



## FACT SHEET

### Proposed 2009/10 Rate Increase for City Services

#### Residential Customers

<p><b>Why are water rates increasing this year?</b></p>	<p>The City of Davis, Public Works Department, is dedicated to providing safe and reliable drinking water for the community. The proposed water rate increase will generate an additional \$1,000,000 in revenue. Approximately three percent will pay for an increase in operational costs. The remainder of the money will fund over nine water replacement projects. These projects help sustain the current water supply, secure future water supply sources and monitor the existing structures to maintain a safe water supply system.</p> <p>Below is a brief explanation of the planned water projects recommended for 2009/2010:</p> <ul style="list-style-type: none"> <li>• <b>Construction of the east side water storage tank</b> – A continuing construction project that will increase system reliability and help to meet peak demands in the community.</li> <li>• <b>Construction of two replacement water wells</b> – The city is currently constructing two wells that will replace supply capacity lost when other wells were destroyed due to poor water quality or structure failure.</li> <li>• <b>Water main replacement</b> - Preventative maintenance to replace aged, underground water pipes throughout the community.</li> <li>• <b>El Macero valve replacement</b> - Replaces old valves. Valves are essential for controlling water flow to the community (they allow for emergency shut-off).</li> <li>• <b>Surface water supply</b> – Continued efforts in conjunction with City of Woodland and UC Davis to study the feasibility of adding Sacramento River water to our water supply.</li> <li>• <b>Corrosion control</b> - General waterline maintenance.</li> <li>• <b>Automated Meter Reading (AMR)</b> – Pursuing funding for an AMR system to eliminate the need for individual field readers.</li> <li>• <b>Supervisory Control and Data Acquisition (SCADA)</b> – SCADA is a system that controls and detects any problems that may arise with our wells and tanks.</li> <li>• <b>UC Davis Intertie</b> – Upgrade existing connection and valves. Also funds the installation of water meters so emergency water sharing is possible between the city and UC Davis.</li> </ul> <p>For additional project information, please visit <a href="http://www.cityofdavis.org/PW/CIP">www.cityofdavis.org/PW/CIP</a> and scroll down to the “Water” segment.</p>
<p><b>When will the new rates take effect?</b></p>	<p>If approved, the new rates will take effect as outlined below:</p> <ul style="list-style-type: none"> <li>• <b>Sanitary Sewer</b> – Effective August 1, 2009</li> <li>• <b>Sanitation</b> – Effective August 1, 2009</li> <li>• <b>Water (Base Rate)</b> – Effective August 1, 2009</li> <li>• <b>Water (Consumption Rate)</b> – Effective September 1, 2009*</li> </ul> <p>*The water base rate is a fixed charge, while the water consumption rate is based on use. Since the water meter reading data is collected every other month,</p>



	<p>residents will not see the revised water rates until the December bill (reflecting the individual household's water usage for the months of September and October).</p>																														
<p><b>What does ccf stand for?</b></p>	<p>Ccf is a unit of measurement. One ccf is the equivalent of 748 gallons of water.</p> <p>If a household has a monthly winter water usage of 8 ccf, it means the individual household contributed an average of 5,984 gallons of water to the sewer system in one month.</p>																														
<p><b>Why does the sanitary sewer rate keep changing?</b></p>	<p>In 2008, the Davis City Council approved a revised rate structure charging residents for an individual household's water contribution to the sewer system (such as flushing toilets, etc.).</p> <p><b>Example 1</b> Explanation of sanitary sewer rate methodology changes. This example is based on a single-family household with a monthly winter water usage average of <b>8 ccf*</b>:</p> <ul style="list-style-type: none"> <li>• <b>2007/08</b> – Flat Rate <b>\$39.65/month</b></li> <li>• <b>2008/09</b> – Rate incorporates winter water usage</li> </ul> <table border="1" data-bbox="396 1073 1404 1184"> <tr> <td>\$2.57</td> <td>\$5.77</td> <td>8 ccf</td> <td>\$3.95</td> <td><b>\$39.94</b></td> </tr> <tr> <td>\$/mo/acct</td> <td>\$/mo/unit</td> <td>Monthly winter usage</td> <td>Variable cost/ccf</td> <td><b>Monthly rate</b></td> </tr> </table> <ul style="list-style-type: none"> <li>• <b>2009/10</b> – Rate incorporates winter water usage</li> </ul> <table border="1" data-bbox="396 1257 1404 1369"> <tr> <td>\$2.57</td> <td>\$17.76</td> <td>8 ccf</td> <td>\$2.49</td> <td><b>\$40.25</b></td> </tr> <tr> <td>\$/mo/acct</td> <td>\$/mo/unit</td> <td>Monthly winter usage</td> <td>Variable cost/ccf</td> <td><b>Monthly rate</b></td> </tr> </table> <p>(Greater emphasis on the cost per unit, less emphasis on the cost of water contributed to the sewer system i.e. variable cost/ccf. Designed to eliminate the extreme highs and lows some households experienced in their sanitary sewer rate.)</p> <p>-----</p> <p><b>Example 2</b> Explanation of sanitary sewer rate methodology changes (this example is based on a single-family household with a monthly winter quarter average of <b>15 ccf*</b>):</p> <ul style="list-style-type: none"> <li>• <b>2007/08</b> – Flat Rate <b>\$39.65/month</b></li> <li>• <b>2008/09</b> – Rate incorporates winter water usage</li> </ul> <table border="1" data-bbox="396 1797 1404 1908"> <tr> <td>\$2.57</td> <td>\$5.77</td> <td>15 ccf</td> <td>\$3.95</td> <td><b>\$67.59</b></td> </tr> <tr> <td>\$/mo/acct</td> <td>\$/mo/unit</td> <td>Monthly winter usage</td> <td>Variable cost/ccf</td> <td><b>Monthly rate</b></td> </tr> </table> <ul style="list-style-type: none"> <li>• <b>2009/10</b> – Rate incorporates winter water usage</li> </ul>	\$2.57	\$5.77	8 ccf	\$3.95	<b>\$39.94</b>	\$/mo/acct	\$/mo/unit	Monthly winter usage	Variable cost/ccf	<b>Monthly rate</b>	\$2.57	\$17.76	8 ccf	\$2.49	<b>\$40.25</b>	\$/mo/acct	\$/mo/unit	Monthly winter usage	Variable cost/ccf	<b>Monthly rate</b>	\$2.57	\$5.77	15 ccf	\$3.95	<b>\$67.59</b>	\$/mo/acct	\$/mo/unit	Monthly winter usage	Variable cost/ccf	<b>Monthly rate</b>
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How do I calculate the estimated sanitary sewer rate for other "Customer Categories"?	<p>Explanation of sanitary sewer rate methodology changes. The following example is based on a multifamily residence with three units (listed as M3 Triplex under the "Customer Category") and a monthly winter quarter average of 10 ccf.</p> <ul style="list-style-type: none"> <li>• <b>2007/08 – Flat Rate \$31.02/month</b></li> <li>• <b>2008/09 – Rate incorporates winter water usage</b></li> </ul> <table border="1"> <tr> <td>\$2.57</td> <td>3 units</td> <td>\$4.72</td> <td>10 ccf</td> <td>\$3.95</td> <td>\$56.23</td> </tr> <tr> <td>\$/mo/acct</td> <td># of units*</td> <td>\$/mo/unit</td> <td>Monthly winter usage</td> <td>Variable cost/ccf</td> <td><b>Monthly rate</b></td> </tr> </table> <ul style="list-style-type: none"> <li>• <b>2009/10 – Rate incorporates winter water usage</b></li> </ul> <table border="1"> <tr> <td>\$2.57</td> <td>3 units</td> <td>\$14.55</td> <td>10 ccf</td> <td>\$2.49</td> <td>\$71.12</td> </tr> <tr> <td>\$/mo/acct</td> <td># of units*</td> <td>\$/mo/unit</td> <td>Monthly winter usage</td> <td>Variable cost/ccf</td> <td><b>Monthly rate</b></td> </tr> </table> <p>* Units were printed on the mailing panel of the Proposed 2009/10 Rate Increases for City Services newsletter.</p>	\$2.57	3 units	\$4.72	10 ccf	\$3.95	\$56.23	\$/mo/acct	# of units*	\$/mo/unit	Monthly winter usage	Variable cost/ccf	<b>Monthly rate</b>	\$2.57	3 units	\$14.55	10 ccf	\$2.49	\$71.12	\$/mo/acct	# of units*	\$/mo/unit	Monthly winter usage	Variable cost/ccf	<b>Monthly rate</b>			
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Water is the current water base rate?	<p>Only residents with a 5/8" or 3/4" water meter have a proposed rate increase.</p> <table border="1"> <thead> <tr> <th>Meter Size (provided in inches)</th> <th>Current Monthly Base Rate</th> <th>Proposed Monthly Base Rate</th> </tr> </thead> <tbody> <tr> <td>5/8" or 3/4"</td> <td>\$10.00</td> <td>\$10.10</td> </tr> <tr> <td>1"</td> <td>14.10</td> <td>No increase</td> </tr> <tr> <td>1 1/2"</td> <td>24.30</td> <td>No increase</td> </tr> <tr> <td>2"</td> <td>36.50</td> <td>No increase</td> </tr> <tr> <td>3"</td> <td>69.10</td> <td>No increase</td> </tr> <tr> <td>4"</td> <td>105.70</td> <td>No increase</td> </tr> <tr> <td>6"</td> <td>207.60</td> <td>No increase</td> </tr> <tr> <td>8"</td> <td>329.80</td> <td>No increase</td> </tr> </tbody> </table>	Meter Size (provided in inches)	Current Monthly Base Rate	Proposed Monthly Base Rate	5/8" or 3/4"	\$10.00	\$10.10	1"	14.10	No increase	1 1/2"	24.30	No increase	2"	36.50	No increase	3"	69.10	No increase	4"	105.70	No increase	6"	207.60	No increase	8"	329.80	No increase
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