

PROPOSED FIVE-YEAR WATER RATE INCREASES 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*

The Menlo Park Municipal Water District 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 increasing \$24.50 in fiscal year 2015-16. MPMWD will hold a public hearing on the proposed rates July 21, 2015.

MPMWD serves about 16,000 people in the City of Menlo Park in the western and eastern areas of the city. MPMWD 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.

NEW WATER CONSERVATION REGULATIONS AND PROPOSED WATER RATES

NEW WATER CONSERVATION REGULATIONS AND WAYS TO REDUCE WATER USE

- Potable water used to irrigate outdoor ornamental landscapes or turf shall be limited to the following two days per week schedule.
 - Odd or No Address – Mondays and Thursdays
 - Even Address – Tuesdays and Fridays
- Water customers may be granted an exception to the two days per week schedule upon review and approval of a drought response plan that demonstrates an equivalent or greater reduction in water use.
- Irrigation of outdoor ornamental landscapes or turf is not allowed between 8:00 am - 6:00 pm.
- Must not use potable water on outdoor landscapes that causes runoff.
- Hoses must be fitted with an automatic shutoff nozzle for washing vehicles, sidewalks, driveways, walkways, or buildings.
- Must not apply potable water to any driveway or sidewalk except to address immediate health or safety concerns.
- Pools, spas, and hot tubs shall be covered when not in use.
- Cannot use potable water in a decorative feature, unless the water recirculates.
- Must repair defective/broken plumbing and irrigation systems within a reasonable time period.
- Potable water shall not be used to water outdoor landscapes during and within 48 hours after measurable rainfall.

PROPOSED FIVE-YEAR WATER RATE INCREASES

In accordance with California Constitution Article XIIIID, the Menlo Park Municipal Water District is proposing to adopt the Proposed Maximum Rates shown in the last column of the following table. The intent is to gradually phase in rate increases up to the maximum adopted level over the next five years to minimize the annual impact on ratepayers. If the proposed maximum rates are adopted, the MPMWD 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 www.menlopark.org/waterrates.

The rate increases are necessary for the following reasons

- San Francisco Public Utilities Commission water rates paid by MPMWD have doubled over the last five years to support a \$4.3 billion capital improvement program.
- SFPUC is increasing wholesale rates by 28 percent in fiscal year 2015-16 and plans to increase their rates 61 percent over the next five years.
- MPMWD plans to implement almost \$6.9 million in capital improvement projects over the next five years.



PUBLIC HEARING
Tuesday, July 21, 2015
7:00 pm
City Council Chambers,
701 Laurel Street, Menlo Park

WATER RATE NOTICE PUBLIC HEARING

City of Menlo Park
701 Laurel Street
Menlo Park CA 94025



MPMWD offers rebates for high-efficiency washing machines and toilets, a turf replacement rebate program, and free high-efficiency showerheads, faucet aerators, hose nozzles and toilet leak detection tablets. For more information, call 650-330-6720 or visit our website at menlopark.org/waterconservation



HOW WATER BILLS ARE CALCULATED

A typical single-family home using 14 ccf of water per month is billed \$70.49. With the proposed fiscal year 2015–16 proposed rates, the same single-family home will see a \$24.50 increase (to \$94.99) in their monthly bill, as calculated below.



CURRENT RATES				PROPOSED FISCAL YEAR 2015–16 WATER RATES			
	ccf	Unit Cost	Cost	Description	ccf	Unit Cost	Unit Cost
5/8" fixed meter charge			\$16.84	5/8" fixed meter charge			\$17.93
Water consumption charge:				Water consumption charge:			
Tier 1: 0-5 ccf	5	\$2.69	\$13.45	Tier 1: 0-6 ccf	6	\$4.51	\$27.06
Tier 2: 6-10 ccf	5	\$3.38	\$16.90	Tier 2: Over 6 ccf	8	\$4.64	\$37.12
Tier 3: 11-25 ccf	4	\$4.04	\$16.16				
Water capital surcharge			\$7.14	Water capital surcharge			\$8.82
				Drought surcharge (Stage 2)*			\$4.06
TOTAL			\$70.49	TOTAL			\$94.99

*Drought surcharges are temporary, and will be eliminated once the drought ends.

WHOLESALE COST PASS-THROUGHS

The proposed rates assume certain SFPUC wholesale rates effective July 1 each year. Pursuant to California Government Code 53756, the MPMWD is proposing to pass-through any additional increases in SFPUC wholesale water rates when actual SFPUC rates exceed estimated rates. This pass-through provision applies to wholesale rates, water management charges, and other regulatory or environmental charges that the City is required to pay SFPUC. Prior to initiating a pass-through, MPMWD will notify all customers at least 30 days before implementation.

PROPOSED DROUGHT SURCHARGES

To recover its costs of service and remain financially stable during periods of drought and reduced water sales, MPMWD is proposing a temporary drought surcharge that corresponds to the Water Shortage Contingency Plan stage adopted by City Council. The drought surcharge will be eliminated once the drought ends. MPMWD is currently in Stage 2 which calls for up to a 20 percent reduction in consumption.

HOW TO PROTEST THE PROPOSED WATER RATES

Property owners may submit written protests by mail and protests must include:

- Identify the affected property, by address and APN number
- Include the property owner name and signature
- Indicate opposition to the proposed water rate increases.

Protests submitted by email, fax or other electronic means will not be accepted. One written protest will be counted per parcel. The proposed rates cannot be adopted if written protests are received from a majority of affected parcels.

Mail written protests to:

Menlo Park Municipal Water District
Attn: Water Rate Protest
701 Laurel Street, Menlo Park, CA 94025.

All written protests must be submitted before the close of the July 21, 2015, public hearing.

For more information, contact MPMWD at 650-330-6750 or water@menlopark.org.

CURRENT WATER RATES	PROPOSED WATER RATES						
	Aug/Sept 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	Maximum	
FIXED METER CHARGE - All Customers							
Meter Size							
5/8"	\$16.84	\$17.93	\$20.08	\$22.49	\$25.19	\$28.21	
3/4"	\$16.84	\$17.93	\$20.08	\$22.49	\$25.19	\$28.21	
1"	\$26.94	\$29.88	\$33.47	\$37.49	\$41.99	\$47.03	
1-1/2"	\$55.57	\$59.77	\$66.94	\$74.97	\$83.97	\$94.05	
2"	\$89.26	\$95.63	\$107.10	\$119.95	\$134.34	\$150.46	
3"	\$163.35	\$179.30	\$200.82	\$224.92	\$251.91	\$282.14	
4"	\$252.61	\$299.43	\$335.36	\$375.60	\$420.67	\$471.15	
6"	\$560.81	\$597.67	\$669.39	\$749.72	\$839.69	\$940.45	
8"	\$1,244.54	\$956.27	\$1,071.02	\$1,199.54	\$1,343.48	\$1,504.70	
10"	\$2,761.91	\$1,374.63	\$1,539.59	\$1,724.34	\$1,931.26	\$2,163.01	
WATER CONSUMPTION CHARGE - All Customers, Rate per ccf*							
Tier 1: 0-5 ccf	\$2.69	Tier 1: 0-6 ccf	\$4.51	\$4.75	\$5.01	\$5.28	\$5.57
Tier 2: 6-10 ccf	\$3.38	Tier 2: Over 6 ccf	\$4.64	\$5.32	\$6.09	\$6.97	\$7.98
Tier 3: 11-25 ccf	\$4.04						
Tier 4: Over 25 ccf	\$5.39						
CAPITAL SURCHARGE - All Customers, Rate per ccf*							
All Usage	\$0.51	All Usage	\$0.63	\$0.78	\$0.97	\$1.21	\$1.50
DROUGHT SURCHARGES - All Customers, Rate per ccf*							
Water Shortage Contingency Plan—Required Water Cutback Percentage							
Stage 2: Up to 20 percent	All usage	\$0.29	\$0.44	\$0.63	\$0.71	\$0.85	\$0.85
Stage 3: Up to 30 percent	All usage	\$0.52	\$0.79	\$1.11	\$1.24	\$1.48	\$1.48
Stage 4: Up to 40 percent	All usage	\$0.82	\$1.24	\$1.74	\$1.95	\$2.32	\$2.32
Stage 5: Up to 50 percent	All usage	\$1.25	\$1.88	\$2.63	\$2.94	\$3.50	\$3.50
UNMETERED FIRE FIXED CHARGES							
Meter Size							
1-1/2"	\$4.00	\$10.76	\$12.05	\$13.49	\$15.11	\$16.93	\$16.93
2"	\$5.00	\$17.21	\$19.28	\$21.59	\$24.18	\$27.08	\$27.08
3"	\$7.00	\$32.27	\$36.15	\$40.49	\$45.34	\$50.79	\$50.79
4"	\$9.00	\$53.90	\$60.36	\$67.61	\$75.72	\$84.81	\$84.81
6"	\$13.00	\$107.58	\$120.49	\$134.95	\$151.14	\$169.28	\$169.28
8"	\$17.00	\$172.13	\$192.78	\$215.92	\$241.83	\$270.85	\$270.85
10"	\$22.00	\$247.43	\$277.13	\$310.38	\$347.63	\$389.34	\$389.34
12"	\$28.00	\$462.59	\$518.10	\$580.28	\$649.91	\$727.90	\$727.90

*1 ccf = one hundred cubic feet or approximately 748 gallons.