

New and Increased Miscellaneous Fees and Charges

Board of Public Utilities

December 15, 2022

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Background

- What is a miscellaneous fee?
 - Fees and charges to reimburse Santa Rosa Water for specific services
 - Charged to the customers who receive the service – not spread to the entire ratepayer base
 - Currently there are 79
- How are they calculated?
 - Billable labor rate
 - Vehicle rates if applicable
 - Materials if applicable
- How are fees adopted?
 - Public Hearing, last held at BPU March of 2019

Proposed New Fees

- Payment Plan Processing Fee - \$320
 - CE Tech 4 hours @\$80.00 per hour
- Water Meter Reading Fee - \$25
 - Customer refusal of automated meter reading
 - Meter Technician 15 minutes @\$59.00 per hour and vehicle 15 minutes @\$5.75
- Credit Card Chargeback Fee - \$25
 - Customer initiated stop payment on credit card transaction
 - Recovery of \$25.00 bank fee charged to Santa Rosa Water

Proposed New Fees (cont.)

- Water Waste Disconnection Fee - \$50
 - Meter Technician 45 minutes @\$59.00 per hour and vehicle 15 minutes @\$5.75
- Water Demand Offset Application Fee
 - Standard application - CE Tech 2 hours @\$80.00 per hour
 - Applicant proposed program - Sustainability Coordinator 10 hours @\$97.00 per hour

Proposed Fee Increases and Modifications

- Trucked Waste Tipping Fees
 - Study conducted to determine appropriate fees
 - Fee schedule will be implemented over 3 years
 - New categories
 - Medium strength - new category comprised of high strength waste, but not high enough for direct injection which generates energy
 - Low strength - includes sewer line cleaning, wine rinsate, and groundwater

Report Evaluation Summary

The evaluation identified improvements that minimize risks to the LTP by increasing oversight for monitoring of trucked wastes and Program costs and revenues. Improvements will add operating and capital costs, which can be recovered by increasing tipping fees. A NPV analysis was used to recommend tipping fee values that would result in net positive annual revenue over the next 10 years based on assumptions for annual cost escalations; however, additional considerations were identified:

- **Tipping fee price shock.** To maintain a net positive revenue equivalent to baseline conditions, tipping fee values for certain wastes (e.g., Mecham leachate) were recommended at over twice the current value. The City can also consider rates lower than values recommended by the analysis to mitigate risk of losing haulers and revenue.
- **Capacity evaluation.** Solids treatment capacities and population projections were not included in this evaluation.
- **Program expansion.** Evidence of solids treatment and gas conditioning capacities suggested Program expansion would require upgrades. Consideration for Program expansion should be coordinated with the City's Biosolids Management Strategic Plan (BMSP).
- **Market and regulatory conditions.** Senate Bill 1383 and contaminants such as microplastics and PFAS have the potential to change market conditions and biosolids end-use regulations. Operating costs should be considered and coordinated with the City's BMSP.

Ten-Year Trucked Waste Fee Schedule

| Category | Current | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|----------------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Septic | \$ 130 | \$ 130 | \$ 130 | \$ 131 | \$ 132 | \$ 133 | \$ 134 | \$ 135 | \$ 135 | \$ 135 | \$ 135 |
| Medium Strength* | \$ 40 | \$ 43 | \$ 46 | \$ 49 | \$ 52 | \$ 55 | \$ 58 | \$ 61 | \$ 64 | \$ 65 | \$ 65 |
| HSW -Receive Station | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 |
| Gray Water | \$ 40 | \$ 41 | \$ 42 | \$ 43 | \$ 43 | \$ 43 | \$ 43 | \$ 43 | \$ 43 | \$ 43 | \$ 43 |
| Leachate | \$ 17 | \$ 20 | \$ 23 | \$ 26 | \$ 30 | \$ 32 | \$ 35 | \$ 36 | \$ 36 | \$ 36 | \$ 36 |
| Meacham Leachate | \$ 14 | \$ 20 | \$ 23 | \$ 26 | \$ 29 | \$ 33 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 |
| Low Strength* | \$ 20 | \$ 22 | \$ 24 | \$ 26 | \$ 28 | \$ 30 | \$ 32 | \$ 34 | \$ 35 | \$ 35 | \$ 35 |

Fees are per 1,000 gallons

**Currently incorporated in other categories*

Three-Year Trucked Waste Fee Schedule

| Category | Current | Year 1 | Year 2 | Year 3 |
|-----------------------|----------|----------|----------|----------|
| Septic | \$130.00 | \$130.00 | \$130.00 | \$131.00 |
| Medium Strength* | None | \$43.00 | \$46.00 | \$49.00 |
| HSW - Receive Station | \$40.00 | \$40.00 | \$40.00 | \$40.00 |
| Gray Water | \$40.00 | \$41.00 | \$42.00 | \$43.00 |
| Leachate | \$17.00 | \$21.00 | \$24.00 | \$27.00 |
| Mecham Leachate | \$14.00 | \$20.00 | \$23.00 | \$26.00 |
| Low Strength* | None | \$22.00 | \$24.00 | \$26.00 |

Fees are per 1,000 gallons

**Currently incorporated in other categories*

Example Fee Increases

| Waste Type | Gallons | Current | Year 1 | Year 2 | Year 3 |
|-----------------------------------|-----------|-------------|-------------|-------------|-------------|
| Septic | 64,000 | \$ 8,320.00 | \$ 8,320.00 | \$ 8,320.00 | \$ 8,384.00 |
| Process Water (Medium Strength) | 1,011,700 | \$40,468.00 | \$43,503.10 | \$46,538.20 | \$49,573.30 |
| Mecham Pipeline (Mecham Leachate) | 365,000 | \$ 5,110.00 | \$ 7,300.00 | \$ 8,395.00 | \$ 9,490.00 |
| Groundwater (Low Strength) | 57,500 | \$ 1,150.00 | \$ 1,265.00 | \$ 1,380.00 | \$ 1,495.00 |
| Wine Rinsate (Low Strength) | 20,000 | \$ 400.00 | \$ 440.00 | \$ 480.00 | \$ 520.00 |
| Cheese Processing (Low Strength) | 140,000 | \$ 2,800.00 | \$ 3,080.00 | \$ 3,360.00 | \$ 3,640.00 |

Miscellaneous Fee Schedule

A complete list of the 87 Water Department and Water Billing Miscellaneous Fees and Charges, including the proposed changes, is included in the Resolution, for consolidation and ease of reference. This allows the public and staff to access all fees in one location.

Public Outreach

- BPU Budget Review Subcommittee Meeting – 11/7/2022
 - Feedback and direction provided by subcommittee
- BPU Budget Review Subcommittee Meeting – 12/1/2022
 - Recommendation by subcommittee
- Letters to targeted audiences
 - Manual Meter Reading
 - High Strength Tipping Fees
 - Water Demand Offset Application
- Public Notices in Newspaper

Public Hearing Schedule

- Initial Newspaper Publication 11/07/2022
- Board of Public Utilities Meeting – Continued 11/17/2022
- Republication in Newspaper 12/05/2022
- Second Republication in Newspaper 12/10/2022
- Board of Public Utilities Public Hearing 12/15/2022

- Fees Effective (60 days after adoption) 2/13/2023

Recommendation

- It is recommended by the Budget Review Subcommittee and Santa Rosa Water that the Board of Public Utilities approve Santa Rosa Water's Miscellaneous Fees and Charges Schedule, as proposed, at a Public Hearing
- Questions?