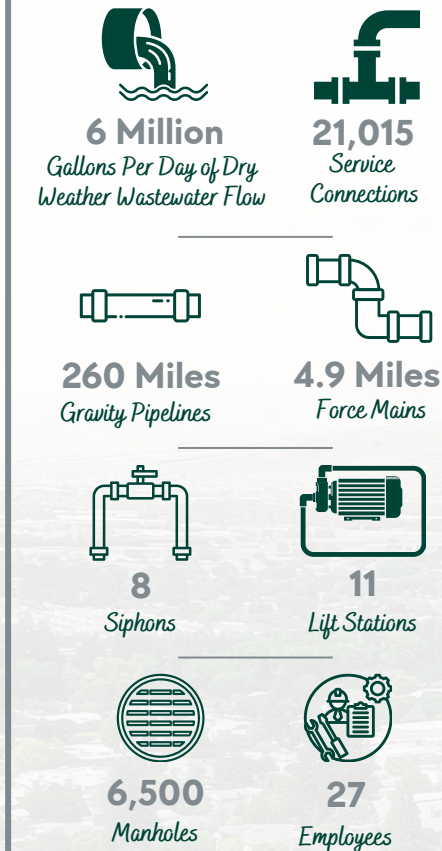


PLEASANTON SEWER SYSTEM BY THE NUMBERS



HOW TO PARTICIPATE:

Customers are welcome to attend the public hearing on Nov. 17, 2026. All property owners or sewer customers directly responsible for paying sewer bills may submit a written protest against the proposed rate charges. While the public may verbally comment at the hearing, only valid written protests will be counted as formal protests.

SUBMITTING A VALID WRITTEN PROTEST

To submit a valid written protest, the protest must:

- Be submitted in writing by mail, hand delivery, or at the public hearing
- Include your name and service address or assessor's parcel number
- Include a signature from the property owner or customer of record
- Be received before the close of the public hearing on Nov. 17, 2026

Written protests can be mailed or hand-delivered to:

City of Pleasanton
Attention: City Clerk
123 Main Street
Pleasanton, CA 94566

All written protests will be verified. Only one written protest will be considered per parcel. Protests submitted by email, fax, or other electronic means will not be considered a valid written protest.

All written objections must be submitted to the City Clerk by the end of the public comment period at the Public Hearing on Nov. 17, 2026.

Failure to submit a timely objection in writing bars any right to challenge the fees, charges, or assessments in court, and any such action will be limited to issues identified in such written objections.

PUBLIC HEARING PROCESS

The City Council will consider all written protests and public comments at the Public Hearing. After the public hearing, if property owners or account holders representing a majority of the impacted parcels submit written protests opposing the proposed rates, the rates will not be adopted. If a majority of written protests is not received, the City Council may adopt the proposed changes, but is not obligated to do so. **If adopted, the new rates would take effect on January 1, 2027 with subsequent rate increases starting on July 1 each year.**

You may also appear at the public hearing on the date and time specified in this notice. Per Government Code Section 53759, any legal challenge to the proposed rate adjustments must be filed within 120 days of the date that the resolution adopting the proposed rate adjustments is adopted.

STAY INFORMED

The City of Pleasanton seeks to remain actively engaged with our customers throughout this process. **You can stay informed in one of the following ways:**

  Follow Us on Facebook and Instagram @CityofPleasantonCA.



Sign Up for the **Pleasanton Pipeline Special Edition E-Newsletter** at PleasantonWater.com.



For questions regarding the proposed sewer rate changes, call **(925) 931-5500** or email **SewerRates@cityofpleasantonca.gov**. Written protests will not be accepted via email, all protests must be submitted using the instructions above.



To learn more, scan the QR code or go online at **PleasantonWater.com/Sewer**



P.O. Box 520
Pleasanton, CA 94566

CITY COUNCIL

Mayor Jack Balch
Vice Mayor Matt Gaidos
Councilmember Craig Eicher
Councilmember Jeff Nibert
Councilmember Julie Testa

Connect With Us

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Learn More At

PleasantonWater.com/SewerRates

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PROPOSITION 218 OFFICIAL NOTICE OF SEWER RATE CHANGES

This notice is provided pursuant to Article XIII D of the California Constitution (also known as "Proposition 218"). Under Proposition 218, the City must notify all property owners and customers of record of proposed changes to property-related fees, including sewer service charges.

The City Council will hold a public hearing at the time, date, and location specified on the front of this notice to consider adopting proposed changes to the City's existing sewer rates and fees for the next four years.

All members of the public are invited to attend the public hearing. Additionally, under California state law, all property owners and customers of record may submit a written protest to the proposed rate changes. Please refer to the "**How to Participate**" section of this document for instructions on submitting a written protest. **For questions about the public hearing process, contact the City Clerk's Office at (925) 931-5027 or pleasantoncityclerk@cityofpleasantonca.gov.**



A DATA-DRIVEN APPROACH TO RATE-SETTING

Maintaining a safe, reliable sewer system requires long-term planning. Over the past several years, the City has completed a series of studies to better understand the condition of its sewer system, identify future infrastructure needs, and evaluate long-term funding requirements. The proposed sewer rates are the result of a transparent, data-driven planning process designed to support long-term system reliability and financial sustainability.

Last year, the City updated its **Sewer System Management Plan (SSMP)** and developed a **Long-Term Capital Improvement Plan** that identified critical sewer infrastructure improvements over the next four years and set priorities for long-term rehabilitation and replacement projects over the next 20 years.

Building on these planning efforts, the City completed a **Financial Analysis and Plan** to evaluate future funding needs and assess multiple investment scenarios. In February, the City Council approved a balanced approach that prioritizes critical infrastructure investments while managing costs and long-term system risks.

These efforts established the foundation for the City's **first comprehensive Sewer Rate Study and Cost-of-Service Analysis**, which evaluated the long-term funding needs of the sewer system and proposed updated sewer rates, sewer connection fees, and changes to the rate structure.

The proposed rates in this notice are based on these findings and are intended to provide sufficient funding to operate, maintain, repair, and improve the City's sewer system responsibly while protecting public health and the environment.

A copy of the sewer rate study and cost-of-service analysis is available at **PleasantonWater.com/SewerRates** and can be mailed to customers upon request.



WHY ARE RATES CHANGING?

The City's Sewer System Management Plan, Financial Plan, and first comprehensive Sewer Rate Study identified several factors driving the need for updated sewer rates and fees. Key factors include:

- **Historically Low Rate Adjustments:** For many years, Pleasanton's sewer rates were adjusted only for changes in the Consumer Price Index (CPI). While this approach kept rates stable, it did not fully account for the long-term costs of maintaining, rehabilitating, and replacing aging sewer infrastructure.
- **Aging Infrastructure and Critical Capital Needs:** Unlike many other public services, sewer infrastructure must operate continuously every day to safely collect and transport wastewater. Planning efforts identified approximately \$55 million in critical sewer infrastructure improvements over the next four years to address aging assets, reduce the risk of sewer backups, overflows, and service disruptions, and avoid costly emergency repairs.
- **Rising Costs and Regulatory Requirements:** Like utilities throughout California, the City continues to experience rising costs for labor, materials, equipment, energy, and regulatory requirements.
- **Modernizing Rates with Cost-of-Service Principles:** The proposed rate structure changes are designed to simplify sewer charges and more closely align costs with each customer's estimated use of the sewer system and contribution to wastewater flows.
- **Maintaining Long-Term Financial Sustainability:** Updated rates are necessary to support ongoing sewer operations, maintenance, and capital improvement needs while maintaining the long-term financial health of the sewer enterprise fund.

SEWER RATE SETTING TIMELINE:

- **June 2025** - Adopted updated Sewer System Management Plan
- **November 2025** - Approved Long-Term Capital Improvement Plan
- **February 2026** - Approved Financial Plan and Balanced Delivery Method for Capital Investments for the Next Five Years
- **April 2026** - Special City Council Workshop regarding Findings from the 2026 Sewer Rate Study
- **June 2026** - City Council Approved Proposed Sewer Rate Structure Changes and Connection Fees
- **July 2026** - City Council Accepted 2026 Sewer Rate Study and Approved Proposition 218 Public Hearing Notice
- **November 17, 2026** - Public Hearing and Adoption of Sewer Rates and Connection Fees
- **January 1, 2027** - New Sewer Rates and Connection Fees Become Effective



UNDERSTANDING SEWER RATES AND PROPOSED CHANGES

Depending on customer type and location, sewer bills include both City sewer collection charges and regional wastewater treatment charges. **City Sewer Charges** fund the collection and transportation of wastewater through Pleasanton's local sewer system, while **Regional Treatment Charges** fund wastewater treatment and disposal services provided by Dublin San Ramon Services District (DSRSD) or the City of Livermore.

The **Sewer Rate Study** evaluated how wastewater is generated by different customer types and allocated costs proportionally based on estimated wastewater flows.

Residential Customers: Residential sewer charges are billed as a fixed bi-monthly rate. Wastewater flows are estimated using average household size data from the American Community Survey and a City-specific indoor water use assumption of 51 gallons per capita per day.

Commercial, Industrial, and Institutional Customers: Sewer charges are assessed based on average winter water use and expressed as a variable rate per hundred cubic feet (CCF). Wastewater flows are estimated using actual water usage data and winter water-use patterns, which more accurately reflect wastewater generation by excluding outdoor irrigation.

To improve transparency, simplify charges, and better align rates with cost-of-service principles, the following rate structure changes are proposed:

- Residential Customers:** Combining condominium and multifamily customers into a single residential rate category.
- Commercial and Industrial Customers:** Creating a single uniform collection rate across all business classifications, regardless of business type, along with a minimum charge.
- Institutional Customers:** Maintaining the distinction between submetered and non-submetered Pleasanton Unified School District customers based on differences in water use characteristics.



ONGOING MAINTENANCE AND REPAIRS

Public works staff routinely monitors, cleans, and repairs the City's sewer system.

WHERE DOES OUR WASTEWATER GO?

After wastewater is collected through Pleasanton's sewer system, it's conveyed to regional treatment facilities for treatment and disposal. Most wastewater generated in Pleasanton is treated by Dublin San Ramon Services District (DSRSD) at its Regional Wastewater Treatment Facility. Wastewater from the Ruby Hill area is treated by the City of Livermore at its Water Reclamation Plant.

Following treatment, a portion of the water is recycled and reused locally for irrigation and landscaping. The remaining treated wastewater is transported through a regional system operated by the Livermore-Amador Valley Water Management Agency (LAVWMA) and the East Bay Dischargers Authority (EBDA) for discharge into the San Francisco Bay.

WHAT DO SEWER RATES PAY FOR?

Pleasanton's sewer system operates 24 hours a day, 365 days a year, to safely collect and transport wastewater from homes and businesses to regional treatment facilities. **Sewer rates fund the operation, maintenance, and improvement of the City's sewer infrastructure, support compliance with State and Federal regulatory requirements, and protect public health and the environment.**

Over the next four years, rates will support critical investments needed to maintain a safe and reliable sewer system, including:

- Systemwide sewer cleaning and flushing
- Inspection and maintenance of sewer mains, manholes, force mains, and pump stations
- Sewer system monitoring and condition assessments
- Fats, Oils, and Grease (FOG) prevention and inspection programs
- Emergency response planning and preparedness
- Staff training and regulatory compliance activities
- Replacement of vehicles, equipment, and aging infrastructure assets
- Rehabilitation and replacement projects identified in the Capital Improvement Plan



PROPOSED SEWER RATES

Rate adjustments are proposed for the next four years (FY 2027-FY 2030) for single-family, condominium, multifamily, commercial, industrial, and school customer classifications. Rate changes vary by customer type and will take effect January 1, 2027, with subsequent increases on July 1 of each year. The proposed sewer rates shown below reflect the findings of the 2026 Sewer Rate Study to support the City's long-term sewer infrastructure, operational, maintenance, and regulatory needs. The following tables present proposed City sewer collection rates and estimated combined sewer bills, including regional wastewater treatment charges. Pass-through treatment charges shown in this notice are based on approved or estimated rates established by Dublin San Ramon Services District (DSRSD) or the City of Livermore. These charges are subject to change by the respective agency and are not set by the City of Pleasanton.

PROPOSED CITY SEWER RATES - RESIDENTIAL					
Bi-Monthly Fixed Residential Charges					
Customer Type	Current Rates	FY 2027 Effective Jan. 1	FY 2028 Effective July 1	FY2029 Effective July 1	FY2030 Effective July 1
Single Family	\$31.53	\$57.03	\$62.74	\$69.02	\$75.93
Single Family w/ 2nd Residence	\$48.02	\$96.53	\$106.19	\$116.81	\$128.50
Condo	\$21.65	\$39.51	\$43.47	\$47.82	\$52.61
Multi-Family	\$16.49	\$39.51	\$43.47	\$47.82	\$52.61

PROPOSED CITY SEWER RATES - COMMERCIAL					
Commercial Variable Charges (\$/CCF). 1 CCF = 748 Gallons					
Customer Type	Current Rates	FY 2027 Effective Jan. 1	FY 2028 Effective July 1	FY2029 Effective July 1	FY2030 Effective July 1
All Commercial/Industrial Customers (Proposed Classifications)					
All Commercial/Industrial Customers		\$4.08	\$4.49	\$4.94	\$5.44
Minimum Charge	\$16.49	\$39.51	\$43.47	\$47.82	\$52.61
Commercial (Current Classifications)					
Auto Steam Cleaning	\$1.77	\$4.08	\$4.49	\$4.94	\$5.44
Bakery	\$1.76	\$4.08	\$4.49	\$4.94	\$5.44
Laundry	\$1.77	\$4.08	\$4.49	\$4.94	\$5.44
Grocery with Disposal	\$1.70	\$4.08	\$4.49	\$4.94	\$5.44
Mortuary	\$2.07	\$4.08	\$4.49	\$4.94	\$5.44
Restaurant, Fast Food	\$1.66	\$4.08	\$4.49	\$4.94	\$5.44
Restaurant, Full Service	\$1.66	\$4.08	\$4.49	\$4.94	\$5.44
All Other	\$1.50	\$4.08	\$4.49	\$4.94	\$5.44

PROPOSED CITY SEWER RATES - INSTITUTIONAL					
Institutional Variable Charges (\$/CCF). 1 CCF = 748 Gallons					
Customer Type	Current Rates	FY 2027 Effective Jan. 1	FY 2028 Effective July 1	FY2029 Effective July 1	FY2030 Effective July 1
Schools, Submetered	\$1.44	\$2.03	\$2.24	\$2.47	\$2.72
Schools, Not Submetered	\$0.94	\$0.88	\$0.97	\$1.07	\$1.18

The table below illustrates the overall customer impact by comparing current bills to projected bills under the proposed rates. Collection charges reflect the City's sewer collection charges only, while combined bills include both collection charges and treatment costs (from DSRSD or Livermore). Treatment costs are shown using current and proposed rates to provide a comprehensive view of total sewer costs.

COMBINED BI-MONTHLY SEWER BILL - YEAR 1 (2027) - CITY & TREATMENT CHARGES*							
Customer Type	Avg. Use (CCF)	Current City Collection Bill	Proposed City Collection Bill	Difference (\$)	Current Combined Bill	Proposed Combined Bill	Difference (\$)
Residential Customers							
Single Family	N/A	\$31.53	\$57.03	\$25.50	\$97.11	\$122.61	\$25.50
Single Family w/ 2nd Residence	N/A	\$48.02	\$96.53	\$48.51	\$164.76	\$213.27	\$48.51
Condo	N/A	\$21.65	\$39.51	\$17.86	\$72.80	\$90.66	\$17.86
Multi-Family	N/A	\$16.49	\$39.51	\$23.02	\$67.64	\$90.66	\$23.02
Commercial, Industrial, and Institutional Customers							
Auto Steam Cleaning	24	\$41.27	\$96.63	\$55.36	\$255.50	\$310.86	\$55.36
Bakery	221	\$387.85	\$900.39	\$512.54	\$2,386.90	\$2,899.44	\$512.54
Laundry	20	\$34.19	\$80.31	\$46.12	\$111.94	\$158.06	\$46.12
Grocery with Disposal	171	\$290.19	\$696.39	\$406.20	\$1,662.99	\$2,069.19	\$406.20
Mortuary	15	\$30.98	\$59.91	\$28.93	\$154.22	\$183.15	\$28.93
Restaurant, Fast Food	97	\$160.91	\$394.47	\$233.56	\$733.02	\$966.58	\$233.56
Restaurant, Full Service	154	\$255.53	\$627.03	\$371.50	\$1,332.74	\$1,704.24	\$371.50
All Other	94	\$140.99	\$382.23	\$241.24	\$499.94	\$741.18	\$241.24
Schools, Submetered	172	\$247.68	\$349.16	\$101.48	\$901.28	\$1,002.76	\$101.48
Schools, Not Submetered	1,394	\$1,310.36	\$1,226.72	(\$83.64)	\$6,607.56	\$6,523.92	(\$83.64)

*Rates for customers in the Ruby Hill Service Area may differ from those shown. The City currently provides a 10 percent discount on sewer collection charges for all bi-monthly bills, funded by the City's General Fund. This discount is subject to annual approval by the cities of Pleasanton and/or Livermore.

IMPACT OF SEWER RATE CHANGES ON RESIDENTIAL BILLS

Based on the proposed rate changes, single-family residential customers will see a \$25.50 increase in the City sewer charge per bi-monthly billing cycle, or \$12.75 per month, in the first year. Under the proposed rate schedule, after the first year, subsequent rate adjustments over the next three years would be limited to 10 percent annually.

Combined sewer bill impacts vary by customer type and location. Ruby Hill customers are subject to different regional treatment charges and will experience different bill impacts.

CURRENT SEWER BILL	
Structure: Bi-Monthly Fixed Residential Charges	
Charge	Fixed Rate
PLEASANTON SEWER FIXED RESIDENTIAL	\$31.53
DSRSD SEWER FIXED RESIDENTIAL	\$65.58
TOTAL	\$97.11

PROPOSED SEWER BILL - YEAR 1 (JAN. 1, 2027)	
Structure: Bi-Monthly Fixed Residential Charges	
Charge	Fixed Rate
PLEASANTON SEWER FIXED RESIDENTIAL	\$57.03
DSRSD SEWER FIXED RESIDENTIAL	\$65.58
TOTAL	\$122.61

ESTIMATED YEAR 1 BI-MONTHLY INCREASE: \$25.50

DID YOU KNOW?

Over the past seven years, Pleasanton's residential sewer rates have **increased by only \$5.58**, which is an average of just **\$0.80 per year**.

BI-MONTHLY SEWER BILL COMPARISON

A sewer rate survey was conducted to compare Pleasanton's rates with those of peer agencies in the Tri-Valley area. This chart compares the City's current and proposed bi-monthly sewer collection and treatment bills for single-family customers to those of nearby agencies.

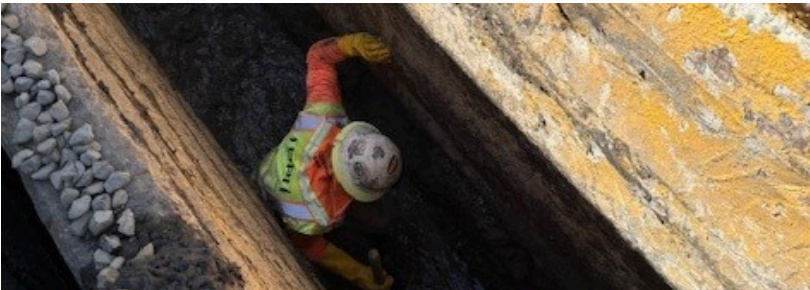
DSRSD\$93.17

City of Pleasanton (Current)\$97.11

City of Pleasanton (Proposed)\$122.61

City of Livermore\$155.98

As shown, following implementation of the proposed sewer rates, Pleasanton's combined sewer bills are expected to remain within the range of peer agencies in the Tri-Valley area.



2026 DENKER DRIVE EMERGENCY SEWER REPAIRS

PROPOSED SEWER CONNECTION FEE UPDATE

This update is for informational purposes only. In addition to evaluating sewer rates, the City recently completed a comprehensive review of its sewer connection fees. These fees will not be considered during the Proposition 218 public hearing. Instead, the City Council will consider them separately at the same meeting.

Sewer connection fees are one-time charges paid by new development projects in the City to connect to the sewer system. As part of the Sewer Rate Study, the City evaluated several industry-standard approaches for calculating connection fees and determined that the Buy-In Method is the most appropriate methodology for the City's sewer system.

The Buy-In Method is commonly used when a utility system has sufficient existing capacity to serve new customers. Under this approach, new development contributes its proportional share of the value of the City's existing sewer infrastructure and available system capacity. This approach helps ensure that new development pays its fair share of system costs while protecting existing ratepayers from subsidizing future development.

The proposed sewer connection fees vary by customer type and are calculated using Equivalent Dwelling Units (EDUs), which represent the average wastewater demand of a typical single-family residence. A complete schedule of proposed sewer connection fees is available on the City's website at PleasantonWater.com/SewerRates. These fees are subject to annual increases based on the Consumer Price Index.

View a table of proposed sewer connection fees by customer type.

