

New and Increased Miscellaneous Fees and Charges

Board of Public Utilities

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Nick Harvey, Deputy Director Administration

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 83 – proposing 3 new fees for a total of 86
- How are they calculated?
 - Fully burdened labor rate
 - Vehicle rates if applicable
 - Materials if applicable
- How are fees adopted?
 - Public Hearing by the BPU - last schedule adopted at BPU in December 2022

Proposed New Fees

- Gate Opening Fob: \$50
 - Used by trucking waste haulers to access Laguna Treatment Plant
- Broken Collar: \$55
 - Service lock-off device
- Broken Viper Lock: \$53
 - Specialty Locking device deployed in certain instances

Proposed Fee Increases and Modifications

- Updated analysis of staff time and cost of materials:
 - Proposing increases to 13 fees based on this methodology
 - “Revised Fees” section of the Miscellaneous fees and charges update document
- Proposing to begin increasing fees annually by CPI-U SF Bay Area
 - February of previous year vs. February of current year
 - Feb 2023 to Feb 2024 = 2.4%
 - Methodology already in use for City’s Development Fees and in the annual calculation of the Storm Water Assessment on property tax rolls
 - Propose escalation to go in effect December 2, 2024 (with this schedule), then on July 1, 2026, and then July 1 each year thereafter
 - Few exceptions

Trucked Waste Program

- Initial fee structure established by the Trucked Waste Program Evaluation Report published August 16, 2022
- Not proposing to escalate fees at this time
 - Instead proposing to extend year 2 of the fee schedule (currently in effect) until June 30, 2026
- Future program fees to be informed by both the study and analysis of actual costs incurred to run the program
 - High traffic – important to get to true cost recovery
 - Impacts more complex than other miscellaneous fees
 - Pavement impacts
 - Treatment capacity
 - Labor

Fees Not Changing

- Initiate water/sewer or water service
- Initiate sewer service only
- Unable to read meter
- Second request to start/stop service
- Penalty for failure to pay utility bill on time – 14 days past due
- Any fee that involves a deposit, actual cost, or hourly rate
- Cost recovery for collection agency fee on past due invoices
- Backflow administration fee – monthly
- Monthly fireline testing fee
- Monthly fireline protection fee – 2", 4" or 6"
- Leak check – first call
- Minimum monthly charge on construction meters
- 3" hydrant, 2" or 6" bridge
- Construction meter – 5/8" or 1"

Miscellaneous Fee Schedule

A complete list of the 86 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 – 9/17/2024
 - Feedback and direction provided by subcommittee
 - Updated fee schedule recommended by subcommittee
- Letters to targeted audiences
 - Waste haulers at the Laguna Treatment Plant
 - Northern California Engineering Contractors Association (NCECA)
- Public Notices in Newspaper
 - Press Democrat publication on September 15 and 23, 2024

Public Hearing Schedule

- Initial Newspaper Publication 9/15/2024
- BPU Budget Subcommittee 9/17/2024
- Republication in Newspaper 9/23/2024
- Board of Public Utilities Public Hearing 10/03/2024 (today)
- Fees Effective (60 days after adoption) 12/02/2024
- Next CPI-U escalation 7/1/2026
- Ongoing CPI escalation July 1 each year
 - Future proposed changes (non CPI-U) would come as a public hearing before the BPU for the Board's consideration and approval

Recommendation

It is recommended by the Budget Review Subcommittee and Santa Rosa Water that the Board of Public Utilities, by resolution, adopt new Water Department miscellaneous fees and charges for water and wastewater services, increase certain fees based on updated cost information, adopt all fees through June 30, 2026 and authorize the Water Director to escalate certain fees on July 1, 2026, and July 1st of each year thereafter, based on price changes as identified by the Consumer Price Index (CPI) for urban consumers in the San Francisco Bay Area.

Questions?