

Response to Questions on the FY 2019 Budget

Request By: Supervisor Herrity

Question: Please explain why the sewer charges are increasing greater than the increase in cost of living and population growth?

Response:

The proposed wastewater rates are based on full cost recovery principles, and comply with the covenants required by the resolutions and loan agreements adopted by the Board of Supervisors. Operating expenses are increasing 2.4 percent (Fund 69010, Sewer Operations and Maintenance), and this growth is consistent with the growth of other County programs.

Capital investment in wastewater assets is the primary reason for the proposed sewer fee increase. Sewer System regulations are continually tightening and the system is aging. The treatment plant and pump stations' mechanical equipment has a shorter useful life than the useful life of the collection system of pipes. Large projects such as those that are updating the Plant's solids and disinfection programs require resource investments.

Sewer fees are recommended per the results of an annual review of the system conducted by the Wastewater Management Program and its consultants. Sewer charges in the sewer ordinance are multi-year (through FY 2023), but are reviewed and adjusted as necessary on an annual basis to ensure sewer charges are accurately priced. A public hearing on these rates is held annually by the Board of Supervisors and incorporated as part of the annual budget adoption.