

Almonte Sanitary District

Public Hearing

to present plan for

Sewer Rate Increase

Almonte Sanitary District

Agenda

- Background: Causes for increased rates
- History/Comparison of Almonte Rates
- Planned rate increase
 - Allocation of additional funds
- Hearing procedures
- Public Open Time: Comments
- Closure

Almonte Sanitary District - Background

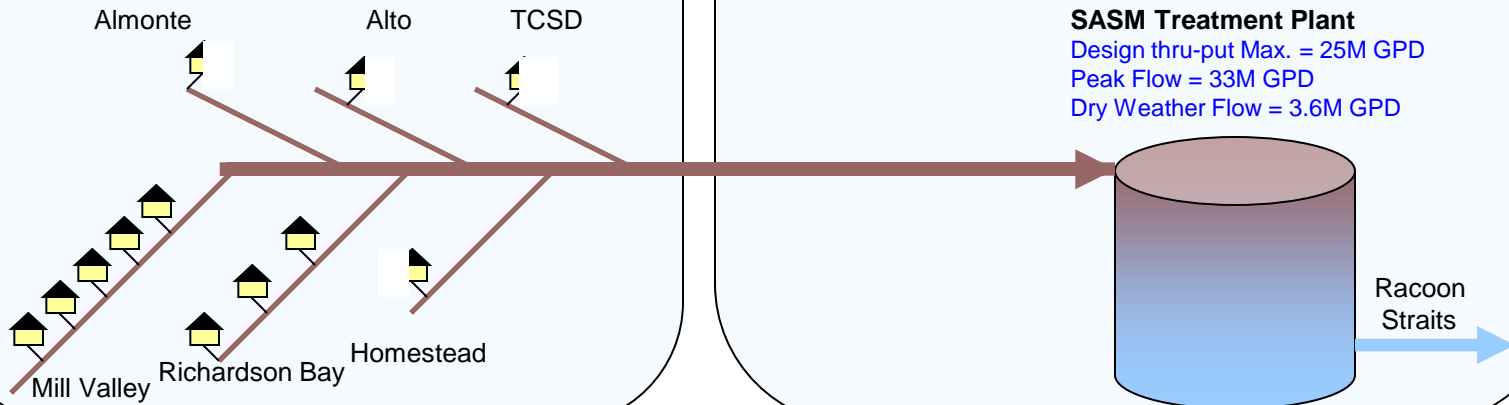
Collection Districts

1. Tamalpais CSD.....	1.4%
2. Alto.....	3.4
3. Almonte	5.2
4. Homestead Valley.....	7.3
5. Richardson Bay.....	33.5
6. City of Mill Valley.....	49.2

Treatment - SASM

Approx. share of ownership, operating cost & use by each collection district

*SASM is Operated by City of Mill Valley by Contract with Collection Districts



Almonte Sanitary District - Background

- **EPA Change in regulatory posture:** The EPA signed off on the original designs of SASM which contemplated high wet weather flows (to handle a 20 year return storm).
 - SASM had a number of spills (1994, 1998, 2005) that had no enforcement action by RWQCB or EPA.
 - **In 2004**, RWQCB issued requirements for collection systems for reporting SSO and having a comprehensive plan in place.
 - **In 2006**, this program was taken statewide by the SWRQCB.
 - **Almonte, in response** to the 2004 - 2006 regional and state regulations began to repair and replace sewer pipe more aggressively. Increased cleaning, repair and replacement have cut our SSOs dramatically:
 - 2007 (8 SSO) [SSO=Sewer System Overflow]
 - 2008 (0 SSO)
 - 2009 (1 SSO)
 - 2010 (1 SSO)
 - **In 2007**, EPA became involved with inspections of local agencies.
 - **In 2008**, SASM spilled twice. Politicians and EPA reacted (over reacted) with AB 1232 (consolidation) and EPA administrative order requiring many costly responses by SASM (CCTV lines, Inspection reports, CIP programs, quarterly and annual reporting, etc.)
- **EPA also changed regulatory posture on I&I:** Considering rulemaking to quantify and limit. EPA administrative order requires all SASM agencies to present a comprehensive 10 year CIP program due 10/15/2010 for repair & replacement of pipe.
 - Almonte believes that a 2 - 4% (about \$100-125K/yr.) annual replacement of collection system over the next 5-10 years will significantly address I&I issues as well as SSO problems and reduce cleaning costs.

Almonte Sanitary District - Background

The 2 spills at the SASM plant in 2008 led to EPA involvement and enforcement actions:

- **At SASM:**

- \$1.6M in fines
- Required expansion of the equalization [surge] ponds
- Upgraded maintenance and capital improvements

THIS HAS REQUIRED SASM TO INCREASE TREATMENT RATES TO MEMBERS [15%, 15%, 10%, 10% over next 4 years]

- **At ASD:**

- Stepped up Capital Replacement Program [CIP]

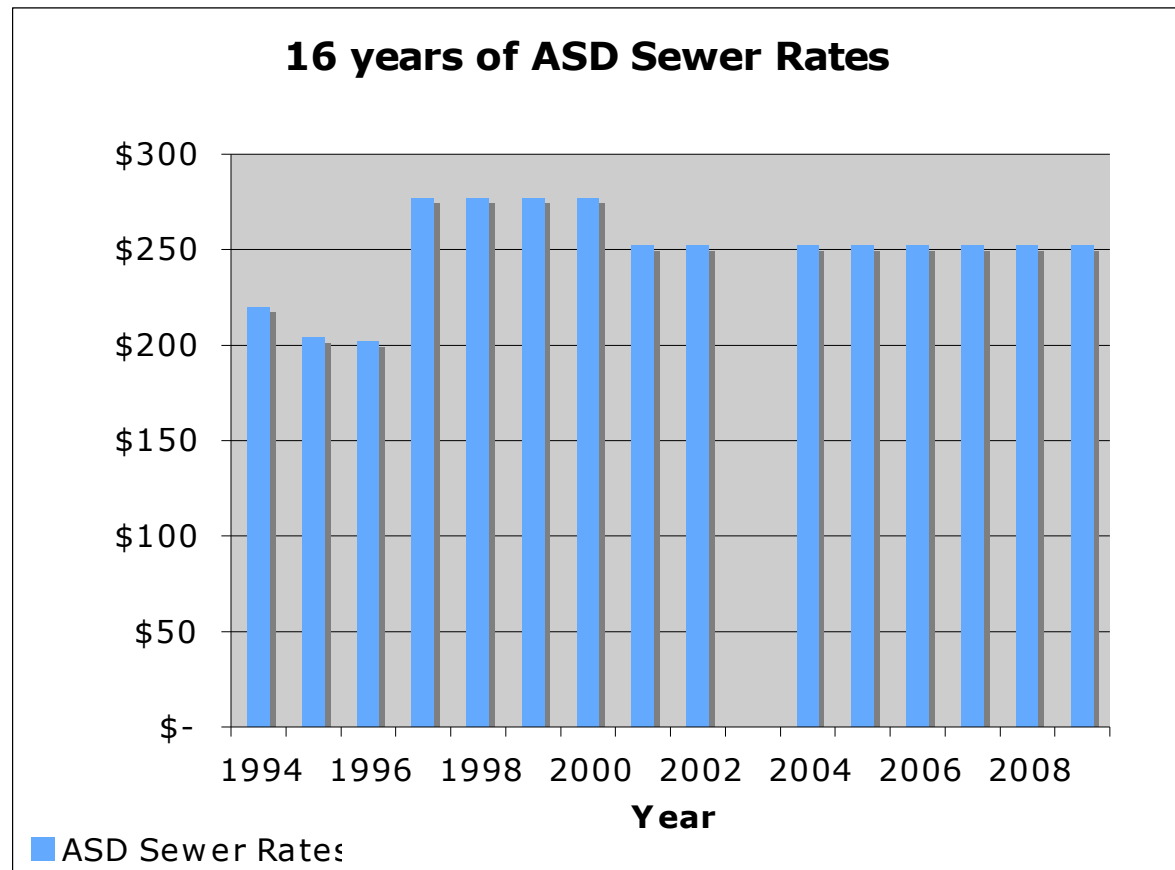
THIS & THE SASM FEE INCREASE HAS REQUIRED ASD TO RAISE RATES

NOTE: For the last 2 years, ASD has had to draw from reserves: 2008 - (\$57,892) 2009 - YTD (\$102,645), for CCTV of laterals, repairs and capital replacement of mains.

Almonte Sanitary District - History

1994	\$	220
1995	\$	204
1996	\$	202
1997	\$	277
1998	\$	277
1999	\$	277
2000	\$	277
2001	\$	252
2002	\$	252
2003	\$	-
2004	\$	252
2005	\$	252
2006	\$	252
2007	\$	252
2008	\$	252
2009	\$	252

2003 had no sewer billing



Almonte Sanitary District - Comparison

Comparable sewer rates of nearby communities:

Local Sewer Rates:

	2009	2010
● RBSD.....	~ \$248/yr.*	\$ 248*
● ASD	\$250/yr.	\$ 500
● Mill Valley..	~ \$271/yr	?
● Alto.....	\$400/yr.	\$ 500
● Homestead..	\$500/yr.	\$ 575
● TCSD.....	\$701/yr	\$1013

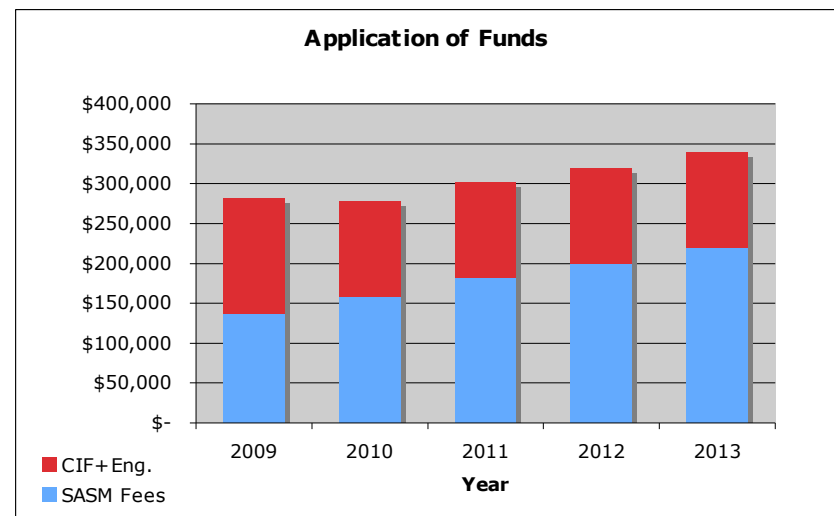
* RBSD [6X larger than ASD] receives ~\$1.4M contribution from Property Taxes, ASD receives ~\$76,000

Other Bay Area

● Sausalito	~ \$748/yr.
● Corte Madera	~ \$500/yr.
● Novato	~ \$464/yr.
● Ross Valley	~ \$520/yr.
● Vallejo	~ \$487/yr. [increases scheduled]

Almonte Sanitary District - \$ Allocation

- **Required higher payments to the Sewerage Agency of Southern Marin (SASM)**
 - To restore SASM Reserve after paying EPA fines from 2008 spills
 - Doing EPA mandated maintenance and upgrades
 - Replace capital items on a 27 year old plant
- **Stepped up Capital Replacement Plans** (ASD's collection system) - by EPA mandate & to avoid future penalties from EPA
 - 33,000ft pipe, lasts 50 yrs
 - 2%/yr.= 660ft. X \$150/lf.
 - => \$100k/yr cap. replace exp.
- **Replenish ASD Reserve Fund** with any excess
 - Last 2 years of mandated activities has required deficit operations and a draw-down of ASD Reserve Fund
 - 2008 - (\$57,892)
 - 2009 - (\$102,645)



Almonte Sanitary District - Rate Increase

- Amount of increase needed:

Not to exceed \$500 per EDU.

Almonte Sanitary District - Procedures

- Every speaker must identify his/herself.
- Speaking time is limited to 5 minutes per person
- Focus comments on rate increase and directly-related issues
- Please show courtesy and respect to all speakers and Board members

Almonte Sanitary District - **The Public**

- Now is the time to hear comments from
The Public

Almonte Sanitary District - Closure

- Final comments