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INFRASTRUCTURE REPAIR and MAINTENANCE PROJECTS ESTIMATED AT MORE THAN $100 MILLION

Monterey, CA – The City of Monterey estimates the cost to rehabilitate, repair, maintain and upgrade its infrastructure: city-owned buildings, streets, sewers, storm drainage, parks, marina and wharf, parking structures and lots at $108.5 million. Of that total, immediate need for capital investment at the Monterey Conference Center, Monterey Public Library, and Monterey Sports Center, tunnel, streets, sewers and storm drains is projected to be $28 million, with an additional $80 million in infrastructure rehabilitation and maintenance needed citywide over the next 20 years.

Though the City has invested to sustain its infrastructure through the years, additional investment is needed to keep it in working order. For example, over 60 percent of the City's sewer system is more than 80 years old. To keep the City's infrastructure in acceptable and functioning condition, the City is developing short-, medium- and long-term capital improvement programs.

One program that is at the top of the short-term capital improvement list is rehabilitation and repairs to the City's sanitary sewer system. The City operates and maintains a sewer collection system that is made up of 102 miles of sewer pipelines and seven pump stations, and serves 9,525 residential and commercial accounts.

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Repairing, replacing and rehabilitating the City sewer system is estimated to cost $16.8 million, which could be paid with a State Revolving Loan. Such a loan currently carries a 2.7% interest rate, which is roughly equal to the rate of inflation for the past 20 years. It also would require an increase in sewer fees for residents and businesses in Monterey. As required by law, new rates would be based on flow, and rate increases would be phased in over five years. The average monthly residential sewer bill would increase by less than $2 per month per year. The average rate would go from $5.19 this year to $7.01, $8.69, $10.25, $10.51, $10.77 each succeeding year until 2016. The monthly utility cost for the City is still well below the fees charged by neighboring cities. The City also would institute a sewer connection fee for new construction.

"By phasing-in this rate increase over five years, the City is minimizing the impact on our citizens," said Mayor Chuck Della Sala. "The monthly increase is less than the price of one gallon of gas, and is contingent on a public discussion and vote by Council."

"The City infrastructure that we all take for granted today was built and paid for by previous generations of Monterey citizens," said City Manager Fred Meurer. "Our infrastructure is aging and in imminent need of repair and renovation. It is our responsibility to pass this infrastructure along to future generations in as good if not better shape than we received it. That will take time, money and community will to fund massive infrastructure projects that protect Monterey's future."

The sewer rate increase and connection fee are subject to public hearings, which will be held in July and August. For more information, please contact:

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