



NOTICE OF PUBLIC HEARING

PROPOSED 2009/10 RATE INCREASES FOR CITY SERVICES

The City of Davis is recommending customer rate increases for city sanitation and water services. Additionally, the city is recommending a modification to the residential sanitary sewer rate methodology to minimize extreme highs and lows in the customer rate. This modification will result in a rate adjustment on the bill.

Recommended Residential Rate Updates

(Commercial/Industrial customers, see reverse side for detailed rate schedule)

Sanitation (Effective August 1, 2009)

Proposed increase for single-family residences is \$0.51 per month, a two percent increase over current rates (see detailed rate schedule below).

- This increase will continue to fund services for trash, recycling, green waste pick-up, street sweeping and city recycling programs.

Water – Base Rate (Effective August 1, 2009)

- Proposed increase for residential customers with a 5/8" or 3/4" water meter is \$0.10 per month. No rate increases are proposed for all other meter sizes. Residents can view current monthly base rates at www.cityofdavis.org and search "utility rates".

Water - Consumption Rate (Effective September 1, 2009 – reflected on the December 2009 bill)

Proposed increase for a typical single-family residence is approximately \$3.30 per month (dependent on water usage), a 10 percent increase over current rates (see detailed rate schedule below).

- This increase will generate an additional \$1,000,000 in revenue to cover an estimated three percent increase in operational costs and funding of over nine water replacement projects entering the construction phase in 2009-10. The city will continue pursuing alternative financing such as stimulus money and other state grants and loans to help subsidize improvement project spending.

Sanitary Sewer (Effective August 1, 2009)

No rate increase is proposed, but residential customers will experience a rate adjustment due to changes in the rate calculations.

- In 2008, the Davis City Council approved a change to the residential sewer rate calculation. The sewer rate was restructured to charge residents for what they contribute to the sewer system. This year the city is refining the rate. The revised rate calculation will minimize the extreme highs and lows by placing a greater emphasis on the base rate. The costs associated with the consumption rate (based on an individual household's winter water usage) will not be weighted as heavily in the revised rate calculation (see table below for detailed rate schedule).

How to Calculate Your Sanitary Sewer Rate

When referring to the detailed sanitary sewer rate schedule in the table below, use the following equation to calculate your household's estimated monthly sanitary sewer rate. The monthly winter quarter average for your residence (based on your 2007/08 water usage) is printed on the left side of this newsletter mailing panel.

_____	+	_____	+	(_____ * \$2.49)	=	_____
\$/mo/acct		\$/mo/unit		monthly winter ccf		your est. monthly sewer rate*
CALCULATION EXAMPLE:						
\$2.57	+	\$17.76	+	(8 * \$2.49)	=	\$40.25
\$/mo/acct		\$/mo/unit		monthly winter ccf		your est. monthly sewer rate*

This example is based on a single-family home with a monthly winter quarter average of 8 ccf. For other user classes, reference the frequently asked questions on the Web site.

* Assumes there are no significant changes from 2007/08 to 2008/09. Actual sewer rate will be based on your 2008/09 winter quarter average.

Questions?

Please visit www.cityofdavis.org to view frequently asked questions about the proposed rate increase including:

- how the sanitary sewer rate is calculated
- the nine water replacement projects that need funding

You Can Be Heard

Davis residents have an opportunity to comment on proposed rate changes at the May 5 public hearing. The meeting will be held in the City of Davis Community Chambers, 23 Russell Boulevard, at 6:30 p.m. The meeting agenda will be available on May 1 at www.cityofdavis.org/meetings.

Residents unable to attend the meeting may file a written protest with the city clerk at, or before, the public hearing. Valid protests must contain:

- Property description (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 questions regarding this notice, call (530) 757-5686 Monday through Friday, between 8 a.m. and 5 p.m. or visit www.cityofdavis.org for answers to frequently asked questions.

FY 2009-10 Proposed Rate Schedule – Residential Customers

(Commercial customers - see reverse side for detailed rate schedule)

Residential Sanitation - Individually serviced residents shall pay the following fees per month

Service	Current Monthly Rate	Proposed Monthly Rate
(1) Curbside collection	\$28.36	\$28.87
(2) Handicapped service	28.36	28.87
(3) No garbage collection (utilizes all other sanitation services)	16.92	17.21

(4) An individually serviced residence that is to be vacant for sixty days or more shall be entitled to the "no garbage" rate, providing notification is given to the city prior to occurrence of the vacancy.

Residential Sanitary Sewer (Base Rate + Variable Rate*) – Based on winter water usage

Customer Category (Basic)	Current Rate			Proposed Rate		
	Base Rate (Fixed)		Variable	Base Rate (Fixed)		Variable
	Cost/month/account	Cost/month/unit		Cost/month/account	Cost/month/unit	
Single-family	\$2.57	\$5.77	\$3.95	\$2.57	\$17.76	\$2.49
Single-family Condo	2.57	4.39	3.95	2.57	13.52	2.49
M2 Duplex	2.57	4.39	3.95	2.57	13.52	2.49
M3 Triplex	2.57	4.72	3.95	2.57	14.55	2.49
M4 Quadplex	2.57	4.82	3.95	2.57	14.86	2.49
M5 5+ units	2.57	3.27	3.95	2.57	10.07	2.49
MH Mobile Homes	2.57	3.41	3.95	2.57	10.51	2.49

* Residential users are charged a basic flat rate plus a variable charge, which is based on the individual household's winter water use for the months of November through February and is computed using the cost per one hundred cubic feet (ccf) of water used. ** ccf – hundred cubic foot. Each ccf unit is the equivalent of 748 gallons of water.

Residential Water (Base Rate* + Variable Rate) – Individually serviced residents shall pay the following bi-monthly water consumption fees

Customer Category	Use Tiers	Current Variable Cost/ccf**	Proposed Variable Cost/ccf**
Single-family Residential (use per dwelling unit)	Tier 1: 0-36 ccf	\$1.30	\$1.48
	Tier 2: >36 ccf	1.69	1.87
Multifamily Residential (use per dwelling unit)	Tier 1: 0-14 ccf	1.15	1.40
	Tier 2: >14 ccf	1.69	1.87
Irrigation (use per acre)	Tier 1: 0-363 ccf	1.53	1.39
	Tier 2: >363 ccf	1.69	1.87

* Base rate tables are not shown. Residential customers with a 5/8" or 3/4" water meter will experience a proposed \$0.10 increase over current base rates. No rate increases are proposed for all other meter sizes. Residents can view current monthly base rates at www.cityofdavis.org and search "utility rates".

** ccf – hundred cubic foot. Each ccf unit is the equivalent of 748 gallons of water.

FY 2009-10 Proposed Rate Schedule – Commercial Customers

(Residential customers – see reverse side for detailed rate schedule)

Attend the Public Hearing Tuesday, May 5, 2009

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 1 at www.cityofdavis.org/meetings

 Printed on recycled paper.
Each ton of recycled paper
saves 7,000 gallons of water.

Commercial/Industrial Water (Effective September 1, 2009) - Proposed increase for consumption charge is approximately 10 percent. Commercial/Industrial users with a 5/8" or 3/4" water meter will experience a proposed water base rate increase of \$0.10 (Effective August 1, 2009). All other meter sizes will not increase.*

Customer Category	Use Tiers	Current Variable Cost/ccf**	Proposed Variable Cost/ccf**
Small Commercial/Industrial	Tier 1: 0-115 ccf	\$1.18	\$1.39
	Tier 2: >115 ccf	1.69	1.87
Large Commercial/Industrial (use per account)	Tier 1: 0-619 ccf	1.26	1.49
	Tier 2: >619 ccf	1.69	1.87
Irrigation (use per acre)	Tier 1: 0-363 ccf	1.53	1.39
	Tier 2: >363 ccf	1.69	1.87

* Commercial/Industrial users can view the current water base rates at www.cityofdavis.org and search "utility rates".

** ccf – hundred cubic foot. Each ccf unit is the equivalent of 748 gallons of water.

Sanitation (Effective August 1, 2009) – Proposed increase is approximately 2.6 percent which is in accordance with the Consumer Price Index (CPI).

Businesses and communally serviced residences shall pay the following fees

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

2009/10 Cart Service Rates

Level of service	1x/Week		2x/Week		3x/Week		4x/Week		5x/Week		6x/Week
	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	
Cart 1	\$53.92	\$57.46	\$97.29	\$102.63	\$145.96	\$151.31	\$196.45	\$203.52	\$246.93	\$259.51	\$278.81
Cart 2	95.52	100.85	182.24	189.33	274.33	281.42	370.35	377.06	456.68	467.33	561.18
Cart 3	131.79	142.42	254.81	274.33	386.69	402.65	516.80	532.79	645.15	662.88	784.11
Per Extra Cart	36.62	41.94	72.93	85.35	112.74	121.60	146.81	156.10	188.82	195.91	223.32

2009/10 Bin Service Rates

Level of service	1x/Week		2x/Week		3x/Week		4x/Week		5x/Week		6x/Week
	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	
Yards 1	\$84.10	\$96.58	\$159.48	\$171.90	\$240.19	\$252.60	\$322.08	\$335.24	\$406.89	\$417.51	\$498.23
Yards 1.5	114.72	129.23	213.57	225.98	331.94	346.13	444.99	457.41	552.69	565.11	683.48
Yards 2	139.96	161.27	272.97	292.45	407.71	429.01	545.99	565.52	684.31	705.63	840.46
Yards 2.5	174.11	193.61	332.35	353.68	504.79	526.08	675.43	696.73	847.99	869.26	1038.17
Yards 3	208.24	229.53	395.30	416.57	600.11	624.90	808.54	829.84	1011.53	1034.62	1239.41
Yards 4	272.97	301.35	519.41	551.34	788.98	820.95	1054.98	1085.11	1320.94	1352.85	1679.17
Yards 5	334.11	373.16	647.06	684.31	979.60	1018.63	1310.25	1349.33	1637.39	1674.68	2063.92
Yards 6	398.83	444.99	773.01	813.85	1170.20	1212.79	1562.07	1606.40	1953.71	1998.26	2450.54
Per Extra Yard	60.56	65.87	119.41	128.32	181.89	187.19	240.76	249.64	297.88	308.51	367.42
Ea. Compacted Yd.	64.80	70.13	127.98	135.07	194.65	198.22	257.80	264.93	320.97	329.83	391.53

(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): \$17.21

(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.

Commercial/Industrial Sanitary Sewer (Effective August 1, 2009) – No proposed rate increase for commercial and industrial users. Visit www.cityofdavis.org and search "utility rates" to view current monthly rates.