

THE ROSE GARDEN LIBRARY CLOSES AT 7:00PM

If you are parked in the library's garage,
PLEASE MOVE YOUR CAR TO THE STREET,
right away, so your car doesn't get locked in the
garage until the library opens in the morning.



BURBANK SANITARY DISTRICT PUBLIC HEARING

July 2, 2019



- **Taxroll Collection**
(FY2019-2020)
- **Annual CPI Solid Waste Rate Increase**
(FY2019-2020 – FY2023-2024)
- **Sanitary Sewer Service Rate Increase**
(FY2020-2021 – FY2023-2024)
- **Operations Code Adoption**



Who We Are

- *All Board members are subject to the same rate increases as all other residents*
- *Board members are elected to 4-year terms*
- *Directors must live in the Burbank Sanitary District*
- *BSD Staff is contracted*

BSD Board of Directors

Rebecca Yoder – President

Ken Colson – Secretary

Michelle Kaelker-Boor – Director

Rene Prupes – Director

Procopio Sclafani – Director

BSD Staff (Mark Thomas & Co.)

Benjamin Porter – District Manager

Richard Tanaka – District Advisor

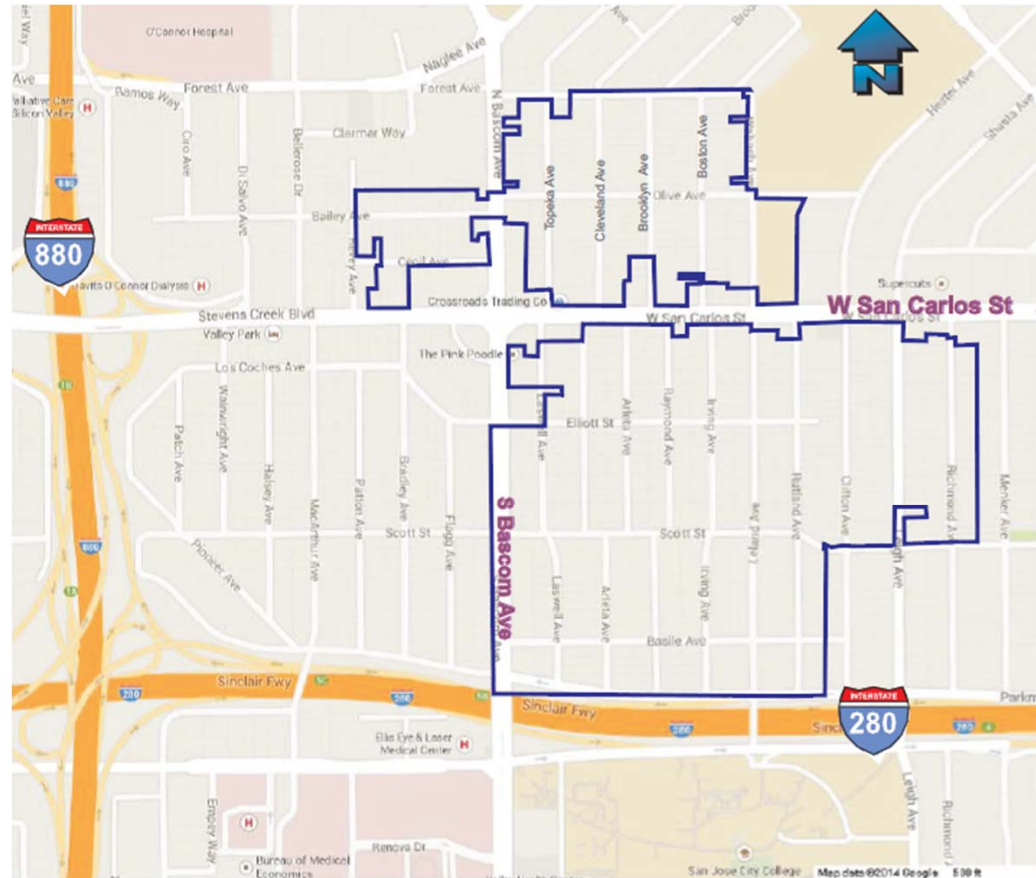
BSD Counsel (Atkinson Farasyn, LLP)

Steven G. Baird



About Our District

- Burbank Sanitary District (BSD) was formed in 1940
- The District serves an unincorporated pocket surrounded by the City of San Jose (mainly from Forest Avenue south to Parkmoor Avenue, and from Bascom Avenue east to Richmond Avenue)
- BSD serves approximately 1,000 properties with a population of 3,580 people
- The wastewater is conveyed to the San Jose-Santa Clara Regional Wastewater Facility (approximately 10 miles away)



— Burbank Sanitary District Boundary



Services We Provide

- Sanitary Sewer Collection and Treatment
- Garbage and Recycling Collection
- Spring Clean-up
(Large items, e-Waste, Free compost)



Sanitary Sewer Services

- Assist Residents with Inquiries in Locating Cleanouts, Backflow Devices and Laterals
- Respond to Sanitary Sewer Overflows and Stoppages
- Maintain/Repair Sewer Mains and Lower Laterals
- Implement District Capital Improvement Projects
- Coordinate with the State Board and Federal Regulatory Agencies
- Work with the City of San Jose for District's Use of the San Jose-Santa Clara Regional Wastewater Facility



SJ-SC WASTEWATER TREATMENT PLANT

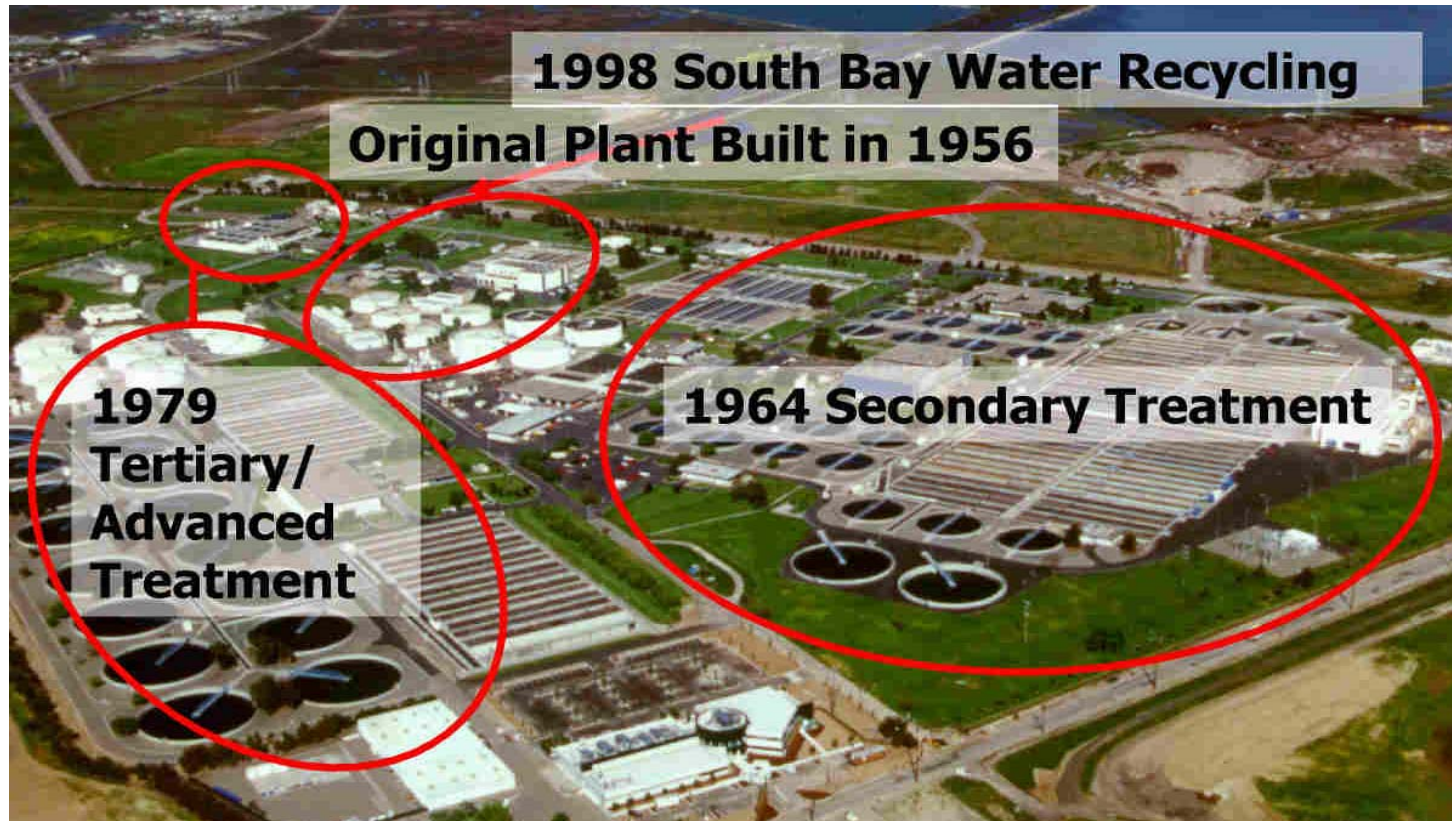


PLANT INFRASTRUCTURE

ACRES OF LAND	2,684
AVERAGE DRY WEATHER INFLUENT CAPACITY (MILLIONS OF GALLONS PER DAY)	167
AVERAGE DRY WEATHER INFLUENT FLOW. (MILLIONS OF GALLONS PER DAY)	110
DRY METRIC TONS OF BIOSOLIDS HAULED EACH YEAR	56,000
AVERAGE MEGAWATTS PRODUCED	8.35



SJ-SC WASTEWATER TREATMENT PLANT



- Plant was constructed in the 1956, upgraded in 1964 and 1979
- Plant is undertaking a major 30-year Rehabilitation Program
- Proposed Treatment Plant Costs are Estimated at **\$2.2 Billion**



SJ-SC WASTEWATER TREATMENT PLANT IMPROVEMENTS



Discharge to the Bay



Digesters & Bio-Solid Disposal



Water & Air Quality



Mechanical / Electrical Equipment

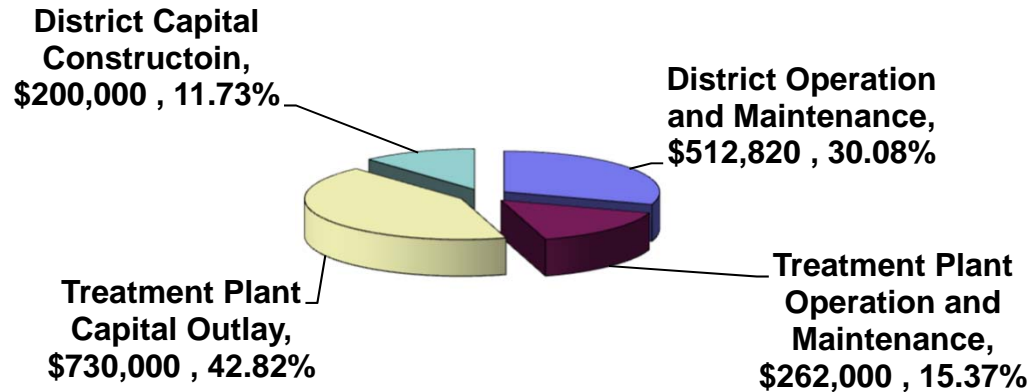


SJ-SC TREATMENT PLANT 10-YEAR CAPITAL IMPROVEMENT COST BREAKDOWN FY 2018 THROUGH 2028

Tributary Discharge	%	Cost Share of \$1,400,000,000
City of San Jose	66.13%	\$925,888,265
City of Santa Clara	15.84%	\$221,785,793
City of Milpitas	6.95%	\$97,361,086
West Valley Sanitation District	6.25%	\$87,457,354
Cupertino Sanitary District	4.08%	\$57,083,560
County Sanitation District 2-3	0.50%	\$7,046,100
Burbank Sanitary District	0.24%	\$3,377,842

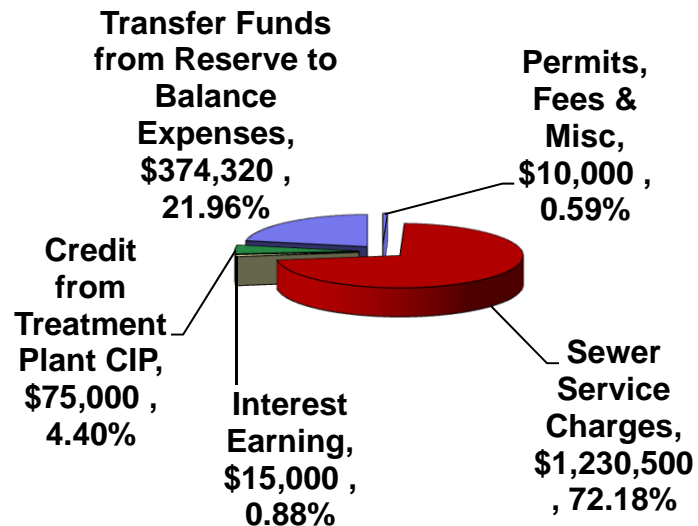


EXPENSES FOR DISTRICT OPERATIONS FY2019-2020



Total Projected Expenses - \$1,704,820

REVENUE FOR DISTRICT OPERATIONS FY2019-2020



Projected Revenue:	\$1,330,500
Reserve Fund:	\$ 374,320

Total Funds Required To Balance Expenses:	\$1,704,820
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BURBANK SANITARY DISTRICT PUBLIC HEARING

July 2, 2019

Taxroll Collection

(Approve Sewer Charges Report for FY2019-20)

- Open Public Hearing
- Close Public Hearing
- Board Discussion
- Board Decision



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July 2, 2019



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Proposed Annual CPI Solid Waste Rate Increase

**Agreement with GreenWaste Recovery, Inc.
through June 30, 2027:**

- Allows Rate Increases Annually Based on the Annual Percentage Change in the Consumer Price Index (CPI)
- Next Fiscal Year CPI is 3.53%
- Maximum Rate of Increase not-to-exceed 4% per year for the next 4 fiscal years
- Increase for FY2019-20 through FY2023-24



Proposed Annual CPI Solid Waste Rate Increase

FY2019-20 THROUGH FY2023-24

Current & Proposed Regular Solid Waste Rates – SFD Collection Service – Curbside								
Cart Sizes	20 gallons	35 gallons	65 gallons	95 gallons	CPI Increase			
Current	\$25.56	\$31.39	\$49.26	\$67.08				
Effective 7/1/19	\$26.46	\$32.49	\$50.99	\$69.45	3.53%			
Effective 7/1/20	\$27.52	\$33.79	\$53.03	\$72.23	Not to Exceed 4%			
Effective 7/1/21	\$28.62	\$35.14	\$55.15	\$75.12	Not to Exceed 4%			
Effective 7/1/22	\$29.76	\$36.55	\$57.36	\$78.12	Not to Exceed 4%			
Effective 7/1/23	\$30.95	\$38.01	\$59.65	\$81.25	Not to Exceed 4%			
Current & Proposed Regular Solid Waste Rates – Commercial Rates						3 Yard	4 Yard	CPI Increase
Cart Sizes	35 gallons	65 gallons	95 gallons	1 Yard	2 Yard			
Current	\$43.42	\$64.37	\$86.78	\$136.20	\$234.63	\$348.16	\$402.38	
Effective 7/1/19	\$44.95	\$66.63	\$89.84	\$141.00	\$242.90	\$360.44	\$416.57	3.53%
Effective 7/1/20	\$46.75	\$69.30	\$93.43	\$146.64	\$252.62	\$374.86	\$433.23	Not to Exceed 4%
Effective 7/1/21	\$48.62	\$72.07	\$97.17	\$152.51	\$262.72	\$389.85	\$450.56	Not to Exceed 4%
Effective 7/1/22	\$50.56	\$74.95	\$101.06	\$158.61	\$273.23	\$405.45	\$468.58	Not to Exceed 4%
Effective 7/1/23	\$52.59	\$77.95	\$105.10	\$164.95	\$284.16	\$421.66	\$487.33	Not to Exceed 4%



BURBANK SANITARY DISTRICT PUBLIC HEARING

July 2, 2019

Annual CPI Solid Waste Rate Increase (FY 2019-2020 through 2023-2024)

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Sanitary Sewer Service Rate Increase Needed To...

- Maintain healthy cash flow and reserve funds in case a loan is not awarded from the State Revolving Fund
- Continue paying the City of San Jose for their treatment cost and Capital Improvement Project (CIP)
- Maintain current level of District operations and maintenance
- Repair infrastructure, as over 85% of the District's sanitary sewer mains and laterals were constructed in the 1950s, and most service lines have exceeded their expected useful life.



Assumptions

- The City of San Jose's CIP does not balloon
- We are unable to get SRF loan funding
- Our CIP is performed, but costs do not escalate
- We still receive no financing from City of San Jose
- There are no catastrophic failures in system
- There are no additional annexations or de-annexations



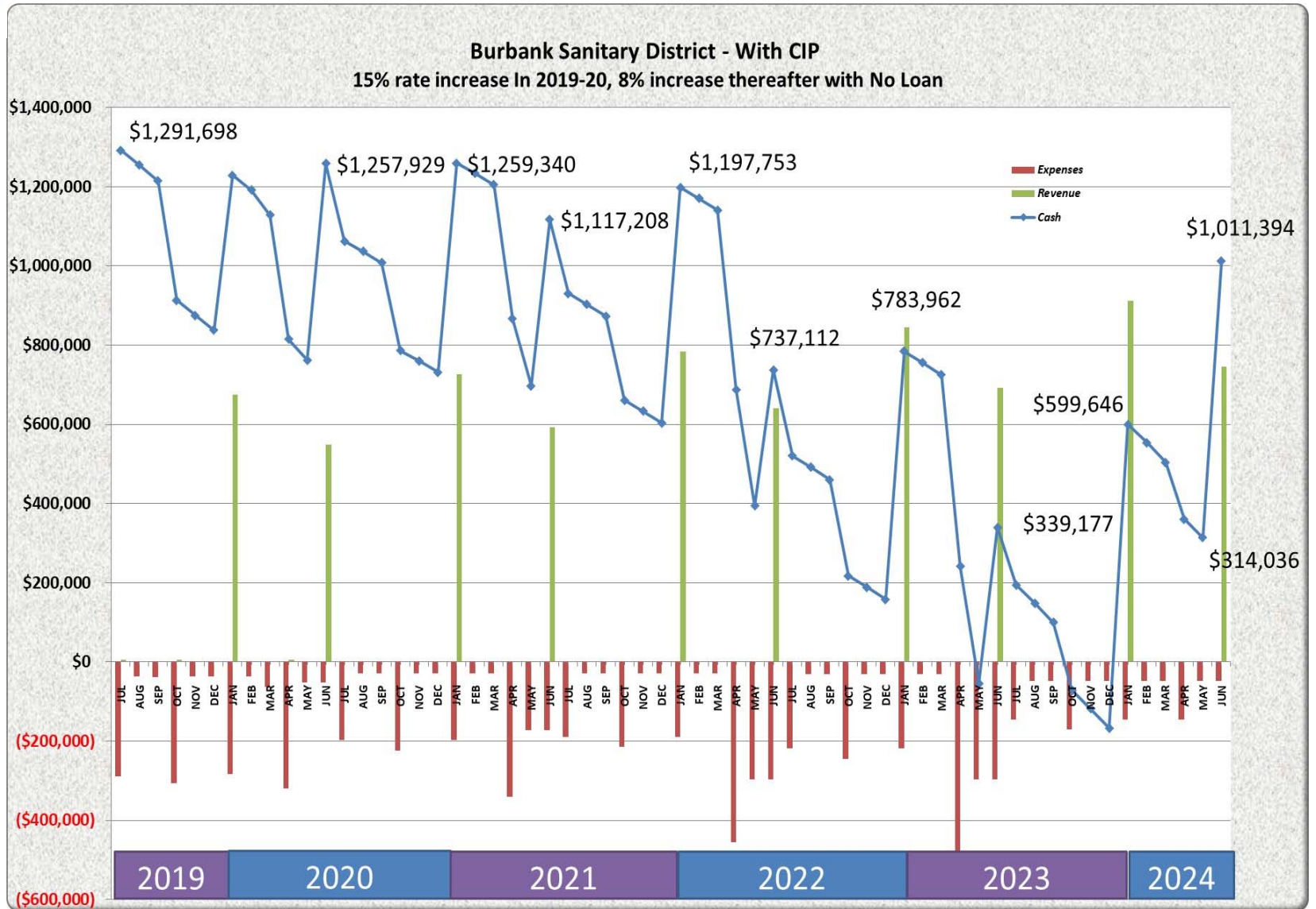
CASH FLOW ANALYSIS

Rate Increase Study - Burbank Sanitary District - With CIP 15% Increase in 2019-20, 8% thereafter with No Loan

	2018-19	2019-20	2020-21	2021-22	2022-2023	2023-2024
Rates (Single Residential)	\$798.84	\$918.67	\$992.16	\$1,071.53	\$1,157.25	\$1,249.83
Rate Increases		15%	8%	8%	8%	8%
No. of Single Units	941	941	941	941	941	941
Rates (Mult-Family)	\$454.20	\$522.36	\$564.15	\$609.28	\$658.02	\$710.67
No. of Mult. Residential	633	633	633	633	633	633
Residential Service Charges	\$1,039,217	\$1,195,119	\$1,290,728	\$1,393,986	\$1,505,505	\$1,625,946
Non-Residential Charges	\$31,330	\$36,029.50	\$38,911.86	\$42,024.81	\$45,386.79	\$49,017.74
Service Charges Subtotal	\$1,070,547	\$1,231,148	\$1,329,640	\$1,436,011	\$1,550,892	\$1,674,963
(1% Collection Fee)	(\$10,705)	(\$12,311)	(\$13,296)	(\$14,360)	(\$15,509)	(\$16,750)
Total Service Charges	\$1,059,842	\$1,218,837	\$1,316,344	\$1,421,651	\$1,535,383	\$1,658,214
Interest Income	\$12,375	\$9,255	\$7,943	\$7,195	\$4,078	\$1,512
Other Revenue	\$85,336	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Total Yearly Revenue	\$1,157,552	\$1,238,092	\$1,334,287	\$1,438,846	\$1,549,461	\$1,669,726
Treatment Plant CIP	\$273,600	\$745,086	\$407,278	\$359,428	\$465,307	\$92,025
Treatment Plant O&M	\$247,000	\$260,709	\$268,530	\$276,586	\$284,884	\$293,430
Joint Use (CSJ Payments)	\$20,000	\$20,000	\$26,000	\$26,000	\$26,000	\$26,000
BSD 5 Year CIP	\$98,024	\$200,000	\$430,000	\$800,000	\$800,000	\$0
BSD O&M	\$297,805	\$330,000	\$343,200	\$356,928	\$371,205	\$586,053
Total Yearly Expense	\$936,429	\$1,555,795	\$1,475,008	\$1,818,942	\$1,947,396	\$997,509
Revenue/Expense Diff.	\$221,123	(\$317,703)	(\$140,721)	(\$380,096)	(\$397,934)	\$672,217
Cash on Hand	\$1,354,391	\$1,575,514	\$1,257,811	\$1,117,090	\$736,994	\$339,059
COH at End of FY	\$1,575,514	\$1,257,811	\$1,117,090	\$736,994	\$339,059	\$1,011,276

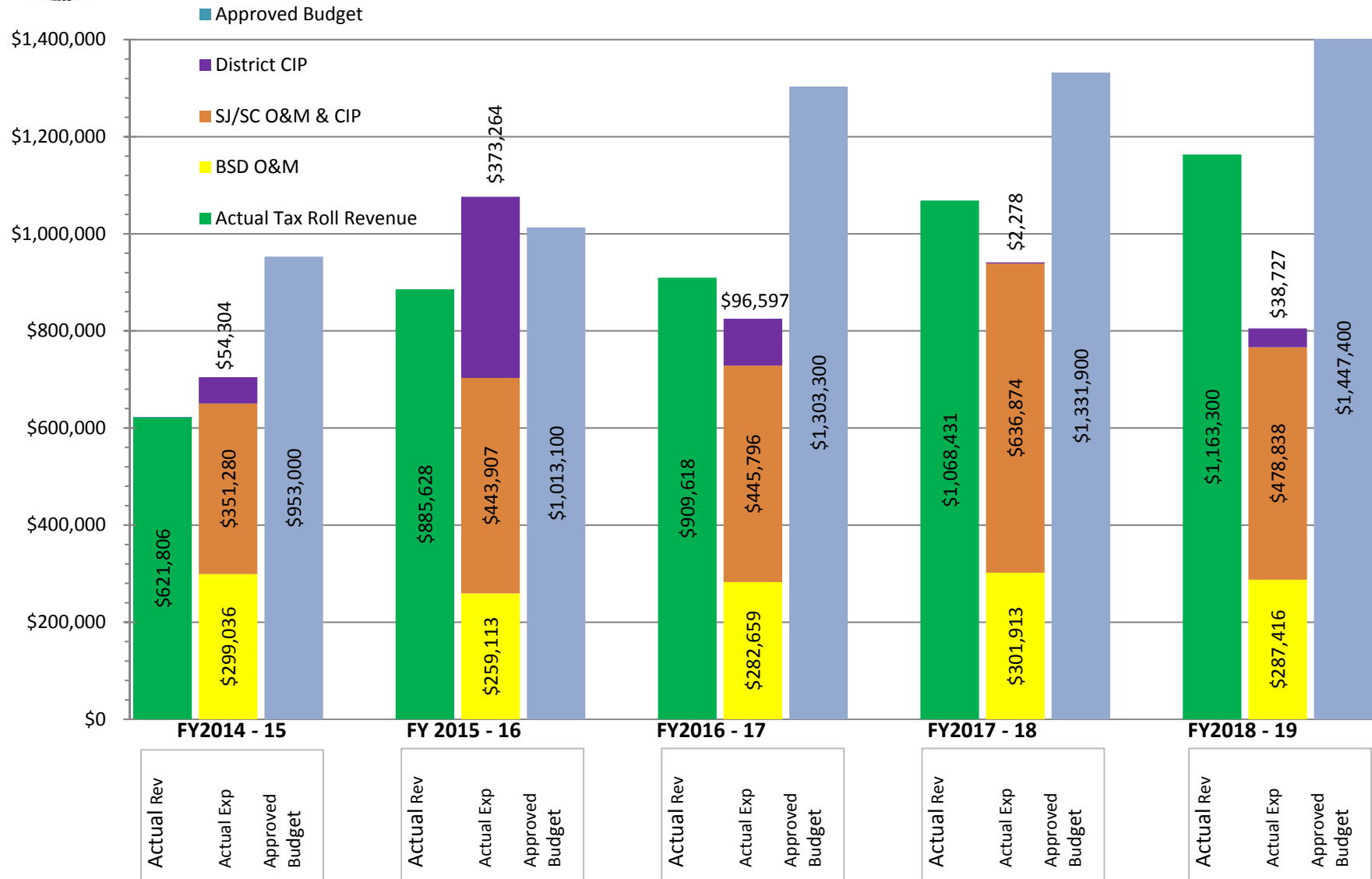


CASH FLOW ANALYSIS



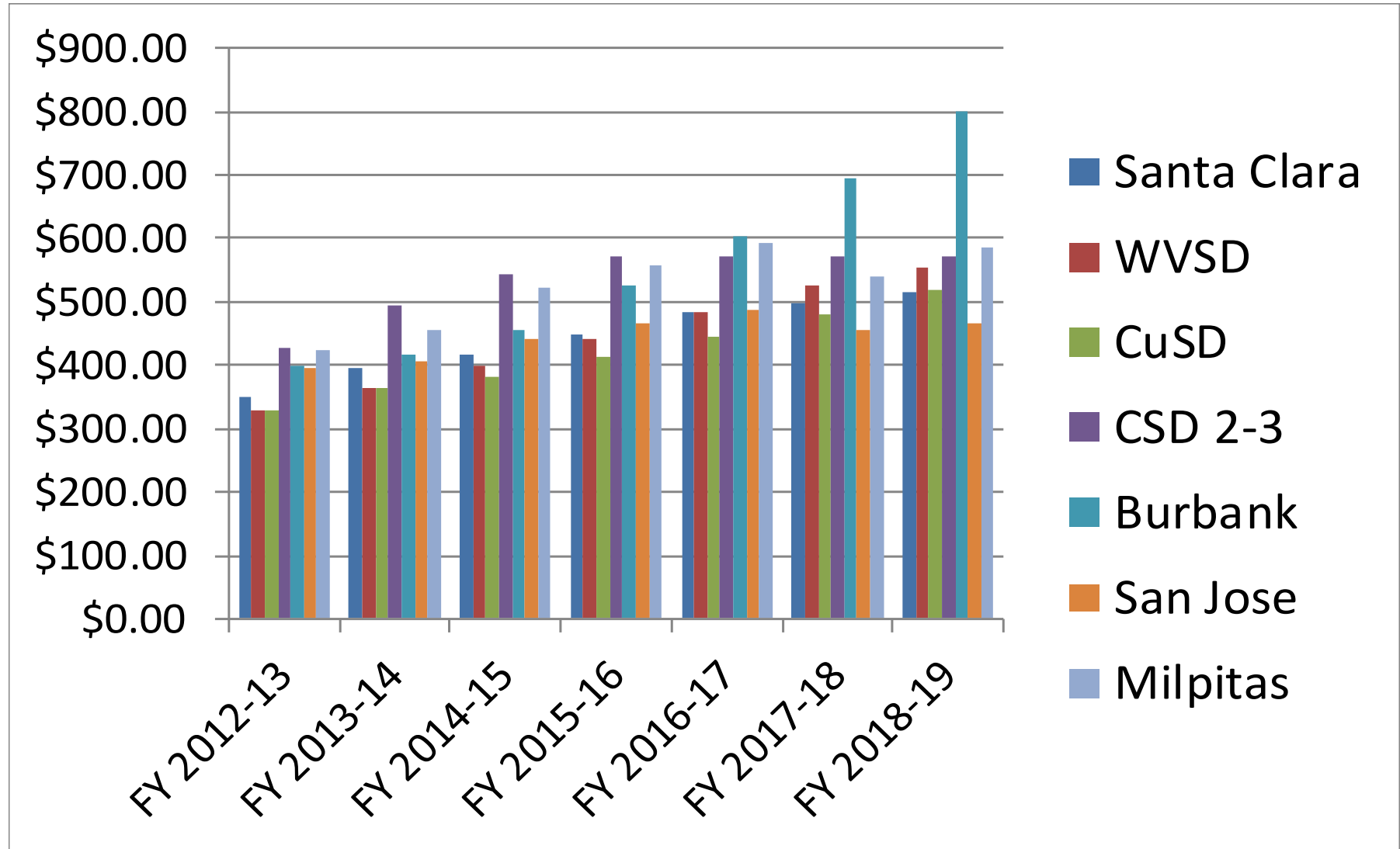


COMPARISON OF ACTUAL REVENUE EXPENSES AND BUDGET





SINGLE FAMILY SEWER RATE COMPARISON BY TRIBUTARY AGENCY

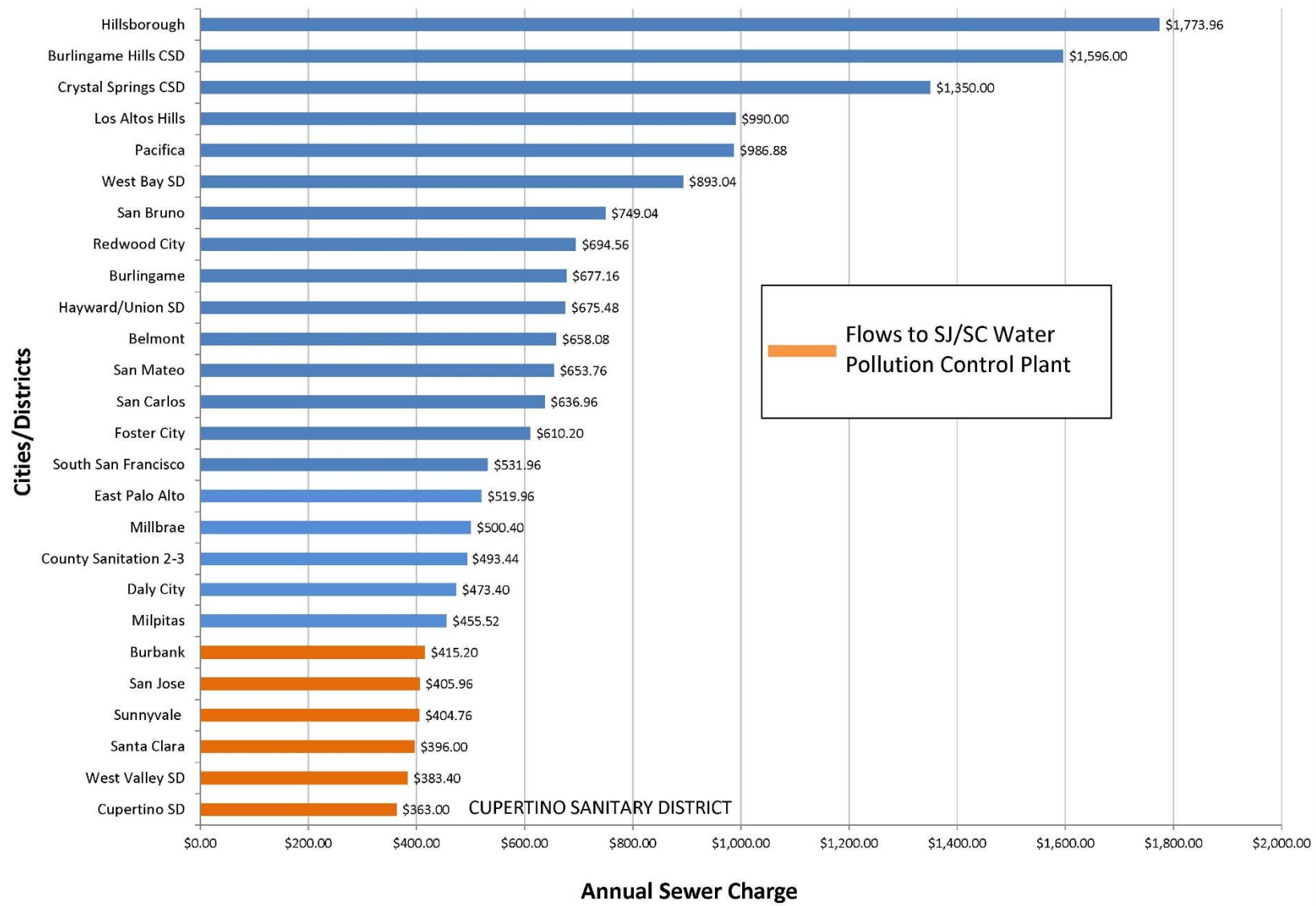




SINGLE FAMILY SEWER RATE COMPARISON BY TRIBUTARY AGENCY



Bay Area Regional Single Family Residential Sewer Charges Comparison





CURRENT DISTRICT RATES COMPARED TO PROPOSED RATES

Type of Services	Current Rates	Proposed Rates for FY 2020-2021
Residential Per Unit (Single Family/Townhouse/Condo)	\$918.72/Year \$76.56/Month	\$992.16/Year \$82.68/Month
Residential Multiple Per Unit (Duplex/Apartment)	\$522.36/Year \$43.53/Month	\$564.24/Year \$47.02/Month
Commercial Properties	\$6.32/HCF * \$658.44/Year Minimum	\$6.83/HCF \$711.12/Year Minimum
Restaurant	\$16.89/HCF * \$2,752.08/Year Minimum	\$18.24/HCF \$2,972.28/Year Minimum
Garage **	\$7.37/HCF * \$2,612.04/Year Minimum	\$7.96/HCF \$2,821.00/Year Minimum

• HCF - Hundred Cubic Feet

** Garage uses are car washes,
repair/ mechanical shops



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Operations Code (Adopt District Operations Code)

- Open Public Hearing
- Close Public Hearing
- Board Discussion
- Board Decision