

Notice of Public Hearing About Proposed 2008-09 Rate Increases For City Sanitation, Sanitary Sewer And Water Services

ATTEND THE PUBLIC HEARING

Tuesday, May 6, 2008
Meeting begins at 6:30 p.m.
City of Davis
Community Chambers
23 Russell Boulevard
Davis, CA 95616-3896

The meeting agenda will be available on May 2 at www.cityofdavis.org/meetings

RATES UPDATE

Davis residents are encouraged to attend a May 6 public hearing for an opportunity to share their thoughts and comments with city officials regarding proposed rate changes. Prior to recommending rate increases, the City of Davis Public Works Department annually evaluates its service needs, mandated programs and operational costs. This year, the city is recommending customer rate increases to support the department's service obligations, government regulatory requirements and infrastructure improvements.

Changes to Sanitary Sewer Rate Methodology

On January 22, 2008, the Davis City Council approved a new sewer rate methodology to calculate monthly sewer bills. In the past, residential sewer was charged as a flat rate — regardless of a household's water usage. Households will now have winter water consumption as a factor in their monthly rate. Winter water consumption measures water usage from November through February. By avoiding the spring and summer months, most irrigation charges are omitted from water consumption. This new methodology will create a more equitable rate that charges residents for what they contribute to the sewer system.

Sanitary Sewer Rates

The average monthly rate will increase approximately \$1.62 per month, which is a recommended rate increase of 4 percent (see chart below for detailed rate schedule). With consumption based billing in effect, some customers may experience a higher or lower cost for their sewer water usage. The proposed rate change will generate approximately \$547,370 in additional revenue to support the city's 3 percent increase in operational costs and wastewater plant upgrades. Other anticipated replacement projects include a condition assessment of the collection lines, rehabilitation of one mile of sewer trunk line and system hydraulic analysis.

The adjusted sewer rates will take effect on the August 1, 2008 bill.

Sanitation Rates

Sanitation services include trash, recycling, green waste pick-up, street sweeping and city recycling programs. The proposed increase for single-family residences is \$0.83 per month (see reverse side for detailed rate schedule). This is a 3.5 percent increase over current rates. Commercial rates will experience the same 3.5 percent increase range, but vary based on their type of service. These rate changes are mostly due to consumer price index adjustments and will become effective August 1, 2008.

Water Rates

On average, most residents will experience a \$3.00 increase for their monthly water service, which is a recommended rate increase of 19 percent (see reverse side for detailed rate schedule). The proposed increase generates an additional \$1.3 million, which will fund the continued replacement of water wells, an anticipated 4 percent increase in operation and maintenance costs and several significant replacement projects. The rate increase also supports continued funding of the surface water project, but excludes funding for the design and construction phases.

Over the next two years, the city will begin construction on the east side water storage tank and two replacement water wells. The proposed rate increase anticipates outside financing to construct the water tank and to purchase one of the two water wells. Another capital improvement project includes Supervisory Control and Data Acquisition (SCADA) System upgrades. The upgrades will ensure the SCADA software is able to properly control the water supply system and detect any problems that may arise.

The adjusted water rate will take effect August 1, 2008, and will be reflected on the October bill.

You Can Be Heard

Proposition 218 allows customers to respond to proposed rate increases prior to the public hearing. If you object to the proposed increase in the monthly service charges described in this notice, you may file a written protest with the city clerk at, or before, the time set for the public hearing.

A valid protest must contain:

- A description of the property (such as an address) that is sufficient to identify the property.
- Written evidence that the signer(s) is/are the owner(s) of the property, if the signer(s) was/were not shown on the last equalized assessment roll of Yolo County as the owner(s) of the property.

Protests can be mailed or personally delivered to:

City Clerk, City of Davis
 23 Russell Boulevard, Davis, CA 95616-3896

If a majority of affected property owners file written protests, the proposed rate changes will not be imposed. If you have any questions regarding this notice, please call (530) 757-5686 between 8 a.m. and 5 p.m., Monday through Friday.

FY 2008-09 Proposed Sanitary Sewer Rate Schedule

Residential

Customer Category	Former Rate Structure	New Rate Methodology			Typical Monthly Bill* 08/09
	Current Rate Per Month 07/08	Fixed Rates		Commodity Rate	
		Cost/Month Per Account	Cost/Month Per Unit		
Single Family	\$ 39.65	\$ 2.57	\$ 5.77	\$ 3.95	\$ 41.27
Single Family Condo	30.80	2.57	4.39	3.95	32.03
M2 Duplex	29.92	2.57	4.39	3.95	30.73
M3 Triplex	31.02	2.57	4.72	3.95	32.56
M4 Quadplex	31.33	2.57	4.82	3.95	33.02
M5 5+ units	21.43	2.57	3.27	3.95	21.99
MH Mobile Homes	21.93	2.57	3.41	3.95	22.92

* Many customers may experience a higher or lower monthly bill based on winter water usage.

Commercial and Industrial (Basic + User Class Rate*)

Customer Category (Basic)	Current Rate Per Month	Proposed Rate Per Month
All commercial uses, if serviced by a water meter	\$ 2.60	\$ 2.57
User Class (Variable)	Current Rate Per ccf	Proposed Rate Per ccf
Office/Retail (C1)	\$ 4.12	\$ 4.19
Laundromats (C2)	4.20	4.27
All Other Commercial (C3)	4.12	4.19
Convalescent Hospitals (C4)	4.39	4.47
Auto/Service Stations (C5)	4.47	4.55
Restaurants (C6)	6.54	6.67
Industrial	4.65	4.58

* Commercial, industrial and now residential users are charged a basic flat rate plus a variable charge, which is based on the average of the previous year's water use for the months of November through February and is computed using the cost per one hundred cubic feet (ccf) of water used.

FY 2008–09 Proposed Water Rate Schedule

Customer Category	Use Tiers	Current Bi-Monthly Water Consumption Charge	Proposed Bi-Monthly Water Consumption Charge
Single-family Residential (use per dwelling unit)	Tier 1: 0-36 hcf	\$ 1.09	\$ 1.30
	Tier 2: >36 hcf	1.41	1.69
Multifamily Residential (use per dwelling unit)	Tier 1: 0-14 hcf	0.96	1.15
	Tier 2: >14 hcf	1.41	1.69
Small Commercial/Industrial (use per account)	Tier 1: 0-115 hcf	0.99	1.18
	Tier 2: >115 hcf	1.41	1.69
Large Commercial/Industrial (use per account)	Tier 1: 0-619 hcf	1.06	1.26
	Tier 2: >619 hcf	1.41	1.69
Irrigation (use per acre)	Tier 1: 0-363 hcf	1.28	1.53
	Tier 2: >363 hcf	1.41	1.69

Meter Size (provided in inches)	Current Monthly Base Rate	Proposed Monthly Base Rate
5/8" and 3/4"	\$ 8.40	\$ 10.00
1"	11.80	14.10
1 1/2"	20.30	24.30
2"	30.50	36.50
3"	57.80	69.10
4"	88.40	105.70
6"	173.60	207.60
8"	275.80	329.80

FY 2008–09 Proposed Sanitation Rate Schedule

A. Individually serviced residents shall pay the following fees per month:

Service	Current Monthly Base Rate	Proposed Monthly Base Rate
(1) Curbside collection	\$ 27.73	\$ 28.36
(2) Handicapped service	27.73	28.36
(3) No garbage collection (utilizes all other sanitation services)	16.56	16.92
(4) An individually serviced residence that is to be vacant for 60 days or more shall be entitled to the "no garbage" rate of subparagraph (4), providing notification is given to the city prior to occurrence of the vacancy.		

B. Businesses and communally serviced residences shall pay the following fees:

(1) Commercial cart and bin service, dollar cost per month:

Cart Service											
Level of Service	1x/Week		2x/Week		3x/Week		4x/Week		5x/Week		6x/Week
Cart	Mid-week	Sat	All Md-wk	1x/Wk + Sat	All Md-wk	2x/Wk + Sat	All Md-wk	3x/Wk + Sat	All Md-wk	4x/Wk + Sat	
1	\$ 53.00	\$ 56.46	\$ 95.63	\$ 100.85	\$ 143.45	\$ 148.67	\$ 193.03	\$ 199.94	\$ 242.62	\$ 254.89	\$ 274.04
2	93.90	99.11	179.17	186.09	269.66	276.58	364.00	370.55	448.88	459.27	551.49
3	129.61	139.99	250.60	269.66	380.25	395.83	508.17	523.77	634.36	651.68	770.92
Per Extra Cart	36.11	41.30	71.85	83.97	111.02	119.67	144.58	153.64	185.89	192.81	219.86

Bin Service											
Level of Service	1x/Week		2x/Week		3x/Week		4x/Week		5x/Week		6x/Week
Yards	Mid-week	Sat	All Md-wk	1x/Wk + Sat	All Md-wk	2x/Wk + Sat	All Md-wk	3x/Wk + Sat	All Md-wk	4x/Wk + Sat	
1	\$ 82.56	\$ 94.75	\$ 156.56	\$ 168.68	\$ 235.75	\$ 247.86	\$ 316.09	\$ 328.94	\$ 399.29	\$ 409.66	\$ 488.87
1.5	112.66	126.82	209.76	221.87	325.93	339.78	436.89	449.01	542.64	554.76	670.92
2	137.50	158.30	268.15	287.17	400.50	421.29	536.30	555.37	672.14	692.95	825.37
2.5	171.04	190.07	326.52	347.35	495.87	516.66	663.47	684.27	832.93	853.69	1,019.60
3	204.56	225.35	388.38	409.15	589.53	613.74	794.22	815.00	993.59	1,016.13	1,217.27
4	268.15	295.86	510.35	541.53	775.12	806.33	1,036.42	1,065.83	1,297.67	1,328.81	1,648.99
5	328.24	366.37	635.77	672.14	962.42	1,000.52	1,287.23	1,325.38	1,608.61	1,645.02	2,027.02
6	391.83	436.89	759.53	799.40	1,149.70	1,191.28	1,534.68	1,577.95	1,919.43	1,962.93	2,406.86
Per Extra Yard	59.58	64.77	117.44	126.14	178.83	184.01	236.71	245.38	292.87	303.26	361.17
Ea. Compacted Yd.	63.52	68.72	125.39	132.31	190.67	194.15	252.52	259.47	314.38	323.03	383.46

(2) The following special provisions apply to the above cart and bin rates:

- (a) The above rates are for containers no fuller than level full.
- (b) Containers located at multiple stations on one occupancy shall be considered separate services, unless the locations and access to the multiple stations expedite waste collection.
- (c) Containers stored in difficult-to-service locations shall be serviced at a surcharge rate negotiated between subscriber and the city or its fully authorized agent.
- (d) Containers filled or holding compacted garbage cubes will be charged weight maintenance surcharge per above per month in addition to respective service level rate.

(3) Commercial no garbage billing (all services except actual garbage collection): \$16.92

(4) A vacant business or vacant communally serviced residence shall be entitled to the "no garbage" rate, providing notice is given to the city at the start of the vacancy period.