

Keeping high quality water flowing to you Protecting public health and San Francisco Bay

We are focused on investing in the critical infrastructure you rely on every day.

4,200 miles of water pipelines and more than 300 water storage, pumping and treatment facilities ensure high quality water in 122 pressure zones that serve East Bay homes and businesses. Our facilities need maintenance and continuous investment to serve you every minute of every day.

We always keep financial stewardship of your dollars at top of mind.

As a public not-for-profit agency, we work hard to make smart decisions with your dollars. We continuously seek and implement energy, construction and cost efficiencies, offset operations with hydroelectric, solar and biogas energy generation, find innovative ways to pay for and maintain watershed lands, and leverage state, federal and grant funding to support technology and research for essential projects.

EBMUD on the job

We rely on skilled staff to operate and maintain these systems for the public's health 24 hours a day, 7 days a week. Meet them at www.ebmud.com/onthejob

Reliable services now and for future generations

**Though our water supply this year is secure,
we always have a plan for drought.**

Our drought plan, including a drought surcharge structure, is always in place just in case. We're not using it now, and don't plan to in the next two years, but should nature demand it, we will be ready.



 **EAST BAY
MUNICIPAL UTILITY DISTRICT**
P.O. BOX 24055 • OAKLAND, CA 94623

NOTICE OF PUBLIC HEARING: PROPOSED RATE INCREASES TO WATER AND WASTEWATER SERVICE CHARGES

**1:15 PM
TUESDAY, JUNE 13, 2017
375 11TH STREET, OAKLAND CA 94607**

For more information about the proposed 2018–2019 budget and charges for water and wastewater services, or how to save water, contact us:

若要更多關於2018–19財政年度預算、用水及排污費調整提案或如何節約用水，請用下列網址或電話。

Este aviso sobre cambios propuestos en tarifas del agua y aguas residuales está disponible en español en

ebmud.com • 1-866-403-2683

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*If you are not responsible for paying an EBMUD bill,
please forward this notice to the EBMUD account holder
or property owner.*



Notice of Public Hearing

PROPOSED RATE INCREASES TO WATER AND WASTEWATER SERVICE CHARGES
1:15 PM, TUESDAY, JUNE 13, 2017 EBMUD BOARD ROOM, 375 11TH STREET, OAKLAND, CA

The East Bay Municipal Utility District (EBMUD) is committed to providing the highest quality water utility services at the lowest possible rates for our customers.

Inside you will find an explanation of the rates and fees charged on your EBMUD bill.

Your bill may include charges collected by EBMUD on behalf of other agencies.

PROPOSED MONTHLY WATER AND WASTEWATER SERVICE CHARGES

EBMUD is proposing to increase the rates for its water and wastewater service charges for a two-year period commencing on July 1, 2017 and July 1, 2018, respectively. Charges for water service will increase 9.25% overall in the first year and an additional 9.0% in the second year. Charges for wastewater service will increase 5% each year. This notice shows the proposed water and wastewater charges. The impact of the two-year water rate increases to the average single family customer is less than \$9 per month. The impact of the two-year wastewater rate increases to the average single family customer is about \$2 per month.

While EBMUD has worked hard to control costs, and rates are comparable to other Northern California water and wastewater agencies, increases are still necessary to recover the costs of providing water and wastewater service.

The increases in EBMUD's water and wastewater charges are necessary to enable EBMUD to:

- recover current and long-term projected costs of operating and maintaining the water and wastewater systems;
- fund capital infrastructure improvements needed to repair and update EBMUD's aging water and wastewater systems;
- maintain the operational and financial stability of the water and wastewater utilities;
- comply with State mandated drinking water and wastewater discharge regulatory requirements;
- meet and comply with annual debt service requirements; and
- avoid operational deficits and depletion of reserves.

The chart below demonstrates the impact of the proposed rate increases on the monthly bill for the average single family customer with a 5/8" or 3/4" water meter using 8 units and 6 units of water.

Sample Impacts on Single Family Monthly Charge

Residential Service	Current Rates	Proposed Rates As of July 1, 2017	Increase	Proposed Rates As of July 1, 2018	Increase
Water Average- 8 units (200 gallons per day)	\$47.15	\$51.49	\$4.34	\$56.12	\$4.63
Wastewater Treatment Average- 6 units (150 gallons per day)*	\$19.93	\$20.89	\$0.96	\$21.95	\$1.06

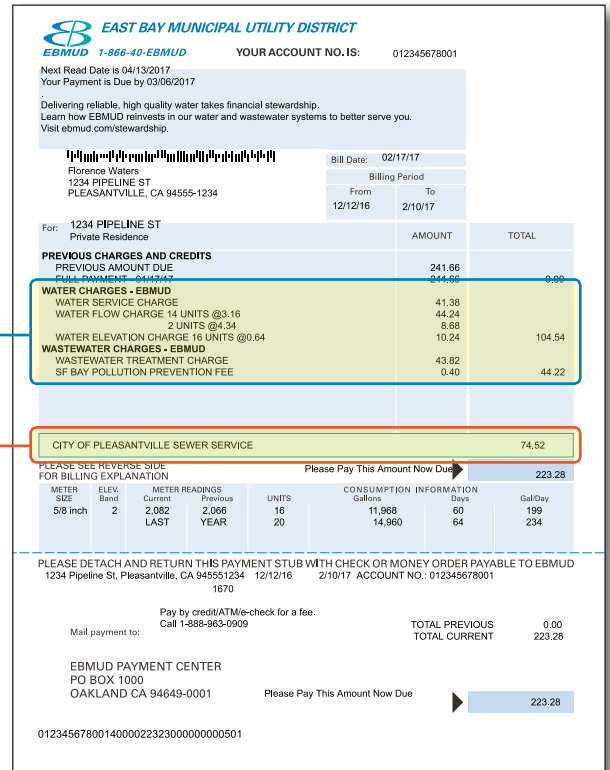
*EBMUD Wastewater Treatment for customers in Albany, Berkeley, El Cerrito, Emeryville, Kensington, Oakland, Piedmont, and parts of Richmond and is collected on the EBMUD water bill.

PUBLIC HEARING AND PROTEST PROCEDURES

The Board of Directors will hold a public hearing on the proposed increases to the water and wastewater service charges on **Tuesday, June 13, 2017, at 1:15 p.m. in the EBMUD Board Room, 375 11th Street, Oakland, CA.** The record owner of any parcel upon which the water and wastewater service charges are proposed for imposition and any tenant directly responsible for the payment of water or wastewater service charges (i.e., a customer of record who is not the property owner) may submit a written protest to the proposed increases; however, only one written protest will be counted per identified parcel. Any written protest must: (1) state the specific service charge increase (water and/or wastewater) for which the protest is being submitted in opposition; (2) provide the location of the identified parcel (by customer account number, street address, or assessor's parcel number); and (3) include the name and signature of the property owner or tenant submitting the protest. If a property owner or tenant is protesting one or more increases, the property owner or tenant should identify which service charge increase or increases he or she is protesting.

Written protests may be submitted by mail to EBMUD, MS 218, PO Box 24055, Oakland, CA 94623-1055, or in person at 375 11th Street, Oakland, CA. All written protests must be received by EBMUD prior to the conclusion of the public input portion of the public hearing. Protests by fax, email, or other electronic means will not be accepted as formal written protests.

The EBMUD Board will hear all oral comments and consider all written protests to the proposed increases at the public hearing. Oral comments at the public hearing will not be counted as formal protests unless accompanied by a written protest. At the conclusion of the public hearing, the Board will consider adoption of the proposed increases for the water and wastewater service charges described in this notice. If written protests against either or both of the proposed service charge increases as outlined above are not presented by a majority of the property owners or tenants directly responsible for the payment of water and/or wastewater service fees and charges of the identified parcels upon which they are proposed to be imposed, the Board will be authorized to impose the respective increases.



EBMUD bills most of its customers bi-monthly for water use and wastewater discharge in units of one hundred cubic feet: 1 unit equals 748 gallons.

BASIS UPON WHICH THE PROPOSED CHARGES WERE CALCULATED

The proposed rates for EBMUD's service charges are consistent with EBMUD's cost-of-service (COS) study for the water and wastewater systems. The COS study allocates operating and capital costs to customer classes based on both customer class usage characteristics, as well as facility design and operation.

EBMUD's Water Charges have five components:

1. Water Flow Charge: All customers pay the Water Flow Charge.

The Water Flow Charge is a variable charge calculated per unit per month of water delivered to a property. It is designed to recover the cost of providing water, including water supply, treatment and distribution. For single family residential customers, the charge consists of three tiers that impose higher rates per unit of water as consumption increases.

2. Water Service Charge: All customers pay the Water Service Charge.

The Water Service Charge is a fixed charge established on the basis of the meter size in inches of the property receiving water service and is calculated to recover a portion of EBMUD's fixed costs, such as meter reading, billing, repairs and customer service.

3. Elevation Charge: The Elevation Charge is assessed to certain customers based on their location. The Elevation Charge is applied to each unit of water delivered to properties in some pressure zones, and is calculated to recover the increased cost of power and facility costs required to pump water to locations 200 feet or more above sea level.

4. Private Fire Service Charge: The Private Fire Service Charge is assessed to certain customers based on their type of water service. A separate Private Fire Service Charge is applicable to properties that have private fire service connections, and is a fixed monthly or bi-monthly charge assessed by meter size in inches and is calculated on the basis of EBMUD's costs of maintaining adequate water pressure to serve the private fire service connection.

5. Drought Surcharge: The Drought Surcharge is a temporary charge that is assessed on all potable water use during a declared drought or water shortage emergency and is further discussed in the section below.

While EBMUD does not anticipate being in a water shortage in the near term, in the highly unlikely event that a water shortage occurs, EBMUD would impose a temporary Drought Surcharge in addition to the regular Water Flow Charge. Drought Surcharges would be applicable to all potable water customer accounts only if the EBMUD Board of Directors declares a Stage 2, 3, or 4 drought based on factors such as system water storage and the need to purchase supplemental supplies of water to meet customer demand. The Drought Surcharges correspond to increasingly severe stages of water shortages, are charged on each unit of water used during the billing period, and are calculated to recover costs such as costs of providing supplemental water, costs of water shortage-related customer service, and losses of revenue, which increase with each drought stage. Drought Surcharges will increase the rates for the potable Water Flow Charge as follows: Stage 1-0%, Stage 2-up to 8%, Stage 3-up to 20%, Stage 4-up to 25%. Prior to implementing the Drought Surcharges, EBMUD will adopt a drought budget which reflects the most current and updated water shortage-related costs. The surcharge will be developed to be consistent with EBMUD's updated drought budget and COS study and will not exceed the

Drought Surcharge percentages listed above. For example, under a Stage 4 drought, an average single family customer using 8 units per month would pay a Drought Surcharge of no more than \$7.88 per month in Fiscal Year 2019 (i.e. no more than 25% of the applicable water flow charges). The actual percentage increase in any given drought stage will depend on the severity of the water shortage.

Water Charges have five customer classes:

Single family residential, multi-family residential, non-residential, private fire service, and nonpotable/recycled water. Together, the rates for the components of the water fees are structured to proportionately recover the costs of providing water service among the various customer classes.

Monthly Water Flow Charges

\$ per unit per month (\$ per 748 gallons)

Category and Tiers	Proposed July 1, 2017 Water Flow Charge	Proposed July 1, 2018 Water Flow Charge
Single-Family Residential		
TIER 1 up to 7 units**	\$3.45	\$3.76
TIER 2 up to 16 units**	\$4.74	\$5.17
TIER 3 over 16 units**	\$6.27	\$6.83
Multi-Family Residential	\$4.87	\$5.31
All Other Accounts	\$4.85	\$5.29
Nonpotable/Recycled Water	\$3.78	\$4.12

**Tier 1 use up to 172 gallons per day, Tier 2 use from 173 to 393 gallons per day, and Tier 3 use over 393 gallons per day prorated by number of days.

Monthly Elevation Charge

\$ per unit per month (\$ per 748 gallons)

FY2018- Proposed July 1, 2017 • FY2019- Proposed July 1, 2018

PRESSURE ZONE 1		PRESSURE ZONE 2		PRESSURE ZONE 3	
Proposed		Proposed		Proposed	
FY2018	FY2019	FY2018	FY2019	FY2018	FY2019
\$0.00	\$0.00	\$0.70	\$0.76	\$1.45	\$1.58

Monthly Service Charges \$ per Meter Size

Meter Size (in inches)	Proposed July 1, 2017		Proposed July 1, 2018	
	Basic Service	Private Fire Service	Basic Service	Private Fire Service
5/8 or 3/4	\$22.60	\$12.03	\$24.63	\$13.11
1	\$34.13	\$16.52	\$37.20	\$18.01
1 1/2	\$62.98	\$27.71	\$68.65	\$30.20
2	\$97.58	\$41.14	\$106.36	\$44.84
3	\$189.87	\$76.99	\$206.96	\$83.92
4	\$293.70	\$117.29	\$320.13	\$127.85
6	\$582.05	\$229.28	\$634.43	\$249.92
8	\$928.11	\$363.66	\$1,011.64	\$396.39
10	\$1,331.83	\$520.43	\$1,451.69	\$567.27
12	\$1,850.94	\$721.99	\$2,017.52	\$786.97
14	\$2,370.00	\$923.57	\$2,583.30	\$1,006.69
16	\$3,004.44	\$1,169.95	\$3,274.84	\$1,275.25
18	\$3,638.86	\$1,416.31	\$3,966.36	\$1,543.78

Wastewater rates and charges apply to customers and property owners in Alameda, Albany, Berkeley, El Cerrito, Emeryville, Kensington, Oakland, Piedmont and parts of Richmond, and are collected on the water bill.

EBMUD's Wastewater Charges have five components:

1. Service Charge: The Service Charge is a fixed monthly charge per service connection and is calculated to recover a portion of EBMUD's fixed costs of providing wastewater services.

2. Flow Charge: The Flow Charge is a variable monthly charge determined on the basis of a customer's metered water use and assumptions regarding the volume of water returned to the sewer system. The charge recovers a portion of EBMUD's costs of collecting and treating wastewater.

3. Strength Charge: The Strength Charge is based on the estimated amount of waste constituents that a customer discharges into the sewer system and is calculated to recover EBMUD's costs of treating such waste constituents. Residential customers' wastewater is very homogeneous. Consequently their treatment strength costs are recovered from a fixed Treatment Strength Charge.

4. SF Bay Pollution Prevention Fee: The Pollution Prevention Fee is a fixed monthly charge calculated on the basis of the costs of EBMUD's pollution prevention program, established in the 1980s, to prevent pollutants from reaching the San Francisco Bay.

5. Wet Weather Facilities Charge collected on the property tax bill:

The Wet Weather Facilities Charge is a fixed annual charge assessed by lot size for properties connected to the wastewater system. It is calculated on the basis of EBMUD's costs of its multi-million dollar wet weather program mandated by the U.S. Environmental Protection Agency to improve EBMUD's capacity to collect and treat all wastewater flows during rainy weather.

Wastewater Charges have three customer classes:

Residential, multi-family residential, and non-residential. Non-residential customers are further classified based on the type of business operated. Together, the rates for the components of the wastewater service fees are structured to proportionately recover the costs of providing wastewater services among the various customer classes.

Monthly Non-Residential Strength and Flow Charges

FY2018- Proposed July 1, 2017 • FY2019- Proposed July 1, 2018

	FY2018	FY2019		FY2018	FY2019
Service Charge (\$ per account)	\$5.83	\$6.12	SF Bay Pollution Prevention Fee (\$ per account)	\$5.48	\$5.48
Combined Strength and Flow Charges by Business Classification Code (BCC) \$ per unit			Combined Strength and Flow Charges by Business Classification Code (BCC) \$ per unit		
2010 Meat Products	\$7.48	\$7.85	All Other Business Classifications		
2011 Slaughterhouses	\$7.54	\$7.92	(includes domestic waste dischargers)	\$2.59	\$2.73
2020 Dairy Product Processing	\$5.91	\$6.21			
2030 Fruit and Vegetable Canning	\$4.80	\$5.04	Permit Accounts*		
2040 Grain Mills	\$4.93	\$5.18	Flow Charge per unit per month	\$1.139	\$1.196
2050 Bakeries (including Pastries)	\$8.40	\$8.82	Strength Charge per pound		
2060 Sugar Processing	\$4.60	\$4.83	Chemical Oxygen Demand Filtered	0.337	0.354
2077 Rendering Tallow	\$15.04	\$15.80	Total Suspended Solids	0.492	0.517
2080 Beverage Manufacturing/Bottling	\$3.56	\$3.74			
2090 Specialty Foods Manufacturing	\$15.22	\$15.99	Minimum Monthly Treatment Charge		
2600 Pulp and Paper Products	\$4.24	\$4.45	6513 Apartment Buildings (5 or more units)	\$45.93	\$48.27
2810 Inorganic Chemicals Manufacturing	\$5.65	\$5.93	All Other Business Classifications	\$5.83	\$6.12
2820 Synthetic Material Manufacturing	\$1.29	\$1.36			
2830 Drug Manufacturing	\$2.66	\$2.79	Multi-Use Accounts		
2840 Cleaning and Sanitation Products	\$5.37	\$5.64	Food Service, Bakery, and Domestic		
2850 Paint Manufacturing	\$10.48	\$11.01	A 0-9% Food, 91-100% Domestic	\$2.59	\$2.73
2893 Ink and Pigment Manufacturing	\$3.70	\$3.88	B 10-19% Food, 81-90% Domestic	\$2.85	\$3.00
3110 Leather Tanning and Finishing	\$14.35	\$15.07	C 20-29% Food, 71-80% Domestic	\$3.11	\$3.28
3200 Earthenware Manufacturing	\$3.08	\$3.24	D 30-39% Food, 61-70% Domestic	\$3.37	\$3.55
3300 Primary Metals Manufacturing	\$2.43	\$2.56	E 40-49% Food, 51-60% Domestic	\$3.63	\$3.83
3400 Metal Products Fabricating	\$1.40	\$1.47	F 50-59% Food, 41-50% Domestic	\$3.90	\$4.10
3410 Drum and Barrel Manufacturing	\$14.48	\$15.21	G 60-69% Food, 31-40% Domestic	\$4.16	\$4.37
3470 Metal Coating	\$1.52	\$1.60	H 70-79% Food, 21-30% Domestic	\$4.42	\$4.65
4500 Air Transportation	\$1.97	\$2.07	I 80-89% Food, 11-20% Domestic	\$4.68	\$4.92
4951 Groundwater Remediation	\$1.18	\$1.24	J 90-99% Food, 1-10% Domestic	\$4.94	\$5.20
5812 Food Service Establishments	\$5.20	\$5.47	K 0-9% Bakery, 91-100% Domestic	\$2.59	\$2.73
6513 Apartment Buildings (5+ units)	\$2.59	\$2.73	L 10-19% Bakery, 81-90% Domestic	\$3.17	\$3.34
7000 Hotels, Motels with Food Service	\$3.77	\$3.96	M 20-29% Bakery, 71-80% Domestic	\$3.75	\$3.95
7210 Commercial Laundries	\$3.29	\$3.46	N 30-39% Bakery, 61-70% Domestic	\$4.33	\$4.56
7215 Coin Operated Laundromats	\$2.48	\$2.60	O 40-49% Bakery, 51-60% Domestic	\$4.91	\$5.17
7218 Industrial Laundries	\$9.09	\$9.55	P 50-59% Bakery, 41-50% Domestic	\$5.50	\$5.78
7300 Laboratories	\$1.78	\$1.87	Q 60-69% Bakery, 31-40% Domestic	\$6.08	\$6.38
7542 Automobile Washing/Polishing	\$2.36	\$2.48	R 70-79% Bakery, 21-30% Domestic	\$6.66	\$6.99
8060 Hospitals	\$2.30	\$2.42	S 80-89% Bakery, 11-20% Domestic	\$7.24	\$7.60
8200 Schools	\$1.68	\$1.76	T 90-99% Bakery, 1-10% Domestic	\$7.82	\$8.21

*Wastewater permit customers should consult their current permit to determine how the treatment flow and strength charges affect their wastewater bill.

Monthly Residential Strength and Flow Charges

Description	Proposed July 1, 2017		Proposed July 1, 2018	
	Single-Family	Multi-Family*	Single-Family	Multi-Family*
Service Charge (\$ per account)	\$5.83	\$5.83	\$6.12	\$6.12
Strength Charge (\$ per dwelling unit)	\$8.02	\$8.02	\$8.43	\$8.43
Flow Charge (\$ per unit - Up to 9 units max.)	\$1.14	\$1.14	\$1.20	\$1.20
SF Bay Pollution Prevention Fee (\$ per dwelling unit)**	\$0.20	\$0.20	\$0.20	\$0.20

*Multi-Family Residential is 2 to 4 dwelling units; all charges except the Treatment Service Charge are per dwelling unit.

**SF Bay Pollution Prevention Fee for apartments (5 or more dwelling units) will be \$1.00 for FY2018 and FY2019.

Annual Wet Weather Facilities Charge (\$ per Lot)*

FY2018 - Proposed July 1, 2017			FY2019 - Proposed July 1, 2018		
Small Lot 0-5,000 sq ft	Medium Lot 5,001-10,000 sq ft	Large Lot >10,000 sq ft	Small Lot 0-5,000 sq ft	Medium Lot 5,001-10,000 sq ft	Large Lot >10,000 sq ft
\$98.80	\$154.34	\$352.80	\$103.74	\$162.06	\$370.44

*Collected on the property tax bill.