



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Public Works



DATE: July 13, 2011
BOARD MEETING DATE: July 26, 2011
SPECIAL NOTICE/HEARING: Complied with
Publication
Requirements
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: James C. Porter, Director of Public Works

SUBJECT: **Executive Summary** – Adoption of Proposed Sewer Service Rates and Fiscal Year 2011-12 Sewer Service Charges Report 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 and after conducting the public hearing adopt:

- A. An Ordinance to amend Section 4.32.020 of Chapter 4.32 of Title 4, of the San Mateo County Ordinance Code, setting the sewer service rate for fiscal year 2011-12 for the Burlingame Hills Sewer Maintenance District and setting the fiscal year 2011-12 sewer service rate at the same level as the fiscal year 2010-11 rate for the Crystal Springs County Sanitation District; and
- B. A Resolution:
 1. Authorizing the imposition of sewer service charges for fiscal year 2011-12; and
 2. Directing the filing of the fiscal year 2011-12 Sewer Service Charges Report for the ten County Sewer/Sanitation Districts with the County Controller; and
 3. Authorizing the Director of Public Works to refund any overcharge contained in the Sewer Service Charges Report to the owner of the parcel that was overcharged when the overcharge resulted from data, data entry or computation errors.

BACKGROUND:

Your Board adopted five-year rates for the other eight districts in 2007. However, the Crystal Springs County Sanitation District (CSCSD) and the Burlingame Hills Sewer

Maintenance District (BHSMD) presented majority protests (CSCSD in 2006 and BHSMD in 2007 and 2010), which led to the inability to raise rates, and a commitment to meet with a group of representatives from the BHSMD and the CSCSD to explore long-term solutions. Progress has been made, and discussions are ongoing. Therefore, it is appropriate to set the proposed rates for BHSMD and CSCSD as we continue to explore strategies that will lead to reasonable long-term rates to address the needs of the districts.

Your Board adopted Resolution No. 071442 on June 7, 2011, which set 9:00 a.m. on July 26, 2011, in your Chambers as the time and place for a public hearing to consider the sewer service rate increase for the BHSMD and the filing of the fiscal year (FY) 2011-12 Sewer Service Charges Report for the ten County Sewer/Sanitation Districts (Districts), and directed the Director of Public Works to send the necessary notices for said hearing.

DISCUSSION:

Our June 7, 2011 Board report explained the need for the sewer rate increase for the BHSMD, and adopting the Sewer Service Charges Report based on the adopted sewer service rates. The report also described the proposed process to be followed pursuant to the County Ordinance Code.

County Counsel has reviewed and approved the Resolution as to form, and we will provide an alternate form of resolution if there is a majority protest in the BHSMD.

Your Board's adoption of the Sewer Service Charges Report contributes to the Shared Vision 2025 outcome of a Healthy Community by providing revenue to the ten (10) sewer districts and allow for uninterrupted service to district customers.

FISCAL IMPACT:

The adoption of the FY 2011-12 Sewer Service Charges Report will result in the user charges being placed on the FY 2011-12 tax bill of each affected property and will be collected in the same manner as the property tax.

There is no direct impact to the General Fund.



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VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: James C. Porter, Director of Public Works
SUBJECT: Adoption of Proposed Sewer Service Rates and Fiscal Year 2011-12
Sewer Service Charges Report 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 and after conducting the public hearing adopt:

- A. An Ordinance to amend Section 4.32.020 of Chapter 4.32 of Title 4, of the San Mateo County Ordinance Code, setting the sewer service rate for fiscal year 2011-12 for the Burlingame Hills Sewer Maintenance District and setting the fiscal year 2011-12 sewer service rate at the same level as the fiscal year 2010-11 rate for the Crystal Springs County Sanitation District; and
- B. A Resolution:
1. Authorizing the imposition of sewer service charges for fiscal year 2011-12; and
 2. Directing the filing of the fiscal year 2011-12 Sewer Service Charges Report for the ten County Sewer/Sanitation Districts with the County Controller; and
 3. Authorizing the Director of Public Works to refund any overcharge contained in the Sewer Service Charges Report to the owner of the parcel that was overcharged when the overcharge resulted from data, data entry or computation errors.

BACKGROUND:

The Board of Supervisors adopted five-year rates for the other eight districts in 2007. However, the Crystal Springs County Sanitation District (CSCSD) and the Burlingame

Hills Sewer Maintenance District (BHSMD) presented majority protests (CSCSD in 2006 and BHSMD in 2007 and 2010), which led to the inability to raise rates, and a commitment to meet with a group of representatives from the BHSMD and the CSCSD to explore long-term solutions. Progress has been made, and discussions are ongoing. Therefore, it is appropriate to set the proposed rates for BHSMD and CSCSD as we continue to explore strategies that will lead to reasonable long-term rates to address the needs of the districts.

Your Board adopted Resolution No. 071442 on June 7, 2011, which set 9:00 a.m. on July 26, 2011, in your Chambers as the time and place for a public hearing to consider the sewer service rate increase for the BHSMD and the filing of the fiscal year (FY) 2011-12 Sewer Service Charges Report for the ten County Sewer/Sanitation Districts (Districts), and directed the Director of Public Works to send the necessary notices for said hearing.

DISCUSSION:

The Districts governed by your Board currently provide sanitary sewage collection, transport, treatment and disposal services as well as ancillary field and office services to approximately 12,000 residences, businesses, schools, and institutions in ten (10) areas of San Mateo County. Virtually all of the revenue to provide these services in each District is generated by a user fee, the sewer service charge.

Our June 7, 2011 Board report (copy attached) explained the need for the sewer rate increase for the BHSMD, and adoption of the Sewer Service Charges Report based on the adopted sewer service rates. The report also described the proposed process to be followed pursuant to the County Ordinance Code.

Notices were sent to the property owners of the approximately 450 parcels in BHSMD informing them of the proposed rate increase and charges for each specific property, the reason for the charges, and the time, place, and date when your Board would consider the proposed rate and charges. The purpose of the public hearing is to allow your Board to hear and consider any objections and written protests to the sewer service rate for the BHSMD and the Sewer Service Charges Report based on the adopted rates.

Public Input Process

At your Board's direction, the Department has been meeting with a group of representatives from the BHSMD and the CSCSD. The proposed sewer service rates for these districts were determined through the meetings and based on the recognition that both districts face potentially significant issues that will have financial impacts to the districts. It is recommended that the sewer service rates be set for one fiscal year for the BHSMD and the CSCSD, while district specific financial requirements continue to be discussed and other issues become known.

The Department coordinated with the Burlingame Hills Improvement Association, the homeowner association in the BHSMD, in communicating with the property owners in the BHSMD and participated in an evening public meeting to discuss the proposed

sewer rate. After the Board meeting on June 7, 2011, the Department sent a mailing to each property owner in the BHSMD with the proposed rate and information about the time and place of the Public Hearing. This mailing complied with Article XIIC and XIID of the State Constitution by individually noticing each property owner of record of the proposed increase in the property related fee and a mechanism for rejecting the fees via a "majority protest" at the public hearing.

The Department has received two (2) written protests to the proposed rate increase for the BHSMD at the time this report was prepared. We will report to your Board on any additional written protests that are received up to and including the date and time of the public hearing.

Process to be Followed in Implementing Increases in the Sewer Service Rate for the BHSMD, setting the Sewer Service Rate for FY 2011-12 for the CSCSD and adopting the Sewer Service Charges Report for FY 2011-12

1. Hold a public hearing and receive testimony on (1) increasing the sewer service rate for BHSMD and (2) imposing the Sewer Service Charges for all ten districts calculated on the basis of the adopted sewer service rates.
2. After considering all written and oral objections to the sewer service rate for the BHSMD and charges for all ten districts, close the public hearing and determine if there is a majority protest to the proposed sewer service rate in the BHSMD.
3. If there is a majority protest in the BHSMD, terminate your consideration of imposing a sewer service rate increase and set the sewer service rate for FY 2011-12 at the same sewer service rate in effect for FY 2010-11, and direct Department staff to recalculate the Sewer Service Charges for the BHSMD.
4. If there is not a successful majority protest, adopt the ordinance amending Section 4.32.020 of Chapter 4.32 of Title 4, of the San Mateo County Ordinance Code increasing the sewer service rate for FY 2011-12 for the BHSMD.
5. Adopt a Resolution authorizing the imposition of sewer service charges for FY 2011-12, and authorizing the filing of the FY 2011-12 Sewer Service Charges Report for the Districts with the Controller.

Alternates to Consider:

After the close of the hearing, if there is not a majority protest in the BHSMD, your Board can reduce the sewer service rate as you may determine appropriate. However, a source of funding, such as a loan, would need to be found if the BHSMD incurred expenses that could not be financed based on the adopted rate. Additional impacts to the BHSMD could include reduced maintenance; deferred capital improvements; or the BHSMD not meeting State mandates or Baykeeper/BHSMD Consent Decree requirements that can result in possible fines against the BHSMD.

We believe the recommended Sewer Service Charges are appropriate as they have been calculated in conformance with the proposed sewer service rates and previously

adopted sewer service rates, provide the funding necessary to maintain the collection systems of the Districts, allow the Districts to meet their contractual commitments and meet current State mandates.

Future Meetings with the BHSMD and the CSCSD Homeowner Association Representatives

The Department will continue to meet with the representatives from the BHSMD and the CSCSD on an as needed basis during FY 2011-12 to develop rate structures for the future that will adequately support the financial requirements of the districts or determine whether other options for providing sewer service are available to the districts. Both districts face the financial challenges of paying their proportionate share of past and future downstream capital improvement projects and the uncertainties associated with issues affecting both districts.

County Counsel has reviewed and approved the Resolution as to form, and we will provide an alternate form of resolution if there is a majority protest in the BHSMD.

Your Board's adoption of the Sewer Service Charges Report contributes to the Shared Vision 2025 outcome of a Healthy Community by providing revenue to the ten (10) sewer districts and allow 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)	
	<i>FY 2010-11</i>	<i>FY 2011-12</i>
Burlingame Hills Sewer Maintenance District	\$1,150	\$1,595
Crystal Springs County Sanitation District	\$1,200	\$1,200

The adoption of the FY 2011-12 Sewer Service Charges Report and its electronic filing with the Controller will result in the user charges contained therein being placed on the tax roll. The charges will appear on the FY 2011-12 tax bill of each affected property and be collected in the same manner as the property tax. Additionally, a \$1.35 per parcel charge will be levied by the Controller based on the Controller's rates schedule approved by your Board for the costs associated with levying the charges on the tax bill.

There is no direct impact to the General Fund. However, sewer service charges are levied on properties that are either leased or owned by the County that are in the Districts and which are provided sewer service.

Attachment: June 7, 2011 Board Report



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Public Works



DATE: May 18, 2011
BOARD MEETING DATE: June 7, 2011
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: James C. Porter, Director of Public Works

SUBJECT: Executive Summary – 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. Adopt an Ordinance to amend Section 4.32.020 of Chapter 4.32 of Title 4, of the San Mateo County Ordinance Code, setting sewer service rate for fiscal year 2011-12 for the Burlingame Hills Sewer Maintenance District and setting the fiscal year 2011-12 sewer service rate at the same level as the fiscal year 2010-11 rate for the Crystal Springs County Sanitation District; and
- B. Adopt a Resolution setting Tuesday, July 26, 2011 at 9:00 A.M. at your regularly scheduled Board meeting, as time and place for a public hearing to consider the sewer service rates and charges, and directing Public Works to send notices to the affected property owners.

BACKGROUND:

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

In 2007, your Board approved the sewer service rates for eight (8) of the ten (10) districts (Districts) for five (5) fiscal years (FY) beginning in FY 2007-08 to FY 2011-12. However, sewer service rates for the Burlingame Hills Sewer Maintenance District (BHSMD) and the Crystal Springs County Sanitation District (CSCSD) were set for only one year. 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 and sewer service rates have been set annually due to the uncertainty of funding required to maintain and operate the both districts and the successful majority protests from each district.

In 2010, your Board increased the sewer service rate for FY 2010-11 for the CSCSD, and set the rates for the FY 2010-11 for the eight Districts as previously set by Ordinance No. 04382, which was adopted on August 7, 2007. However, your Board did not increase the sewer service rate for the BHSMD for the FY 2010-11 due to a majority protest.

DISCUSSION:

In order to impose the charges, it is necessary to set rates for BHSMD and CSCSD. Over the past year, the Department has been meeting with homeowner associations from these districts to discuss sewer service rates. As a result of these meetings, it is recommended that the rate in BHSMD be increased to \$1,595 per year in FY 2011-12 and that the rate in CSCSD remain at the same level as FY 2010-11 and be set to \$1,200 per year in FY 2011-12. We will continue to discuss finances and rates with representatives of both districts. The Department coordinated with the Burlingame Hills Improvement Association (BHIA) in communicating with the property owners in the BHSMD and participated in an evening public meeting.

The following actions must be taken by August 10, 2011 in order to place the sewer service charges on the tax roll for FY 2011-12:

1. Adopt an Ordinance setting the sewer service rates (used to calculate the sewer service charges) for BHSMD and CSCSD.
2. Hold a public hearing on (1) the proposed sewer service rate increase for the BHSMD, and (2) the imposition of sewer service charges for all ten districts calculated based on the adopted rates.
3. Adopt a Resolution adopting the FY 2011-12 Sewer Service Charges Report.

Notice of the public hearing to consider the sewer service rate increase must be sent to the property owners in the BHSMD. We are recommending that your Board direct the Department to notify each property owner in the BHSMD of the recommended rate by mail and to explain that protests to the rate increase must be in writing.

County Counsel has reviewed and approved an Ordinance and Resolution as to form.

Your Board's setting of the sewer service fees for FY 2011-12 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:


We are proposing to set the FY 2011-12 sewer service rates for the BHSMD and the CSCSD. Rates were previously set for the other eight districts. There is no impact on the General Fund.



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Public Works



DATE: May 18, 2011
BOARD MEETING DATE: June 7, 2011
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: James C. Porter, Director of Public Works 
SUBJECT: 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. Adopt an Ordinance to amend Section 4.32.020 of Chapter 4.32 of Title 4, of the San Mateo County Ordinance Code, setting sewer service rate for fiscal year 2011-12 for the Burlingame Hills Sewer Maintenance District and setting the fiscal year 2011-12 sewer service rate at the same level as the fiscal year 2010-11 rate for the Crystal Springs County Sanitation District; and
- B. Adopt a Resolution setting Tuesday, July 26, 2011 at 9:00 A.M. at your regularly scheduled Board meeting, as time and place for a public hearing on:
 1. The sewer service rate increase for the Burlingame Hills Sewer Maintenance District; and
 2. Filing of the sewer service charges report for fiscal year 2011-12 for the ten county sewer maintenance and sanitation districts based on the sewer service rates set for fiscal year 2011-12; and
 3. Directing the necessary notices for said hearing.

BACKGROUND:

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

In 2007, your Board approved the sewer service rates for eight (8) of the ten (10) districts (Districts) for five (5) fiscal years (FY) beginning in FY 2007-08 to FY 2011-12. However, sewer service rates for the Burlingame Hills Sewer Maintenance District (BHSMD) and the Crystal Springs County Sanitation District (CSCSD) were set for only

one year. 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 and sewer service rates have been set annually due to the uncertainty of funding required to maintain and operate both districts and the successful majority protests from each district (CSCSD in 2006 and BHSMD in 2007 and 2010).

In 2010, your Board increased the sewer service rate for FY 2010-11 for the CSCSD and set the rates for the FY 2010-11 for the eight Districts as previously set by Ordinance No. 04382, which was adopted on August 7, 2007. However, your Board did not increase the sewer service rate for the BHSMD for the FY 2010-11 due to a majority protest.

Based on the recommendations from staff and representatives of the homeowner associations, we are proposing that the FY 2011-12 sewer service rates be set at \$1,595 per year per residential unit equivalent for BHSMD and \$1,200 per year per residential unit equivalent for CSCSD. We have evaluated the sewer service charges for these districts and developed the proposed rates to finance:

1. Continued routine and emergency maintenance (operation and maintenance).
2. Cost for sewage treatment and disposal.
3. The cost to comply with State and Federal Regulations (required reporting, development of Sewer System Management Plans [SSMP], on-going television inspection of the sewer systems, spot repairs identified through the television inspections, and acquisition or replacement of equipment used to maintain and repair the sewer systems).
4. The cost to obtain low interest State Revolving Fund (SRF) loans to implement capital improvement projects to increase the size of sewer mains where capacity is insufficient, and to rehabilitate or replace structurally damaged sewer mains. The recommended rates will meet SRF loan debt service coverage requirements for BHSMD and CSCSD capital improvement projects.
5. Payments pursuant to existing agency agreements for costs associated with downstream system or facility improvements and upgrades.
6. The cost to the BHSMD associated with meeting the requirements of the Baykeeper/City of Burlingame and Baykeeper/BHSMD Consent Decrees. The consent decree between the BHSMD and Baykeeper became effective on June 25, 2009 and requires implementation of several specific projects and programs within certain timelines. The consent decree is effective for 6 years and is expected to cost the BHSMD over \$350,000 (an average of approximately \$270 per residential unit equivalent per year) by the end of FY 2011-12.
7. The anticipated costs associated with the Cease and Desist Order that the San Francisco Bay Regional Water Quality Control Board (Regional Water Board) issued to the CSCSD, Town of Hillsborough, and the City of San Mateo on March

11, 2009, which required the agencies to conduct studies, reporting, and implement capital improvement projects in the CSCSD and the downstream agencies.

State and Federal Regulations Regarding Sanitary Sewer Overflows from Sewer Collection Systems

The Districts governed by your Board serve approximately 12,200 properties and finance the operation and maintenance of approximately 150 miles of sewer mains as well as the cost of treating the sewage collected by the Districts. The operation of the Districts' sewer collection systems is regulated by the Regional Water Board, the State Water Resources Control Board (State Water Board), and the Environmental Protection Agency (EPA) pursuant to the Federal Clean Water Act.

Sanitary Sewer Overflows (SSO) from sewer collection systems contain domestic, commercial, or industrial sewage. SSO's can pollute surface or ground waters, threaten public health, adversely affect aquatic life, and impair the recreational use and aesthetic enjoyment of surface waters. Sewer main blockages that result in SSO's can also create sewage back ups into houses causing property damage and creating a public health hazard to those who come in contact with the untreated sewage. As of May 2, 2007 the Districts have been required to report all SSOs within specific timeframes to the State Water Board's electronic reporting system, a publicly accessible website. Effective February 20, 2008 the Districts have been required to report any SSO that reaches surface waters (creek, bay, ocean, storm drainage system, etc.) to the State Office of Emergency Services, the Regional Water Board, and the County Environmental Health Department within two hours of becoming aware of the SSO. Reporting requirements have continued to increase and require significant staff time. The Districts must also report information on all SSO's annually to the Regional Water Board.

Both the Regional Water Board and the State Water Board have implemented requirements that all sanitary sewer collection system agencies prepare SSMP pursuant to Sections 13263 and 13267 of the California Water Code. The SSMP includes several elements that were required to be completed by August 2008 and must be updated regularly. The SSMP describes the activities each sewer/sanitation district will employ to manage their wastewater collection systems effectively.

The State Water Board adopted Statewide General Waste Discharge Requirements (WDR) for Wastewater Collection Agencies on May 2, 2006. The WDR established monitoring and reporting requirements as well as SSMP requirements and timelines. All federal and state agencies, municipalities, counties, districts, and other public entities that own or operate sanitary sewer systems greater than one mile in length are required to comply with the WDR.

DISCUSSION:

Public Input Process

Staff has continued to meet regularly with a group of representatives from the Burlingame Hills Improvement Association (BHIA), the homeowner association in the BHSMD, since November 2007 to discuss future sewer service rates for the BHSMD and

issues specific to their District. Representatives of the BHIA have studied the BHSMD's financial situation in depth and understand the importance and the need for significant sewer service rate increases in order to operate the BHSMD and meet its financial obligations. The proposed rate of \$1,595 will help replenish the fund reserve of the BHSMD since the increase proposed for FY 2010-11 was not implemented due to a majority protest last year. The President of the BHIA has and will continue outreach to the community and believes he has support from the property owners for the proposed rate increase. Staff will continue to meet and work with the BHIA to provide status updates and develop future rates for the BHSMD as there are uncertainties regarding future District costs which include: revising the existing Agreement between City of Burlingame and the BHSMD, anticipated capital improvements of the downstream collection system and work at the Burlingame treatment plant, and meeting the requirements of the Consent Decrees. These issues will continue to have a direct financial impact on the BHSMD.

Staff also has continued to meet with representatives from the five homeowners associations (HOAs) in the CSCSD on a regular basis since September 2007 to discuss future sewer service rates. The FY 2011-12 sewer service rate for CSCSD is proposed to remain at the current rate of \$1,200 per year per residential unit equivalent. This rate would provide an adequate source of revenue for FY 2011-12, assuming that the District is able to obtain a 20-year loan from the SRF to finance the proposed CSCSD capital improvement projects required by the Cease and Desist Order. The CSCSD faces some uncertainties regarding future costs which may affect future rates and include: anticipated cost of work at the treatment plant and on the downstream collection systems, financial arrangements for the existing debt, and the financial impacts of the requirements of the Cease and Desist Order from the Regional Water Board. The resolution of these issues will have a direct financial impact on the CSCSD. The HOA representatives and District staff believe it is prudent to continue to discuss future rates during the next fiscal year and as the outcome of these issues become known.

The Department will continue to meet with the representatives from the BHSMD and the CSCSD on an as needed basis during FY 2011-12 to discuss future sewer service rates and develop a rate structure as the outstanding issues mentioned previously are being resolved.

The Department coordinated with the BHIA in communicating with the property owners in the BHSMD and participated in an evening public meeting to discuss the proposed sewer rate.

Process to be Followed in Implementing Increase in the Sewer Service Rate for the BHSMD, setting the Sewer Service Rate for FY 2011-12 for the CSCSD, and adopting the Sewer Service Charges Report for FY 2011-12

The County Ordinance Code provides that sewer service charges for the Districts be collected on the tax roll. Your Board will consider adoption of a sewer service charges report prior to August 10, 2011 (the deadline for supplying the Assessor's Office with this information) to place the sewer service charges on the tax roll for FY 2011-12.

Your Board is being asked to take the following actions to increase the sewer service rate in the BHSMD and set the sewer service rate in the CSCSD:

1. Amend the Ordinance Code to:
 - a) Set the FY 2011-12 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 2011-12 sewer service rate used to calculate the sewer service charge fee for each property within the CSCSD at \$1,200 per year per residential unit.
2. Second reading and adoption of Amended Ordinance on July 26, 2011 setting sewer service rates for FY 2011-12 for the BHSMD and the CSCCD.
3. Hold a public hearing and receive testimony on (1) the sewer service rate for the BHSMD and (2) the Sewer Service Charges calculated based on the adopted sewer service rates.
4. After considering all written and oral objections to the sewer service rate for the BHSMD and charges for all ten (10) Districts, close the public hearing and determine if there is a majority protest to the proposed sewer service rate in the BHSMD.
5. If there is a majority protest in the BHSMD, terminate your consideration of imposing a sewer service rate increase in the BHSMD and set the sewer service rate for FY 2011-12 at the same sewer service rate in effect for FY 2010-11.

In addition, Article XIIC and XIID of the State Constitution requires an individual notice of the hearing to consider any new or increased property related fees including sewer fees, and a mechanism for rejecting the fees via a "majority protest" at the public hearing. We are recommending that your Board direct us to notify each property owner within the BHSMD of the proposed annual sewer service rate and charges by mail and to explain that protests to the sewer service rate must be in writing.

Individual notice to property owners in the CSCSD is not required, as the sewer service rate is not proposed to increase. Sewer service rates for the other eight districts are being set consistent 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 an Ordinance and Resolution as to form.

Your Board's setting of the sewer service fees for FY 2011-12 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)	
	<i>FY 2010-11</i>	<i>FY 2011-12</i>
Burlingame Hills Sewer Maintenance District	\$1,150	\$1,595
Crystal Springs County Sanitation District	\$1,200	\$1,200

We estimate that it will cost approximately \$900 (\$2 per rate payer in the BHSMD) to prepare, print and mail individual notices to each rate payer in the BHSMD. This cost will be paid from the revenue of BHSMD.

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/SANITATION DISTRICTS

* * * * *

AN ORDINANCE TO AMEND SECTION 4.32.020 OF CHAPTER 4.32 OF TITLE 4, OF THE SAN MATEO COUNTY ORDINANCE CODE, SETTING SEWER SERVICE RATE FOR FISCAL YEAR 2011-12 FOR THE BURLINGAME HILLS SEWER MAINTENANCE DISTRICT AND SETTING THE FISCAL YEAR 2011-12 SEWER SERVICE RATE AT THE SAME LEVEL AS THE FISCAL YEAR 2010-11 RATE FOR THE CRYSTAL SPRINGS COUNTY SANITATION DISTRICT

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

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:

<i>District</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>
Burlingame Hills SMD	\$812	\$950	\$1,150	\$1,150	\$1,595
Crystal Springs CSD	\$900	\$900	\$1,000	\$1,200	\$1,200
Devonshire CSD	\$600	\$700	\$800	\$900	\$1,000
Edgewood SMD	\$750	\$800	\$850	\$900	\$950
Emerald Lake SMD – Zone 1	\$750	\$900	\$1,050	\$1,100	\$1,130
Emerald Lake SMD – Zone 2	\$550	\$670	\$750	\$770	\$810
Fair Oaks SMD	\$400	\$400	\$400	\$420	\$470

<i>District</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>
Harbor Industrial SMD	\$280	\$290	\$300	\$310	\$320
Kensington Square SMD	\$500	\$750	\$850	\$900	\$975
Oak Knoll SMD	\$500	\$600	\$700	\$800	\$900
Scenic Heights CSD	\$500	\$650	\$800	\$950	\$1,050

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

* * * * *

RESOLUTION NO. _____

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

* * * * *

RESOLUTION SETTING TUESDAY, JULY 26, 2011 AT 9:00 A.M.
AS TIME AND PLACE FOR A PUBLIC HEARING ON:

1. THE SEWER SERVICE RATE INCREASE FOR THE BURLINGAME HILLS
SEWER MAINTENANCE DISTRICT; AND
2. FILING OF THE SEWER SERVICE CHARGES REPORT FOR FISCAL YEAR 2011-
12 FOR THE TEN COUNTY SEWER MAINTENANCE AND SANITATION DISTRICTS
BASED ON THE SEWER SERVICE RATES SET FOR FY 2011-12; AND
3. DIRECTING THE NECESSARY NOTICES FOR SAID HEARING

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of
California, as the governing board of the following Sewer Maintenance and County
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 Fiscal Year (FY) 2011-12 in the above named Sewer
Maintenance and County Sanitation Districts shall be collected on the tax roll in
accordance with the amounts shown for each parcel of real property receiving such
services, in a written report filed with the Clerk of this Board; and

WHEREAS, the Constitution of the State of California requires that written notice of any proposed new or increased fees or property related charges be provided by mail to the record owner of each parcel upon which the charge is proposed for imposition; and

WHEREAS, in light of the proposed increase of the sewer service rate in the Burlingame Hills Sewer Maintenance District, written notice of the proposed increase must be provided to the record owner of each parcel within that District; and

WHEREAS, California Health and Safety Code Section 5473.1 requires that the Clerk of this Board shall cause notice of the filing of said written sewer service charge 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 hearing in a newspaper of general circulation in the above named Sewer Maintenance and County Sanitation Districts.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that: **Tuesday, July 26, 2011, 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 increase in sewer service rate for the Burlingame Hills Sewer Maintenance District and the filing of the FY 2011-12 Sewer Service Charges Report based on the adopted sewer service rates for the FY 2011-12 for the ten (10) County Sewer Maintenance and Sanitation Districts with the Clerk of this 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, to be published once a week for two successive weeks prior to the date set for hearing in a local newspaper of general circulation in the above named Sewer Maintenance and County Sanitation Districts.

IT IS HEREBY FURTHER DETERMINED AND ORDERED that the Director of Public Works shall prepare a written notice of the proposed increase in sewer service rate for the Burlingame Hills Sewer Maintenance District, which rate will be the basis for the imposition of the sewer service charge in said district, and that the notice be sent by mail to the record owner of each parcel within the Burlingame Hills Sewer Maintenance District.

* * * * *

Notice of Public Hearing

The County of San Mateo Board of Supervisors has scheduled a public hearing on:

- (1) the proposed sewer service rate increase for the Burlingame Hills Sewer Maintenance District to \$1,595 per year per residential unit equivalent in fiscal year (FY) 2011-12
- (2) the adoption of the FY 2011-12 Sewer Service Charges Report for ten (10) 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 Sewer Maintenance or County 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 2011-12 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, 2011 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, 5th 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: www.co.sanmateo.ca.us/sewers.

RESOLUTION NO. 071442

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

* * * * *

RESOLUTION SETTING TUESDAY, JULY 26, 2011 AT 9:00 A.M.

AS TIME AND PLACE FOR A PUBLIC HEARING ON:

- 1. THE SEWER SERVICE RATE INCREASE FOR THE BURLINGAME HILLS
SEWER MAINTENANCE DISTRICT; AND**
- 2. FILING OF THE SEWER SERVICE CHARGES REPORT FOR FISCAL YEAR 2011-
12 FOR THE TEN COUNTY SEWER MAINTENANCE AND SANITATION DISTRICTS
BASED ON THE SEWER SERVICE RATES SET FOR FY 2011-12; AND**
- 3. DIRECTING THE NECESSARY NOTICES FOR SAID HEARING**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, as the governing board of the following Sewer Maintenance and County 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 Fiscal Year (FY) 2011-12 in the above named Sewer Maintenance and County Sanitation Districts shall be collected on the tax roll in accordance with the amounts shown for each parcel of real property receiving such services, in a written report filed with the Clerk of this Board; and

WHEREAS, the Constitution of the State of California requires that written notice of any proposed new or increased fees or property related charges be provided by mail to the record owner of each parcel upon which the charge is proposed for imposition; and

WHEREAS, in light of the proposed increase of the sewer service rate in the Burlingame Hills Sewer Maintenance District, written notice of the proposed increase must be provided to the record owner of each parcel within that District; and

WHEREAS, California Health and Safety Code Section 5473.1 requires that the Clerk of this Board shall cause notice of the filing of said written sewer service charge 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 hearing in a newspaper of general circulation in the above named Sewer Maintenance and County Sanitation Districts.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that:
Tuesday, July 26, 2011, 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 increase in sewer service rate for the Burlingame Hills Sewer Maintenance District and the filing of the FY 2011-12 Sewer Service Charges Report based on the adopted sewer service rates for the FY 2011-12 for the ten (10) County Sewer Maintenance and Sanitation Districts with the Clerk of this 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, to be published once a week for two successive weeks prior to the date set for hearing in a local newspaper of general circulation in the above named Sewer Maintenance and County Sanitation Districts.

IT IS HEREBY FURTHER DETERMINED AND ORDERED that the Director of Public Works shall prepare a written notice of the proposed increase in sewer service rate for the Burlingame Hills Sewer Maintenance District, which rate will be the basis for the imposition of the sewer service charge in said district, and that the notice be sent by mail to the record owner of each parcel within the Burlingame Hills Sewer Maintenance District.

* * * * *

Regularly passed and adopted this 7th day of June, 2011.

AYES and in favor of said resolution:

Supervisors:

DAVE PINE

CAROLE GROOM

DON HORSLEY

ROSE JACOBS GIBSON

ADRIENNE J. TISSIER

NOES and against said resolution:

Supervisors:

NONE

Absent Supervisors:

NONE

Carole Groom

*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.



Rebecca Romero, Deputy
Clerk of the Board of Supervisors

ORDINANCE NO. _____

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

* * * * *

AN ORDINANCE TO AMEND SECTION 4.32.020 OF CHAPTER 4.32 OF TITLE 4, OF
THE SAN MATEO COUNTY ORDINANCE CODE, SETTING SEWER SERVICE RATE
FOR FISCAL YEAR 2011-12 FOR THE BURLINGAME HILLS SEWER
MAINTENANCE DISTRICT AND SETTING THE FISCAL YEAR 2011-12 SEWER
SERVICE RATE AT THE SAME LEVEL AS THE FISCAL YEAR 2010-11 RATE FOR
THE CRYSTAL SPRINGS COUNTY SANITATION DISTRICT

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

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:

<i>District</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>
Burlingame Hills SMD	\$812	\$950	\$1,150	\$1,150	\$1,595
Crystal Springs CSD	\$900	\$900	\$1,000	\$1,200	\$1,200
Devonshire CSD	\$600	\$700	\$800	\$900	\$1,000
Edgewood SMD	\$750	\$800	\$850	\$900	\$950
Emerald Lake SMD – Zone 1	\$750	\$900	\$1,050	\$1,100	\$1,130
Emerald Lake SMD – Zone 2	\$550	\$670	\$750	\$770	\$810
Fair Oaks SMD	\$400	\$400	\$400	\$420	\$470
Harbor Industrial SMD	\$280	\$290	\$300	\$310	\$320

<i>District</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10</i>	<i>2010-2011</i>	<i>2011-12</i>
Kensington Square SMD	\$500	\$750	\$850	\$900	\$975
Oak Knoll SMD	\$500	\$600	\$700	\$800	\$900
Scenic Heights CSD	\$500	\$650	\$800	\$950	\$1,050

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

* * * * *

RESOLUTION NO. _____

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

* * * * *

RESOLUTION

1. AUTHORIZING THE IMPOSITION OF SEWER SERVICE CHARGES FOR FISCAL YEAR 2011-12; AND
2. DIRECTING THE FILING OF THE FISCAL YEAR 2011-12 SEWER SERVICE CHARGES REPORT FOR THE TEN COUNTY SEWER/SANITATION DISTRICTS WITH THE COUNTY CONTROLLER; AND
3. AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO REFUND ANY OVERCHARGE CONTAINED IN THE SEWER SERVICE CHARGES REPORT TO THE OWNER OF THE PARCEL THAT WAS OVERCHARGED WHEN THE OVERCHARGE RESULTED FROM DATA, DATA ENTRY OR COMPUTATION ERRORS

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, acting as the governing board of the following County Sewer Maintenance and Sanitation Districts (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.**

WHEREAS, this Board adopted the following sewer service base rates for said Districts:

District	2007-08	2008-09	2009-10	2010-11	2011-12
Burlingame Hills SMD	\$812	\$950	\$1,150	\$1,150	\$1,595
Crystal Springs CSD	\$900	\$900	\$1,000	\$1,200	\$1,200
<i>The Following Rates Previously Set by Ordinance No. 04382, August 7, 2007</i>					
Devonshire CSD	\$600	\$700	\$800	\$900	\$1,000
Edgewood SMD	\$750	\$800	\$850	\$900	\$950
Emerald Lake SMD – Zone 1	\$750	\$900	\$1,050	\$1,100	\$1,130
Emerald Lake SMD – Zone 2	\$550	\$670	\$750	\$770	\$810
Fair Oaks SMD	\$400	\$400	\$400	\$420	\$470
Harbor Industrial SMD	\$280	\$290	\$300	\$310	\$320
Kensington Square SMD	\$500	\$750	\$850	\$900	\$975
Oak Knoll SMD	\$500	\$600	\$700	\$800	\$900
Scenic Heights CSD	\$500	\$650	\$800	\$950	\$1,050

and

WHEREAS, the Director of Public Works has prepared the Sewer Service Charge Report (Report) described in Sections 5473, *et seq.*, of the Health & Safety Code of the State of California, relating to the collection of sewer service charges on the tax roll based on the sewer service base rates set forth in the June 7, 2011 ordinance;

and

WHEREAS, a public hearing as required by Sections 5473.1, *et seq.*, of the Health & Safety Code of the State of California was duly held on July 26, 2011, at 9:00 a.m. in the Board of Supervisors' Chambers; and

WHEREAS, this Board has heard and considered all objections, protests, and public testimony to said Report at said public hearing and determined that sewer service charges should be imposed for the fiscal year (FY) 2011-12; and

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

1. Sewer service charges are hereby imposed on properties within the Districts governed by this Board to be computed on the basis of the provisions of Chapter 4.32 of the San Mateo County Ordinance Code and the following sewer service base rates:

District	FY 2011-12 Sewer Service Base Rate Per Equivalent Residential Unit
Burlingame Hills SMD	\$1,595
Crystal Springs CSD	\$1,200
Devonshire CSD	\$1,000
Edgewood SMD	\$950
Emerald Lake Heights SMD – Zone 1	\$1,130
Emerald Lake Heights SMD – Zone 2	\$810
Fair Oaks SMD	\$470
Harbor Industrial SMD	\$320
Kensington Square SMD	\$975
Oak Knoll SMD	\$900
Scenic Heights CSD	\$1,050

2. The charges set forth above shall be, and are hereby declared as the sewer service charges to be levied on each parcel of property within said Districts for the FY 2011-12.
3. The Director of Public Works is hereby directed to certify to the Clerk that the charges are based on the base rates adopted by this Board.
4. The Director of Public Works is also directed to file with the County Controller an electronic copy of said report and a statement endorsed thereon that the charges as set forth in said electronic copy are the charges as adopted by this Board based on the certification of the Director of Public Works.

5. The Director of Public Works is authorized to refund, as appropriate, any overcharge contained in said report to the owner of the parcel so overcharged when the overcharge resulted from data, data entry or computation errors as determined by said Director of Public Works.

* * * * *