

City of Alameda

Sewer Rate Study



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Agenda

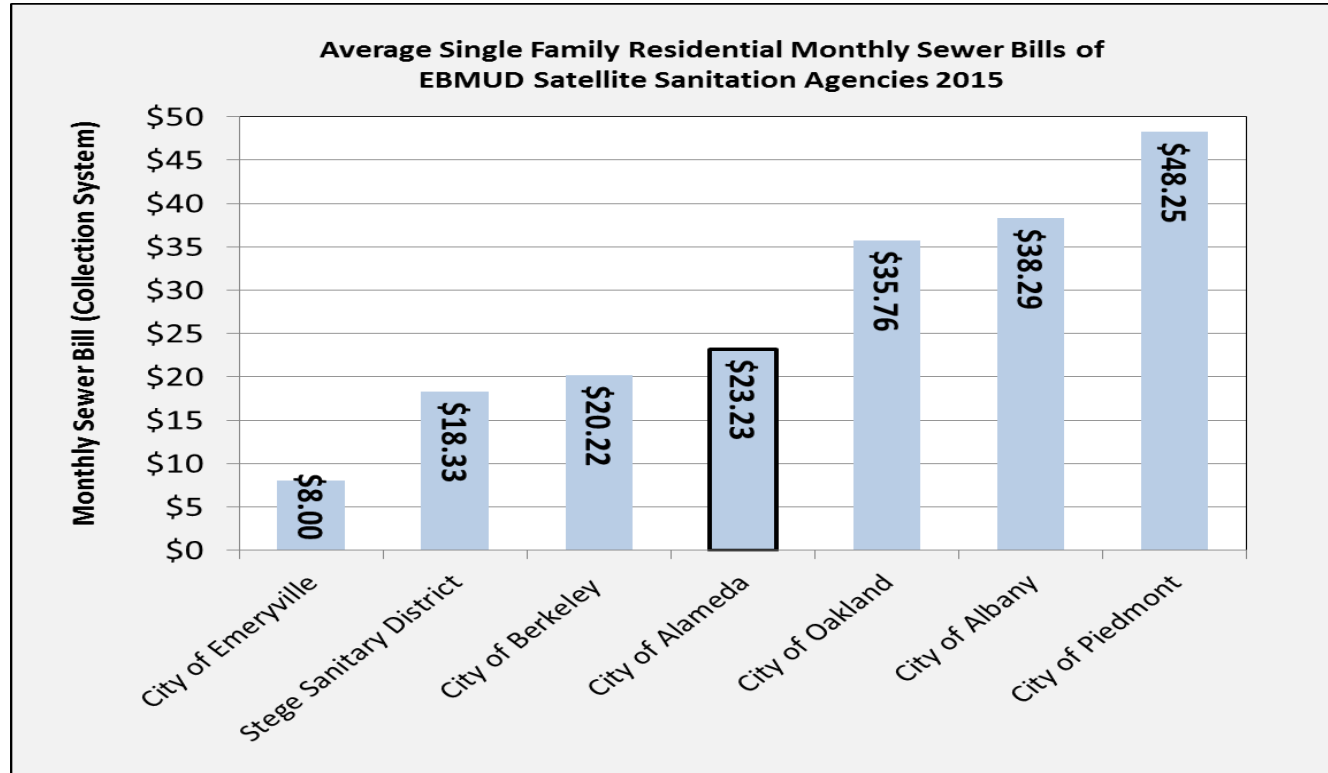
- Sewer system overview
- Rate survey
- Sewer fund financial analysis
- Proposed rates
- Next steps



Sewer System Overview

- City owns 128 miles of sewer pipelines and 34 pump stations
 - Recent accomplishments
 - Replaced 13 miles of sewer pipelines in the last 5 years
 - Reduced sanitary sewer overflows
 - More work required – EPA Consent Decree
 - Sewer pipeline replacements (3 miles per year)
 - Pump station replacements
 - Condition assessment (cctv)
- 3 – Cleaning and repairs

Sewer Rate Survey



Sewer Fund Finances

- Alameda's current sewer rates are low for the East Bay
- Last rate review in 2010 and issued sewer bonds in 2012
- Proposed rate increase: 3% annually for 5 years
 - Conduct sewer pipeline and pump station replacements to comply with the EPA Consent Decree
 - Keep up with inflationary cost increases
 - Long term financial stability
 - 70 cents per month increase effective July 1, 2015

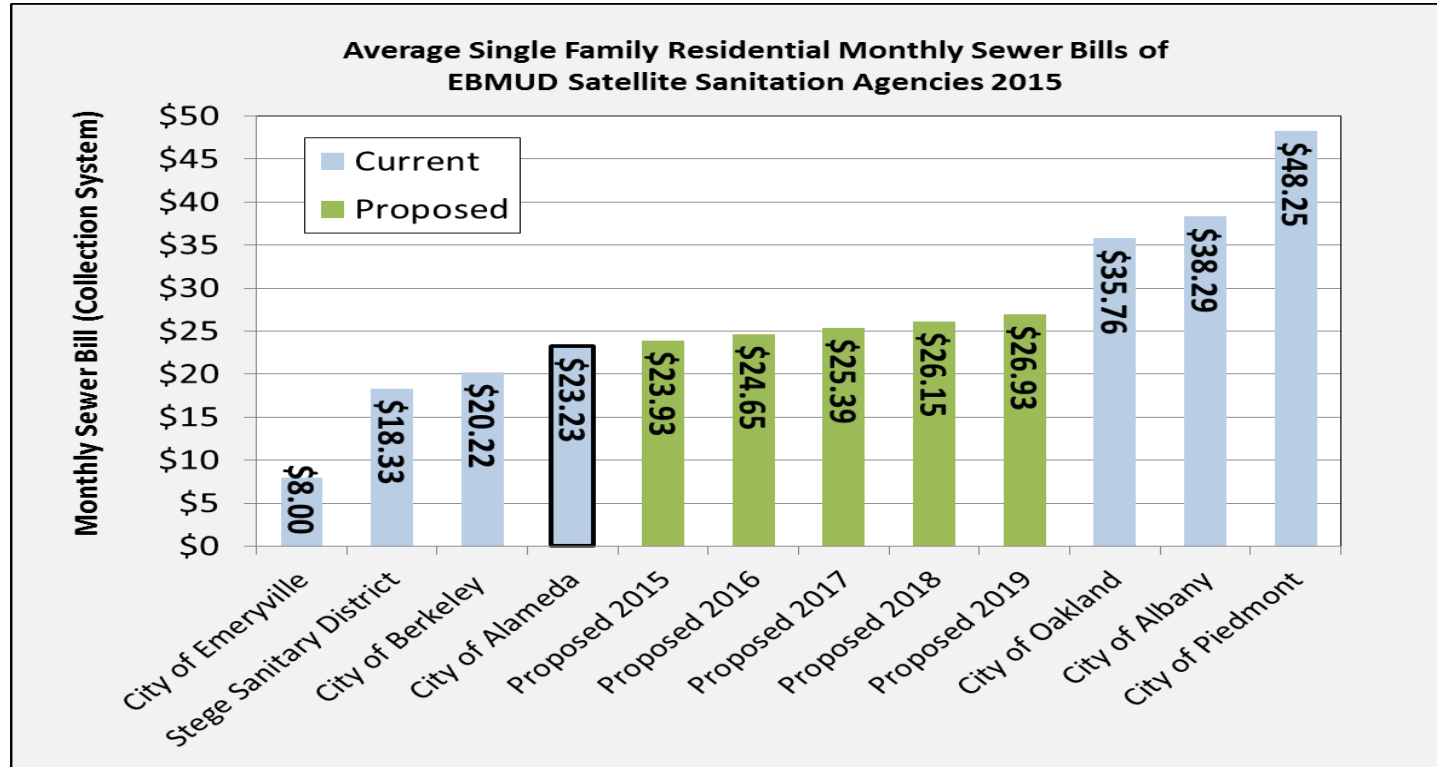
Sewer Customer Base

Customer Class	Number of Parcels	Percent
Single Family	14,284	73.5%
Multi-Family	4,399	22.6%
Commercial	685	3.5%
Combination	<u>64</u>	<u>0.3%</u>
Total	19,432	100.0%

Proposed Rates

	Current \$/month	July 1, 2015 Proposed \$/month	July 1, 2016 Proposed \$/month	July 1, 2017 Proposed \$/month	July 1, 2018 Proposed \$/month	July 1, 2019 Proposed \$/month
% Increase		3%	3%	3%	3%	3%
Single Family Residential	\$23.23	\$23.93	\$24.65	\$25.39	\$26.15	\$26.93
\$ Increase		\$0.70	\$0.72	\$0.74	\$0.76	\$0.78
Multi-Family Residential	\$20.91	\$21.54	\$22.19	\$22.86	\$23.55	\$24.26
Commercial						
Fixed Charge (up to 7.3 HCF)	\$20.91	\$21.54	\$22.19	\$22.86	\$23.55	\$24.26
Flow Rate (\$/ HCF, above 7.3 HCF)	\$2.88	\$2.96	\$3.05	\$3.14	\$3.23	\$3.33

Sewer Rate Survey



Next Steps

- Authorize the Proposition 218 process
- Print and mail sewer rate increase notices to customers
- 45 days after mailing, conduct a public hearing
- If no majority protest, approve and implement rates



Questions and Comments

