



2500 Pittsburg-Antioch Highway
Antioch, CA 94509

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Notice of Proposed Sewer Service Charge Rate Adjustments for Fiscal Year 2021/2022

Proposition 218 Notification to Property Owners of Public Hearing

NOTICE IS HEREBY GIVEN that the Delta Diablo Board of Directors will hold a public hearing on **Wednesday, June 9, 2021, at 4:30 p.m., in the Board Room at 2500 Pittsburg-Antioch Highway, Antioch, California**, to consider adoption of proposed rate adjustments for wastewater utility services. A summary of the proposed rates and associated financial needs and information, and instructions for protesting the rate adjustments (if desired) are provided below. In addition, related fact sheets and a “Frequently Asked Questions” document are available on the District’s website (www.deltadiablo.org).

If state and local COVID-19 restrictions remain in effect, the June 9, 2021 Board Meeting agenda posted on the District’s website will inform members of the public as to how the public hearing will be conducted in accordance with applicable laws, health orders, and Governor’s executive orders.

**NOTICE OF PUBLIC HEARING
PROPOSED SEWER SERVICE CHARGE
RATE INCREASES**

**4:30 PM
WEDNESDAY, JUNE 9, 2021
2500 PITTSBURG-ANTIOCH HIGHWAY
ANTIOCH, CA 94509**

WHAT IS DELTA DIABLO?

Delta Diablo (“District”) provides wastewater conveyance and treatment services for over 70,000 customer accounts (residential and non-residential), representing approximately 214,000 residents in the cities of Antioch and Pittsburg, and the unincorporated community of Bay Point. As part of our core mission to protect public health and the environment, the District treats 13 million gallons of wastewater each day with a focus on exemplary regulatory compliance, innovative and sustainable approaches, and sound stewardship of the public’s resources and trust.

The District has transformed its Wastewater Treatment Plant (WWTP) into a “resource recovery facility” by producing approximately 6 million gallons per day of recycled water, generating on-site renewable energy to meet over 55 percent of WWTP power needs, reusing residual biosolids as fertilizer via land application, providing household hazardous waste (HHW) collection services, and further protecting the Delta by providing street sweeping services to remove pollutants that would otherwise enter local stormwater systems.

PROPOSED FISCAL YEAR 2021/2022 SEWER SERVICE CHARGES

The District collects Sewer Service Charges (SSCs) from its customers each year as the primary revenue source needed to fund capital infrastructure investments, labor, energy, chemicals, regulatory compliance obligations, plant maintenance, and Delta HHW Collection Facility operations. For Fiscal Year 2021/2022 (FY21/22) (July 1, 2021 – June 30, 2022), the District is proposing SSC adjustments of approximately 6.5% (+\$26.32 per year) for residential customers in Antioch and Pittsburg, and approximately 5.9% (+\$32.78 per year) for residential customers in Bay Point.

Because the District’s costs in the categories referenced above will increase in the next fiscal year, SSC adjustments are required to recover the District’s costs, maintain effective and reliable wastewater conveyance and treatment services, and ensure financial integrity and long-term sustainability. In addition, the proposed FY21/22 SSCs incorporate 2021 Cost-of-Service Study findings, which reapportioned certain costs from non-residential customers to residential customers to ensure SSCs accurately reflect the District’s cost of providing services to different customer classes. SSCs for non-residential customers (i.e., commercial, industrial) have been adjusted accordingly and vary based on customer class. Most District customers are billed on a fiscal-year basis and pay SSCs via annual property tax bills. Property tax bills also include a street sweeping service charge (no increase from FY20/21) that varies by community based on service frequency.

Residential Customers: The impact of the proposed SSC increase on the annual property tax bill for a single-family residential customer is shown in **Table 1**. The total annual charge for residential



Delta Diablo provides wastewater conveyance and treatment services to approximately 214,000 customers in Pittsburg, Antioch, and Bay Point

Our core mission is to protect public health and the environment in our communities by providing wastewater resource recovery services of exceptional quality and value

Environmental Stewardship

In treating 13 million gallons of wastewater each day, Delta Diablo has an exemplary regulatory compliance record in meeting federal, state, and local regulatory requirements and protecting the local Delta receiving waters.

Infrastructure Investment

Continued capital investment in the Wastewater Treatment Plant, 76 combined miles of sewer pipes and force mains, and five pump stations is critical to maintaining effective, reliable, and high-quality customer service.

Fiscal Responsibility

Delta Diablo is committed to maintaining responsible rates by prioritizing capital investments, managing budgets through operational efficiencies, and targeting available grant and low-interest loan programs.

For more information, visit www.deltadiablo.org or call (925) 756-1900.

properties with multiple units (e.g., duplex, fourplex, apartment complex, etc.) can be calculated by multiplying the applicable per unit SSC charge in **Table 1** by the total number of units.

Table 1 – Example Annual Residential SSC on Property Tax Bills for FY21/22

Residential Service Customers	Proposed SSC Increase*	Current FY20/21	Proposed FY21/22	Annual Change
Antioch/Pittsburg	6.5%	\$403.10	\$429.42	+\$26.32
Bay Point**	5.9%	\$556.47	\$589.25	+\$32.78

Notes: * Percentage increases are approximate.

** Delta Diablo provides wastewater collection services for Bay Point customers only (i.e., higher SSC), while the respective cities provide these services for Antioch and Pittsburg customers.

Non-residential Customers: The District is proposing SSCs adjustments for commercial and industrial customers based on 2021 Cost-of-Service Study findings and annual potable water consumption data (i.e., the SSC rates are per one hundred cubic feet per year [HCF/y] of potable water consumption), as presented in **Table 2**, by business class and community. A minimum annual charge of 80 HCF/y multiplied by the applicable rate for each business class will be assessed.

Table 2 – Non-residential Proposed User Charges: SSC (\$) per Hundred Cubic Feet per Year

Business Class (Commercial/Industrial)	Bay Point (Zone 1)		Pittsburg (Zone 2)		Antioch (Zone 3)	
	Current FY20/21	Proposed FY21/22	Current FY20/21	Proposed FY21/22	Current FY20/21	Proposed FY21/22
Bakeries/Restaurants	\$9.47	\$9.02	\$8.01	\$7.33	\$7.94	\$7.33
Hotels/Motels	-	\$4.57*	\$4.27	\$4.57	\$4.64	\$4.57
Institutional	\$6.52	\$5.91	\$4.89	\$4.22	\$4.85	\$4.22
Light Industrial	\$6.52	\$5.71	\$4.89	\$4.02	\$4.85	\$4.02
Marinas	-	\$6.03*	\$6.30	\$6.03	\$6.34	\$6.03
Misc. Commercial	\$6.52	\$5.91	\$4.89	\$4.22	\$4.79	\$4.22
Mortuaries	-	\$5.83*	\$5.53	\$5.83	\$5.55	\$5.83
Annual Minimum	\$556.47	varies**	\$403.10	varies**	\$403.10	varies**

Notes: * SSC per HCF/y for FY21/22 provided, although no businesses in these classes are known in Bay Point.

** Annual minimum charge is calculated by multiplying 80 HCF/y by the applicable SSC per HCF/y

WHAT DO SEWER SERVICE CHARGES FUND?

The SSC adjustments are necessary to fund \$1.6 million in increased costs attributable to providing wastewater services. The District utilizes annual SSC revenue to:

- **Meet the District’s core mission of protecting public health and the environment.** Achieving this mission requires sufficient capital investment and staffing levels to properly operate and maintain the District’s complex network of sewer pipes, pump stations, and treatment processes.
- **Address aging infrastructure through prioritized capital investment.** The District continues to strategically rehabilitate and replace essential elements of the wastewater collection, conveyance, and treatment systems to maintain effective and reliable services.
- **Recover increases in operating costs.** As a regulated utility that requires specialized employees, materials, and services to meet its mission, the District continues to experience progressive increases in annual operating costs due to escalations in labor, chemical, energy, materials, supplies, hauling, services, and regulatory compliance costs.
- **Prevent the need for more significant SSC adjustments in the future.** In developing its 5-year financial plan each year, the District works hard to balance direct economic impacts

to customers and the need for sufficient revenue to cover capital investment needs and operating costs. The District continues to maintain its rates well below the average of its peer agencies in the Bay Area. If SSC adjustments are not implemented this year, more significant rate adjustments may need to be proposed in subsequent years.

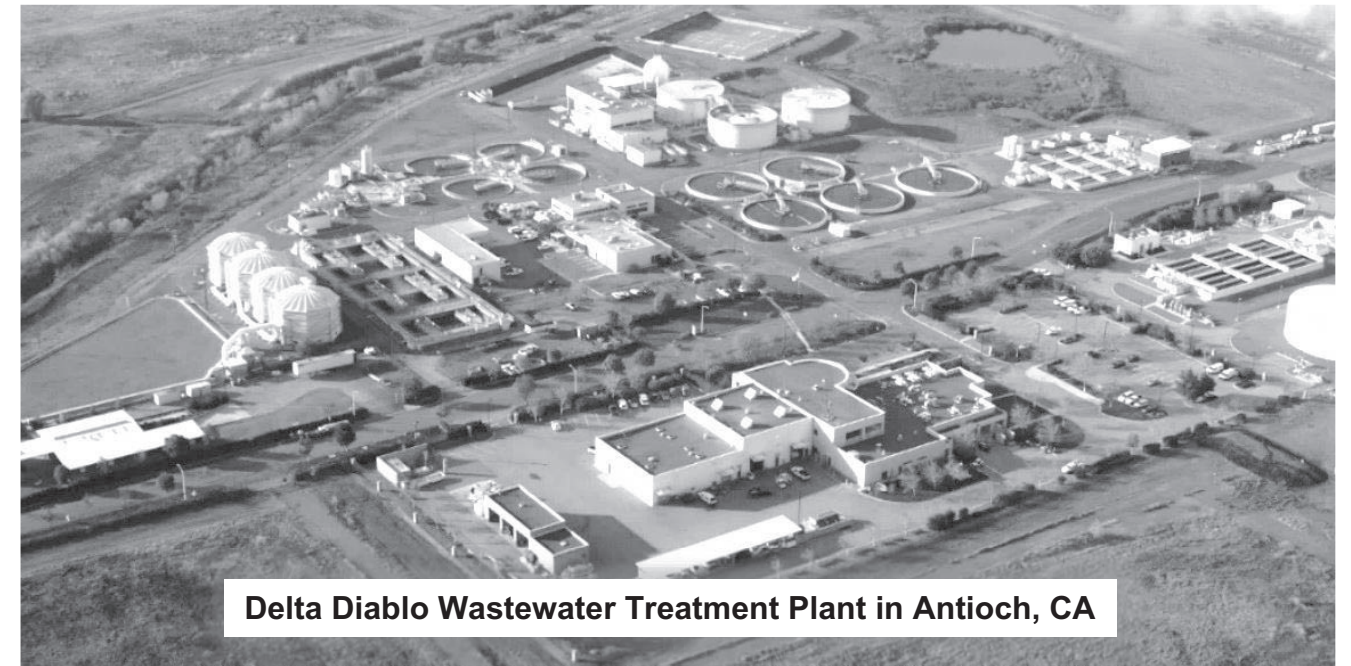
- **Focus on cash funding versus borrowing for capital improvements.** Increasing overall SSC revenue allows the District to continue cash funding a majority of necessary capital improvements in its wastewater conveyance and treatment systems.

Detailed information on operating and capital costs is available within the District’s budget and CIP documents, which are on file at the District’s offices.

PUBLIC HEARING AND PROTEST PROCEDURES

The Board of Directors will hold a public hearing on the proposed SSC adjustments on Wednesday, June 9, 2021, at 4:30 p.m., in the Board Room at 2500 Pittsburg-Antioch Highway, Antioch, California, 94509. If state and local COVID-19 restrictions remain in effect, the June 9, 2021 Board Meeting agenda posted on the District’s website will inform members of the public as to how the public hearing will be conducted in accordance with applicable laws, health orders, and Governor’s executive orders. After the close of the public hearing and consideration of all public comments and written protests received, the Board of Directors will be asked to take action to implement the proposed SSC adjustments at this meeting.

Written protests may be sent to the District (attention of “Office Manager/Secretary to the Board”, 2500 Pittsburg-Antioch Highway, Antioch, California, 94509) prior to close of the public hearing and **must include your property address and the Assessor Parcel Number** found on your mailing label. At the close of the public hearing, the Secretary to the Board will announce the total number of protest responses, including any received by close of the public hearing. If written protests are presented by a majority of the parcel owners in the District’s service area, the District cannot implement the SSC increase.



Delta Diablo Wastewater Treatment Plant in Antioch, CA

