

Public Hearing Notice (mailed by 4/22/2016)

The Board of Directors of the Estero Municipal Improvement District will hold a public hearing on its Master Fees and Service Charges schedule to establish new water and wastewater rates for Fiscal Year (FY) 2016-2017. A public hearing will take place on **Monday, June 6, 2016, at 6:30 PM** in the City Council Chambers of the City of Foster City, 620 Foster City Blvd. in Foster City, California to accept public comment and receive written protests on the proposed service charge increase. The resolutions will be entitled "A Resolution of the Board of Directors of the Estero Municipal Improvement District / City Council of the City of Foster City Amending the Master Fees and Service Charges Schedule Establishing New Water Rates (Reference No. S-68) and New Wastewater Rates (Reference No. S-73) for Fiscal Year 2016-2017."

How to Protest the Proposed Rates

Whether or not you are a water and/or wastewater customer of the District, you may appear and be heard on this or any other matter relating to the proposed charges. Written protests may be submitted to the City Clerk / District Secretary at the return address in this notice. Any record owner of a parcel upon which fees are proposed, or any tenant directly responsible for the payment of water service fees (i.e. a customer of record), may submit a written protest. A written protest must include: (1) the address of the impacted property; (2) a statement whether the protest is submitted in opposition to increases to the water or wastewater rate; and (3) the name and signature of the person submitting the protest. If the District does not receive written protests against the proposed service charges by a majority of the affected property owners and customers of record by the end of the public hearing, the District will be authorized to approve the proposed rates. Per Proposition 218, only one protest per property owner per utility will be counted.

Proposed Water Rate Changes

The District prepares a 10-year projection of water rates, and considers the maintenance, operational and capital costs associated with its operation. The water rates proposed herein are based upon those cost projections, and are provided by way of reference at the following website:

<http://tinyurl.com/FCRates-Water>.

The District has taken steps to mitigate the increases we will experience in the cost of water from the San Francisco Public Utilities Commission. The cost we pay for water will increase from \$3.75/ccf to \$4.05/ccf, an 8% increase. The District's cost for water also includes a bond surcharge that is collected through SFPUC at \$0.53/ccf.

Fixed Meter Charges

Due to the increase in the cost of ensuring the safe delivery of water through the system, the fixed meter charge is proposed to be increased by 9.5% for 5/8" and 3/4" meters on July 1, 2016. The meter ratios are based on meter size in compliance with the American Water Works Association.

Conservation-Based Water Consumption Rates

City of Foster City customers reduced overall consumption by 12% between FY 2013/14 and FY 2014/15, and customers are on track to further reduce consumption by 15% in FY 2015/16. The District uses a three-pronged approach to achieve the goal of water conservation: 1) conservation education; 2) use of conservation-based water rates; and, 3) water rebate programs

SFPUC Wholesale Pass-Through Rate Increase for Water Availability

All of the District's water originates from the San Francisco Public Utilities Commission. On April 1, 2015, Governor Brown issued a statement requiring that California water agencies reduce consumption by a mandatory 25%. In the event that the SFPUC declares a water emergency or SFPUC or the State otherwise imposes a cost associated with the availability of water for District customers, the District will implement a pass-through adjustment to customers' bills no earlier than thirty (30) days after the adjustment has been enacted by the SFPUC and noticed to all District customers. This action is in accordance with California Government Code Section 53756.

Single-Family Residences

Single-family residence with responsibility for indoor (domestic) and outdoor (irrigation) water uses are placed in a tiered rate structure whereby the cost of water increases based on the amount of water you use in a **bi-monthly** billing cycle as follows:

Tier (# ccf)	Rates as of 7/1/2015	Proposed Rates 7/1/2016
Tier 1: 0-20	\$4.30/ccf	\$4.72/ccf
Tier 2: Over 20	\$4.64/ccf	\$5.95/ccf
("ccf" = 748 gallons of water)		

For example, if you use 25 ccf of water, you will pay \$4.72 per ccf for the first 20 ccf and \$5.95 per ccf for the next 5 ccf.

Multi-Family Residences

Multi-family dwelling units with responsibility (individually or collectively through a master meter) for indoor (domestic) use only are placed into a tiered rate structure whereby the cost of water increases based on the amount of water you use in a **bi-monthly** billing cycle as follows:

Tier (# ccf per living unit)	Rates as of 7/1/2015	Proposed Rates 7/1/2016
Tier 1: 0-10	\$4.30/ccf	\$4.72/ccf
Tier 2: Over 10	\$4.67/ccf	\$5.93/ccf
("ccf" = 748 gallons of water)		

The consumption amounts at each tier are based on the total number of living units receiving water on the bill (whether you are an individual customer or a master metered customer).

Irrigation Customers

Irrigation customers with **separate irrigation water meters** are provided an individually-prepared water budget based on the square footage of landscaping being watered. Usage will be charged at \$4.72/ccf. On June 30, 2017, your water usage for the year will be compared to the water budget. Usage over the water budget allotment will be charged \$7.35/ccf for every unit of water over your allotment. Customized reports through the year will let customers know how they are doing in water use.

Consumption	Rates as of 7/1/2015	Proposed Rates 7/1/2016
<= 100% of annual budget	\$4.30/ccf	\$4.72/ccf
>100% of annual budget	\$5.65/ccf	\$7.35/ccf
("ccf" = 748 gallons of water)		

Commercial Customers and Fire Line

Commercial customers will be charged for water consumption at a rate of \$4.97/ccf.

Consumption	Rates as of 7/1/2015	Proposed Rates 7/1/2016
All Usage	\$4.40/ccf	\$4.97/ccf
("ccf" = 748 gallons of water)		

Water Rebates

Water customers have taken remarkable steps to reduce water consumption over past years and to those that have done so we say Thanks! Have you reduced **your** water consumption? Expanded water rebate programs are available to assist you. More information can be found at

<http://tinyurl.com/FCConservationRebates>

Fixed Meter Charges

Bi-Monthly Meter Charge	Rates as of 7/1/2015	Proposed Rates as of 7/1/2016
Domestic and/or Irrigation Meters		
5/8" and 3/4"	\$34.50	\$37.80
1"	\$57.50	\$63.00
1.5"	\$138.00	\$151.20
2"	\$184.00	\$201.60
3"	\$402.50	\$441.00
4"	\$724.50	\$793.80
6"	\$1,610.00	\$1,764.00
8" or greater	\$2,760.00	\$3,024.00
Private Fire Service Protection Meter		
5/8" and 3/4"	\$48.30	\$52.92
1"	\$48.30	\$52.92
1.5"	\$48.30	\$52.92
2"	\$64.40	\$70.68
3"	\$140.90	\$154.22
4"	\$253.60	\$277.84
6"	\$563.50	\$617.28
8" or greater	\$966.00	\$1,058.40

Wastewater Charges

The District prepares a 10-year projection of wastewater rates, and considers the maintenance, operational and capital costs associated with its operation. In addition, the District is responsible for \$112.5 million of the wastewater plant expansion that the City of San Mateo is undertaking to effectively treat wastewater. The rates proposed herein are based upon those cost projections, and are provided by way of reference at the following website: <http://tinyurl.com/FCRates-Wastewater>.

The District is proposing an increase of wastewater rates for FY 2016-2017 based on the table below.

Wastewater Rate Schedule

The rate schedule effective July 1, 2016 is:

Rate Category	Current Rate as of 7/1/2015	Proposed Rate as of 7/1/2016
<i>Residential (flat monthly rate) on a bi-monthly basis</i>		
Single Family	\$102.94	\$114.26
Townhouse/Duplex	\$86.46	\$95.98
Apartment/Condominium (including Pools with Restrooms)	\$86.46	\$95.98
<i>Commercial (per ccf of water use)</i>		
High Strength	\$9.35 / ccf	\$10.38 / ccf
Medium Strength	\$3.29 / ccf	\$3.65 / ccf
Low Strength	\$2.16 / ccf	\$2.40 / ccf

More Information

More information about our water conservation efforts can be found at the District's website at <http://www.fostercity.org>.

Questions regarding this notice may be directed to Mimi Lam, Accounting Manager, at mlam@fostercity.org or at 650-286-3268.



City of Foster City

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WRITE TO:

610 FOSTER CITY BOULEVARD
FOSTER CITY, CA 94404-2222
(650) 286-3200; (650) 574-3483 (FAX)

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Public Hearing Notice

**Estero Municipal
Improvement District**
is considering increases in its water and
wastewater rates

A public hearing on
**Water and
Wastewater Rates**
Effective July 1, 2016

will be held at the
City Council Chambers
620 Foster City Blvd

on Monday,
June 6, 2016
6:30 p.m.

