



Dublin San Ramon Services District 7051 Dublin Blvd Dublin CA 94568

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news release

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DSRSD to Increase Wastewater Rates, Authorizes Potential Increase in Charge for Water Infrastructure

At a public meeting Tuesday, the Board of Directors of Dublin San Ramon Services District (DSRSD) voted unanimously to close a shortfall in its wastewater operations budget by raising rates by \$39.78 per year for residential wastewater customers in Dublin and south San Ramon. (For details on how the rate increase impacts all customer groups visit

http://www.dsrds.com/your_water_services/proposedrates.html.)

In a separate action, the DSRSD Board voted unanimously to authorize a potential increase in the Temporary Infrastructure Charge paid by water customers in Dublin and Dougherty Valley. Later this year or in early 2011, the Board will determine if the charge needs to change after restructuring two variable rate loans into a fixed rate bond. Board members cited the need to demonstrate that DSRSD has the ability to pay its debt in order to receive favorable financing terms and thus lower long term debt service costs.

Five people spoke against each proposal and asked the Board instead to decrease costs and look for other sources of revenue.

DSRSD has decreased operating expenses by \$4.3 million and reduced staffing levels by 17.5 percent since fiscal year 2009, implemented furloughs, deferred cost-of-living increases, suspended or eliminated several employee benefit programs, and shared costs of medical and pension benefits with employees and retirees. It also has deferred all but essential capital improvement projects and capital outlays and examined many of its business practices by acting on more than 75 ideas suggested by employees and Board members. At the meeting, Operations Manager Dan Gallagher cited an example: buying chemicals jointly with seven other public agencies reduced the

cost of sodium hypochlorite (a form of bleach used to disinfect treated wastewater and recycled water) by 24.5 percent, saving DSRSD \$48,000 in the coming year.

DSRSD received 55 letters opposing the wastewater rate increase and 67 opposing the potential increase in the Temporary Infrastructure Charge.

“We have a long-standing policy to use debt only to build things, like the infrastructure that allows Dougherty Valley and eastern Dublin to exist,” said Director Richard Halket. “We have a long-standing policy to have developers pay for debt. However, when there is no development, this falls to the rate payers. I hate this charge, but we can’t default on our bonds.”

“It’s appalling that we have to do this. We’ve promised that developers would pay for growth but we never imagined that the financial world would collapse,” said Director Georgean Vonheeder-Leopold. “Now we need to get in a financial position to improve our bond rating from BBB. This has not been easy but we still have to step up to the plate and pay our debts.”

“My 88-year-old mother exists on her Social Security income only. She is a resident of San Ramon and I know this will be difficult for her,” said Director Pat Howard, “but we have to protect our community assets, which are worth millions of dollars. Board members are custodians of these assets. We also need good, well trained people on hand to protect and operate these assets.”

The wastewater rate change will be phased in, with two-thirds of the increase taking effect January 1, 2011 and the remainder on July 1, 2011.

If the maximum Temporary Infrastructure Charge becomes the actual Temporary Infrastructure Charge later this year or early next year, residential customers could pay up to \$30 every two months instead of \$18.

About DSRSD

Founded in 1953, Dublin San Ramon Services District serves 145,000 people, providing potable and recycled water service to Dublin and Dougherty Valley, and wastewater collection and treatment to Dublin, south San Ramon, and Pleasanton (by contract). More information about the District can be obtained at www.dsrdsd.com.

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