



NOTICE OF PROPOSED WATER AND SEWER RATE CHANGES

May 5, 2023

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, 2023, and October 1, 2024. A public hearing will be held by the Hayward City Council regarding the proposed rate adjustments on **Tuesday, June 20, 2023, at 7:00 p.m.**, at Hayward City Hall, 777 B Street and virtually via Zoom. Complete meeting details, including dial-in telephone number and link, as well as instructions regarding participating in the meeting, will be provided on the agenda. Proposed rates and charges, which may be adopted at the public hearing, may 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 o visita www.hayward-ca.gov/water-and-sewer-rates.

WHY WATER RATE INCREASES SHOULD BE CONSIDERED

The City of Hayward relies entirely on water rate revenue to fund the costs of providing water service. Water rates must be set at sufficient levels to recover these costs which include: purchasing wholesale water from the San Francisco Public Utilities Commission (SFPUC), Hayward’s sole water supplier; operations and maintenance costs of the water distribution system; capital repair and replacement of water system infrastructure; and prudent cash reserves. Approximately two-thirds of the revenue pays for the purchase of water from SFPUC. While Hayward’s rate increase was only 3% in FY 2023, SFPUC imposed a 15.9% increase last year and a further 9.7% increase effective July 2023 or a total of 25.6%. About \$8 million of the water fund’s reserve was used last year to pay for the impacts of SFPUC’s rate increase on Hayward residents and businesses. Water rates are comprised of two parts: water usage rates and water service fees. For Fiscal Years 2024 and 2025, the change in revenue requirements has resulted in the need for 10% rate adjustments in each of the next two years. Even with these increases, \$5 million of water fund reserves must be used to balance next year’s budget.

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. Hayward is proposing a water rate increase of 10% for FY 2024 and FY 2025. Information about current tiers and rates may be viewed at www.hayward-ca.gov/water-and-sewer-rates. The proposed rates assume certain SFPUC wholesale rates effective July 1 each year. Pursuant to Cal. Govt. Code § 53756, Hayward proposes to pass-through any additional increases in SFPUC wholesale water rates when the actual SFPUC rates exceed estimates. This pass-through provision applies to wholesale charges for water established by SFPUC. Before any pass-through, all water customers would receive at least 30 days’ notice.

PROPOSED WATER USAGE RATES

	Usage	Rate/ccf 10/1/2023	Rate/ccf 10/1/2024
Residential Rates			
<i>Single Family</i>	1 - 8 ccf	\$6.86	\$7.55
<i>Multi-family (based on average usage per dwelling unit)</i>	9 - 18 ccf	\$8.14	\$8.96
	>18 ccf	\$10.00	\$11.00
Non-Residential			
	1 – 110 ccf	\$7.44	\$8.19
	>110 ccf	\$8.74	\$9.62
Irrigation			
	1 – 170 ccf	\$8.80	\$9.68
	>170 ccf	\$11.20	\$12.32
Hydrant			
	All usage	\$8.29	\$9.12

Note: One ccf of water equals 748 gallons. A typical SFR customer in Hayward currently uses an average of 150 gallons per day, equal to 12 ccf of water per bi-monthly billing period.

WATER SERVICE FEES

Water service fees, which are based on meter size, pay for certain fixed costs of providing water service including billing, customer service, meter reading, meter servicing and repairs, and a portion of extra-capacity costs to meet peak demands. Fire service fees, which are based on the fireline size, recover costs of providing fire flow to those connections with fire suppression systems.

PROPOSED BIMONTHLY WATER SERVICE FEES

Meter Size	Residential & Non-Residential			Fireline		
	Current	Proposed 10/1/2023	Proposed 10/1/2024	Current	Proposed 10/1/2023	Proposed 10/1/2024
Low income residential – 5/8 inch	\$11.28	\$12.41	\$13.66	-	-	-
Low income residential – 3/4 inch	\$15.74	\$17.32	\$19.06	-	-	-
Low income residential – 1 inch	\$24.66	\$27.13	\$29.85	-	-	-
5/8 inch	\$32.22	\$35.45	\$39.00	\$6.85	\$7.54	\$8.30
3/4 inch	\$44.96	\$49.46	\$54.41	\$6.93	\$7.63	\$8.40
1 inch	\$70.45	\$77.50	\$85.25	\$7.14	\$7.86	\$8.65
1 1/2 inch	\$134.16	\$147.58	\$162.34	\$7.89	\$8.68	\$9.55
2 inch	\$210.61	\$231.68	\$254.85	\$9.20	\$10.12	\$11.14
3 inch	\$452.70	\$497.97	\$547.77	\$13.90	\$15.29	\$16.82
4 inch	\$809.46	\$890.41	\$979.46	\$21.99	\$24.19	\$26.61
6 inch	\$1,663.14	\$1,829.46	\$2,012.41	\$51.01	\$56.12	\$61.74
8 inch	\$3,574.36	\$3,931.80	\$4,324.98	\$101.08	\$111.19	\$122.31
10 inch	\$5,358.18	\$5,894.00	\$6,483.40	\$176.39	\$194.03	\$213.44

The proposed water rates and fees will result in an overall increase of 10% for all customers each year. For example, a family that uses an average of 12 ccf of water in a two-month billing period, or about 150 gallons per day, will see a 10% increase in its bi-monthly billing, from \$111.66 to \$122.89 (\$5.62 per month) the first year and a further 10% increase to \$135.24 (\$6.18 per month) in the second year.

WHY SEWER SERVICE CHARGE INCREASES SHOULD BE CONSIDERED

Sewer service charges pay for the collection, treatment, and disposal of wastewater from residences and businesses, based on the strength and volume of wastewater generated. Increased costs for these services have resulted in the need for rate adjustments. The proposed sewer rates will allow the City to continue to operate and maintain the sewer collection system and Water Pollution Control Facility in a manner to meet all legal and regulatory requirements to protect public health and the environment. This includes supporting the upcoming WPCF Nutrient Management Project, which will further improve the quality of the wastewater discharge.

RESIDENTIAL SEWER SERVICE CHARGES

Residential sewer rates are proposed to increase by 7% (\$2.71 per month in FY24 and \$2.90 per month in FY25 for standard residential) in each of the next two years. The following table lists the current and proposed residential sewer service charges.

CURRENT AND PROPOSED MONTHLY RESIDENTIAL SEWER SERVICE CHARGES

	Current	Proposed 10/1/2023	Proposed 10/1/2024
Standard Residential (single-family unit & 2-4 units)	\$38.58	\$41.29	\$44.19
Multi-Family (per unit)	\$34.34	\$36.75	\$39.33
Mobile Home (per unit)	\$27.01	\$28.91	\$30.94
Economy (5 to 8 units of metered water usage)	\$18.07	\$19.34	\$20.70
Lifeline (0 to 4 units of metered water usage)	\$9.04	\$9.68	\$10.36

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 tables list 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/water-and-sewer-rates or call (510) 583-4700 to request a copy by mail.

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

	With Separate Irrigation Meter			Without Separate Irrigation Meter		
	Current	Proposed 10/1/2023	Proposed 10/1/2024	Current	Proposed 10/1/2023	Proposed 10/1/2024
Commercial/Government	\$6.97	\$7.46	\$7.99	\$6.28	\$6.72	\$7.20
Restaurant w/ Grease Interceptor	\$9.11	\$9.75	\$10.44	\$8.20	\$8.78	\$9.40
Restaurant w/o Grease Interceptor	\$11.80	\$12.63	\$13.52	\$10.62	\$11.37	\$12.17
Commercial Laundry	\$7.04	\$7.54	\$8.07	\$6.33	\$6.78	\$7.26
Bakery	\$12.01	\$12.86	\$13.77	\$10.81	\$11.57	\$12.38

CURRENT AND PROPOSED SEWER SERVICE CHARGES FOR CRITICAL USERS*

	Current	Proposed 10/1/2023	Proposed 10/1/2024
Flow – Cost per ccf of wastewater	\$3.323	\$3.452	\$3.694
Carbonaceous Biochemical Oxygen Demand – Cost per pound	\$0.770	\$0.823	\$0.881
Suspended Solids – Cost per pound	\$1.034	\$1.107	\$1.184

*Sewer bills calculated based on actual wastewater strength and volume

Non-residential sewer bills are proposed to increase by an average of 7% in each of the next two years. If you need assistance in calculating the impact of the proposed rate adjustments, please contact the Department of Public Works & Utilities 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 parcels. Property owners and tenants responsible for paying utility bills may submit written protests, however, only one protest will be counted per parcel. If you wish to protest the proposed service rate increases, the City Clerk must receive your written protest by mail or delivery to City Hall rotunda drop box before 5:00 p.m. **June 20, 2023**, the day of the public hearing. 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.