



NOTICE OF PROPOSED WATER AND SEWER RATE CHANGES
May 26, 2017

TO: Water and Sewer Parcel Owners and Ratepayers in the City of Hayward Service Area
(Please forward this notice to the ratepayer)

The City of Hayward is proposing increases in water and sewer rates, effective October 1, 2017 and October 1, 2018. A public hearing will be held by the Hayward City Council regarding the proposed rate adjustments on **Tuesday, July 11, 2017, at 7:00 p.m.**, at the Hayward City Hall, 777 B Street. Rates and charges, which may be adopted at the public hearing, will not exceed the proposed rates presented in this notice.

Este aviso contiene información importante sobre el costo de servicio de agua y del sistema de alcantarilla de la Ciudad de Hayward. Para obtener esta información en español, por favor llame a la Ciudad de Hayward al (510) 583-4700.

WATER RATES

The City of Hayward relies entirely on water rate revenue to fund the costs of providing water service. Therefore water rates must be set at sufficient levels to recover the cost of purchasing wholesale water from the San Francisco Public Utilities Commission (SFPUC), Hayward's sole water supplier, and operating and maintaining the water distribution system. Water rates are comprised of two parts, water usage rates and water service fees.

NO CHANGE TO WATER USAGE RATES

Water usage revenues pay for the costs of purchasing and delivering water, and are based on the quantity of water used in your home or business as measured by your water meter. Hayward's water usage rates are comprised of tiered rate schedules for residential and non-residential customers in accordance with cost recovery calculations for each customer classification. **There is no change proposed to the water usage tiers or rates for Fiscal Years 2018 and 2019.** Pursuant to California Government Code 53756, Hayward may pass through any additional increases in SFPUC wholesale rates above the SFPUC projections upon notification to all customers at least 30 days in advance of implementation.

	Usage	Current Rate/ccf	Rate/ccf Oct 1, 2017	Rate/ccf Oct 1, 2018
Single-Family Residential (SFR)	1 – 8 ccf	\$5.80	\$5.80	\$5.80
	9 – 25 ccf	\$7.14	\$7.14	\$7.14
	Over 25 ccf	\$8.41	\$8.41	\$8.41
Duplex, Triplex and Fourplex Residential (Per dwelling unit, based on average usage)	1 – 8 ccf	\$6.43	\$6.43	\$6.43
	9 – 25 ccf	\$7.15	\$7.15	\$7.15
	Over 25 ccf	\$8.52	\$8.52	\$8.52
Multifamily Residential (5+ units/account) (Per dwelling unit, based on average usage)	1 – 8 ccf	\$6.97	\$6.97	\$6.97
	9 – 20 ccf	\$7.23	\$7.23	\$7.23
	Over 20 ccf	\$7.94	\$7.94	\$7.94
Non-Residential	1 – 200 ccf	\$6.95	\$6.95	\$6.95
	Over 200 ccf	\$8.29	\$8.29	\$8.29

Note: One ccf of water equals 748 gallons. A typical SFR customer currently uses an average of 175 gallons per day.

PROPOSED WATER SERVICE FEES

Water service fees, which are based on meter size, pay for fixed costs of providing service, such as meter reading, billing, customer service, debt service obligations, and repairs, and do not vary with the quantity of water purchased.

CURRENT AND PROPOSED WATER SERVICE FEES			
Meter Size	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Low income residential	\$5.60	\$7.00	\$8.40
5/8 inch	\$16.00	\$20.00	\$24.00
3/4 inch	\$21.75	\$27.19	\$32.63
1 inch	\$32.95	\$41.19	\$49.43
1 1/2 inch	\$72.15	\$90.19	\$108.23
2 inch	\$127.00	\$158.75	\$190.50
3 inch	\$320.50	\$400.63	\$480.75
4 inch	\$634.90	\$793.63	\$952.35
6 inch	\$1,120.00	\$1,400.00	\$1,680.00
8 inch	\$1,550.50	\$1,938.13	\$2,325.75

The proposed water rates and fees will result in overall increases averaging about 4% for most customers in each year. For example, a family that uses 14 ccf of water in a two-month billing period, or about 175 gallons per day, will see an average 3.8% increase in its bimonthly billing, from \$105.24 to \$109.24 the first year and a further 3.7% increase to \$113.24 in the second year. Customers who reside outside of the City limits continue to pay a 15% surcharge on water service and usage charges based on cost of service.

SEWER SERVICE CHARGES

Sewer service charges pay for the collection, treatment and disposal of wastewater from residences and businesses and is based on the type and volume of wastewater disposed. Increases in the costs of providing these services have resulted in the need for modest rate adjustments.

PROPOSED MONTHLY RESIDENTIAL SEWER SERVICE CHARGES

The standard residential rate is proposed to increase by 5% in each of the next two years.

Lower monthly rates, called Economy and Lifeline rates, are automatically applied to billings where metered water consumption is significantly lower than the current standard usage (currently 0-5 ccf for Lifeline or 6-10 ccf for Economy). Given substantially reduced water consumption over the past few years, the proposed water usage requirements for the subject tiers are also proposed to be reduced, as follows:

Rate	Current Water Usage	Proposed Water Usage
Economy	6-10 ccf	5-8 ccf
Lifeline	0-5 ccf	0-4 ccf

This change in usage categories will result in a 2.5% increase per year in Economy and Lifeline rates. The following table lists the current and proposed residential sewer service charges.

CURRENT AND PROPOSED MONTHLY RESIDENTIAL SEWER SERVICE CHARGES			
	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Standard Residential (single-family unit)	\$29.80	\$31.29	\$32.85
Duplex, Triplex, Fourplex (per unit)	\$29.80	\$31.29	\$32.85
Multi-Family (per unit)	\$26.52	\$27.85	\$29.24
Mobile Home (per unit)	\$20.86	\$21.90	\$22.99
Economy (5 to 8 units of metered water usage)	\$17.45	\$17.88	\$18.33
Lifeline (0 to 4 units of metered water usage)	\$8.72	\$8.94	\$9.16

NON-RESIDENTIAL SEWER SERVICE CHARGES

Most non-residential customers are classified by the type of businesses that most closely resembles the nature of wastewater generated. A small number of critical users are billed according to actual measured wastewater strength and volume. The following table lists non-residential sewer service charges for the most common businesses and for critical users. A complete list of charges can be found at www.hayward-ca.gov or you can call (510) 583-4700 to request a copy by mail.

NON-RESIDENTIAL SEWER SERVICE CHARGES FOR CODED USERS*
(per ccf of metered water use)

	With Separate Irrigation Meter			Without Separate Irrigation Meter		
	Current	Proposed (Oct1, 2017)	Proposed (Oct 1, 2018)	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Commercial/Government	\$4.92	\$5.65	\$6.49	\$4.43	\$5.08	\$5.83
Restaurant w/ Grease Interceptor	\$7.10	\$7.85	\$8.68	\$6.39	\$7.06	\$7.80
Restaurant w/o Grease Interceptor	\$9.20	\$10.22	\$11.35	\$8.27	\$9.19	\$10.21
Commercial Laundry	\$5.39	\$5.91	\$6.48	\$4.85	\$5.32	\$5.84
Bakery	\$9.19	\$10.22	\$11.37	\$8.27	\$9.19	\$10.21
Beverage Bottling	\$5.50	\$6.07	\$6.70	\$4.95	\$5.47	\$6.04

NON-RESIDENTIAL SEWER SERVICE CHARGES FOR CRITICAL USERS*

	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Flow – Cost per ccf of wastewater	\$2.532	\$2.612	\$2.692
Carbonaceous Biochemical Oxygen Demand – Cost per pound	\$0.614	\$0.666	\$0.718
Suspended Solids – Cost per pound	\$0.753	\$0.793	\$0.833

*Calculated based on formula and not a straight 5% increase.

Non-residential sewer bills are generally expected to increase by no more than 7%. If you need assistance in calculating the impact of the proposed rate adjustments, please contact the Department of Utilities and Environmental Services at (510) 583-4700 or by email at utilities.administration@hayward-ca.gov.

SUBMITTING WRITTEN PROTESTS

The proposed rate changes will not take effect if written protests are received from a majority of affected property owners and tenants responsible for paying utility bills. If you wish to protest the proposed service rate increases, the City must receive your written protest by mail or hand delivery before the close of the **public hearing on July 11, 2017**. Mail or deliver written protests to: City of Hayward, 777 B Street, Hayward, CA 94541, Attention: City Clerk. For your protest to be counted, it must indicate your name, and either the address(es) or water/sewer account number(s) of your property or properties.

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Accommodations must be requested at least 48 hours in advance by calling (510) 583-4400 or TDD (510) 247-3340.