answered.

Please feel free to call 1-800-676-7516, Monday through Friday from 8:00 AM to 5:00 PM if you have any questions or if you wish to review the Sewer Rate Study Report. More information about these issues is available on the City's website at www.ci.sausalito.ca.us.

Thank you for your interest and attention to our effort to serve the Sausalito community and do our part to keep the Bay clean.

Sincerely,

**City of Sausalito** 

Adam Politzer City Manager

# CITY OF SAUSALITO NOTICE OF PUBLIC HEARING PROPOSED INCREASE OF SEWER SERVICE RATES

May 6, 2014 at 7:00 p.m.

## Council Chambers, City Hall 420 Litho Street, Sausalito

### Questions or Comments? Please Contact NBS at (800) 676-7516

Sewer Service Charges are included on the Marin County Property Tax Bill

### PROPOSED ANNUAL CITY SEWER SERVICE RATES BEGINNING JULY 1, 2014

Sewer Rates	Current Rates FY 2013/14	Proposed Rates FY 2014/15	Proposed Rates FY 2015/16	Proposed Rates FY 2016/17	Proposed Rates FY 2017/18	Proposed Rates FY 2018/19
Residential Rates – Fixed Charge (Per Dwelling Unit) + Volumetric Charge						
FIXED CHARGE						
Single-Family	\$492.00	\$476.25	\$490.53	\$505.25	\$525.46	\$546.48
Single-Family Attached	\$327.00	\$341.40	\$351.65	\$362.20	\$376.68	\$391.75
Duplexes	n/a	\$366.89	\$377.89	\$389.23	\$404.80	\$420.99
Multi-Family Residential	\$243.00	\$270.36	\$278.48	\$286.83	\$298.30	\$310.24
Volumetric Rate (\$/ccf) <sup>1</sup>	n/a	\$0.91	\$0.98	\$1.01	\$1.05	\$1.10
Non-Residential Rates- Fixed Charge (Per EDU) + Volumetric Charge						
FIXED CHARGE						
Commercial/Industrial <sup>2</sup>	\$305.00	\$476.25	\$490.53	\$505.25	\$525.46	\$546.48
Volumetric Rate (\$/ccf) <sup>3</sup>	\$2.45	\$0.91	\$0.98	\$1.01	\$1.05	\$1.10

<sup>1</sup> Applied to annualized Winter Water Consumption (i.e., 2-month Winter Water Consumption multiplied by 6); ccf equals one-hundred cubic feet (or 748 gallons) of water.

#### **WRITTEN PROTESTS**

Any affected property owner may submit a written protest to the proposed increases to the sewer service rates; provided, however, only one protest will be counted per parcel. Each protest must (1) be in writing; (2) state that the identified property owner opposes the proposed increases to the sewer service rates; (3) identify the parcel for which the protest is made (by assessor's parcel number or street address); and (4) include the signature of the property owner. Protests submitted by e-mail, facsimile or other electronic means will not be counted. Written protests may be submitted by mail to the City Clerk at 420 Litho Street, Sausalito, California, 94965, or at the public hearing, so long as the protests are received before the public hearing ends. Please identify on the envelope for any written protest, whether mailed or submitted in person to the City Clerk, that the enclosed written protest is for the Public Hearing on the Proposed Increase of Sewer Service Rates.

During the public hearing, the City Council will hear all public testimony and consider all written protests. At the conclusion of the public hearing, the City Council will decide whether to adopt the proposed sewer service rates. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest, but the City welcomes your input. If, at the end of the public hearing, written protests against the proposed increases to the sewer service rates are not presented by a majority of affected property owners of the identified parcels upon which they are proposed to be imposed, the City Council will be authorized to adopt the rates. If adopted, the proposed rates will become effective on July 1, 2014, and will be increased annually thereafter, as set forth above.

<sup>2</sup> Current fixed charges are per parcel; new charges are per EDU, with EDU calculated based on Annual Water Consumption for each Commercial/Industrial meter divided by Single-Family average annualized Winter Water consumption per dwelling unit.

<sup>3</sup> Current rates are applied to the maximum water consumption for the previous five years; proposed rates are applied to the previous year's annual water consumption, per MMWD records; ccf equals one-hundred cubic feet (or 748 gallons) of water.