

PROPOSED FIVE-YEAR WATER SERVICE RATES PUBLIC HEARING NOTICE

Esta información es sobre aumentos de tarifas de agua.
Si tiene alguna pregunta, favor de llamar a Eren Romero al 650-330-6740.

Menlo Park Municipal Water is proposing to increase water rates over the next five years. The proposed water rate increases will result in the average residential water customers' monthly bill decreasing \$9.51 in fiscal year 2021-22. There will be a public hearing on the proposed rates May 11, 2021. Menlo Park Municipal

Water serves about 19,000 people in the southern (hillside) and northern (bayside) areas of Menlo Park. The water utility relies on water rate revenues to fund the costs of operating and maintaining the water system and to purchase wholesale water from the San Francisco Public Utilities Commission.

RATE INCREASE PUBLIC HEARING
Tuesday, May 11, 2021
5 p.m.
Meeting via teleconference link
available at menlopark.org/waterrates



**WATER SERVICE RATES
PUBLIC HEARING
NOTICE**

City of Menlo Park
701 Laurel St.
Menlo Park CA 94025



WHY THE NEED TO CONSIDER RATE INCREASES?

In accordance with California Constitution Art. XIID, Menlo Park Municipal Water proposes adopting proposed maximum water rates, shown in this notice. The intent is to gradually phase in rate increases up to the maximum adopted level over the next five years to minimize annual impacts on ratepayers. If the proposed maximum rates are adopted, Menlo Park Municipal Water may collect rates at or below the proposed maximum at any time as needed to meet the city's financial needs. The proposed water rates are based on a study conducted by a utility rate consultant and the study is available at menlopark.org/waterrates. The rate increases are necessary because:

- The San Francisco Public Utilities Commission anticipates a total wholesale rate increase of 32.9 percent over the next five years.
- Menlo Park Municipal Water plans to implement almost \$60 million in capital improvement projects over the next five years. The capital projects will upgrade the water system's infrastructure, specifically the water storage, transmission and distribution assets.

The proposed rates assume certain SFPUC wholesale rates effective July 1 each year. Pursuant to Cal. Govt. Code § 53756, Menlo Park Municipal Water proposes to pass-through any additional increases in SFPUC wholesale water rates when the actual SFPUC rates exceed estimates. This pass-through provision applies to wholesale rates, water management charges and other regulatory or environmental charges required by SFPUC. Before any pass-through, all water customers would receive at least 30 days' notice.

HOW TO PROTEST THE PROPOSED WATER SERVICE RATES

If you wish to file a written protest, please send your protest letter, including:

1. The affected real property, identified by street address and the assessor's parcel number (APN)
2. Indicate opposition to the proposed rate increase
3. Include the property owner name (as listed on the property tax bill) and signature. Emails will require a digital signature.

All property owners may issue a protest. Only one written protest will be counted per parcel. The letter will be part of the public record once opened. The proposed rates cannot be adopted if written protests are received from a majority of affected parcels.

Mail or email written protests to:

City of Menlo Park
Attn: Water Rate Protest
701 Laurel St.
Menlo Park, CA 94025
jaherren@menlopark.org

All written protests must be received before 5 p.m., Tuesday, May 11, 2021, or it must be presented at the City Council meeting that evening, before the close of the public hearing on the matter.

For more information, visit menlopark.org/waterrates or contact Menlo Park Municipal Water at 650-330-6750 or water@menlopark.org.

DID YOU KNOW?

Menlo Park offers free water-saving shower heads, faucet aerators, toilet leak detection tablets and rebate programs for rain barrels, sprinkler controllers, turf replacement and a free landscape analysis.

For more information, email water@menlopark.org or visit menlopark.org/waterconservation.



WATER SERVICE AND SOLID WASTE COLLECTION DISCOUNT PILOT PROGRAM

The Menlo Park City Council recently approved a rate assistance pilot program to assist those suffering financial hardship. Qualified households may receive a \$14.11 fixed monthly discount on their water bill from Menlo Park Municipal Water and a 20 percent monthly discount on solid waste service from Recology.

The pilot program runs from January 1, 2021, to June 30, 2021, and encourages residents to:

- Enroll in PG&E California Alternative Rates for Energy (CARE) program to receive discounts on their gas and electricity bills if not currently enrolled.
- Once enrolled in CARE, please contact Central Coast Energy Services to submit verification documents.

Learn more at menlopark.org/rateassistance.

WATER CONSERVATION REGULATIONS

Water is a precious resource that is used every day. About 75 percent of the Earth’s surface is covered by water, but only 1 percent can be used for drinking because most water found on the planet contains salt. The limited availability of water combined with population and economic growth requires good conservation practices to ensure adequate supplies are available for the future.

For a list of the City’s water use regulations, visit menlopark.org/waterconservation.



PROPOSED DROUGHT SURCHARGES

To recover its costs of service and remain financially stable during periods of drought and reduced water sales, Menlo Park Municipal Water is proposing a temporary drought surcharge that corresponds to the water shortage. The City Council will discuss the Water Contingency Plan and six drought stages this spring.

HOW ARE WATER BILLS CALCULATED?

A typical single-family home using 12 ccf of water per month is billed \$127.51. With the proposed fiscal year 2021-22 rates, the same single-family home will see a \$9.51 decrease. A ccf is 748 gallons (one-hundred cubic-feet) of water. View the table below for the calculations.

CURRENT RATES				PROPOSED FISCAL YEAR 2021-22 WATER RATES			
Description	ccf	Unit cost	Monthly cost	Description	ccf	Unit cost	Monthly cost
5/8" fixed meter charge			\$28.21	5/8" fixed meter charge			\$27.58
Water consumption charge, flat rate plus tier usage				Water consumption charge, based on tier usage			
Tier 1: 0 - 6 ccf	6	\$5.57	\$33.42	Tier 1: 0 - 6 ccf	6	\$5.09	\$30.54
Tier 2: Over 6 ccf	6	\$7.98	\$47.88	Tier 2: 7 - 12 ccf	6	\$6.82	\$40.92
				Tier 3: Over 12 ccf	0	\$8.69	\$0.00
Water capital surcharge	12	\$1.50	\$18.00	Water capital surcharge	12	\$1.58	\$18.96
MONTHLY TOTAL			\$127.51	MONTHLY TOTAL			\$118.00

PROPOSED WATER RATES								
Current Water Rates			July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026	Proposed Maximum
FIXED METER CHARGE - All Customers								
Meter Size		Meter Size						
5/8"	\$28.21	5/8"	\$27.58	\$28.96	\$30.41	\$31.93	\$33.53	\$33.53
3/4"	\$28.21	3/4"	\$27.58	\$28.96	\$30.41	\$31.93	\$33.53	\$33.53
1"	\$47.03	1"	\$45.97	\$48.27	\$50.68	\$53.21	\$55.87	\$55.87
1-1/2"	\$94.05	1-1/2"	\$91.95	\$96.55	\$101.38	\$106.45	\$111.77	\$111.77
2"	\$150.46	2"	\$147.12	\$154.48	\$162.20	\$170.31	\$178.83	\$178.83
3"	\$282.14	3"	\$294.24	\$308.95	\$324.40	\$340.62	\$357.65	\$357.65
4"	\$471.15	4"	\$459.75	\$482.74	\$506.88	\$532.22	\$558.83	\$558.83
6"	\$940.45	6"	\$919.50	\$965.48	\$1,013.75	\$1,064.44	\$1,117.66	\$1,117.66
8"	\$1,504.70	8"	\$1,471.20	\$1,544.76	\$1,622.00	\$1,703.10	\$1,788.26	\$1,788.26
10"	\$2,163.01	10"	\$2,114.84	\$2,220.58	\$2,331.61	\$2,448.19	\$2,570.60	\$2,570.60
WATER CONSUMPTION CHARGE - All Customers, Rate per ccf								
Tier 1: 0-6 ccf	\$5.57	Tier 1: 0-6 ccf	\$5.09	\$5.34	\$5.61	\$5.89	\$6.18	\$6.18
Tier 2: over 6 ccf	\$7.98	Tier 2: 7-12 ccf	\$6.82	\$7.16	\$7.52	\$7.90	\$8.30	\$8.30
		Tier 3: Over 12 ccf	\$8.69	\$9.12	\$9.58	\$10.06	\$10.56	\$10.56
CAPITAL SURCHARGE - All Customers, Rate per ccf								
All Usage	\$1.50	All Usage	\$1.58	\$1.66	\$1.74	\$1.83	\$1.92	\$1.92
UNMETERED FIRE FIXED CHARGES								
Meter Size		Meter Size						
1-1/2"	\$16.93	1-1/2"	\$30.23	\$31.74	\$33.33	\$35.00	\$36.75	\$36.75
2"	\$27.08	2"	\$48.37	\$50.79	\$53.33	\$56.00	\$58.80	\$58.80
3"	\$50.79	3"	\$96.73	\$101.57	\$106.65	\$111.98	\$117.58	\$117.58
4"	\$84.81	4"	\$151.14	\$158.70	\$166.64	\$174.97	\$183.72	\$183.72
6"	\$169.28	6"	\$302.29	\$317.40	\$333.27	\$349.93	\$367.43	\$367.43
8"	\$270.85	8"	\$483.66	\$507.84	\$533.23	\$559.89	\$587.88	\$587.88
10"	\$389.34	10"	\$695.26	\$730.02	\$766.52	\$804.85	\$845.09	\$845.09
12"	\$727.90	12"	\$1,299.83	\$1,364.82	\$1,433.06	\$1,504.71	\$1,579.95	\$1,579.95
DROUGHT SURCHARGES – All Customers, Rate per ccf								
Water Shortage Contingency Plan—Required water reduction based on City Council declared drought stage								
Stage 1: Up to 10 percent	All Usage	\$0.60	\$0.63	\$0.64	\$0.60	\$0.60	\$0.60	\$0.64
Stage 2: Up to 20 percent	All Usage	\$1.36	\$1.40	\$1.43	\$1.32	\$1.33	\$1.33	\$1.43
Stage 3: Up to 30 percent	All usage	\$2.32	\$2.39	\$2.41	\$2.21	\$2.22	\$2.22	\$2.41
Stage 4: Up to 40 percent	All Usage	\$3.61	\$3.67	\$3.67	\$3.34	\$3.33	\$3.33	\$3.67
Stage 5: Up to 50 percent	All Usage	\$5.42	\$5.43	\$5.37	\$4.83	\$4.77	\$4.77	\$5.43
Stage 6: Greater than 50 percent	All Usage	The actual drought surcharge will be calculated based on the actual water conservation target that must be met.						