



City of Placerville
3101 Center Street
Placerville, CA 95667

**Proposition 218 Notification
NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING
ON WATER AND WASTEWATER RATES**

Service Address: -

Hearing Date & Time: February 13, 2018, at 6:00 PM or as soon thereafter as possible
Hearing Location: Town Hall, 549 Main Street, Placerville, CA 95667
Questions / More Information: Contact the Finance Department, at (530) 642-5223

Why am I receiving this Notice?

You are receiving this notice in accordance with Proposition 218, a state law which requires providers of public utility services (including water and wastewater service) to notify ratepayers of increases in proposed rates. The property listed above receives service from the **City of Placerville ("the City")**.

This notice is intended to provide you with information on the service provided by the City, the reasons for the proposed rates, and the methods by which you can protest the proposed rates if you desire.

What services do the rates fund?

The City provides water to 2,693 connections and wastewater service to 3,358 connections.

Why is a rate increase needed?

The City has not increased water and wastewater rates since 2014. The current rates do not reflect the full cost necessary to provide these services. The proposed rates are designed to sustainably operate and maintain each utility.

Basis of Proposed Rates

Article XIID of the California Constitution (also known as Proposition 218) requires that providers of public utility services levy service charges that are clearly linked to the cost of providing the service to each parcel. The cost of service calculation includes expenses such as debt payments, labor, energy, chemicals and other supplies, and the cost of providing required maintenance of the system. Water and wastewater projects are currently funded by the Measure H and Measure L sales taxes. No project costs are included in the proposed water and wastewater rates. Customers are currently receiving a sewer charge discount. In an effort to minimize future increases in wastewater rates, this rate increase assumes discontinuing the sewer charge discount program effective February 16, 2018. The rates proposed herein are designed to meet all

legal requirements and fairly and equitably recover the required revenue from all customers. The rates were developed by an independent consultant retained by the City, and the final findings of their report, which include the detailed calculations showing the basis for these fees, are available at City Hall.

Proposed Rate Changes

The City is proposing to replace the current three tier structure for charging water customers with a uniform rate for all usage. The proposed change is designed to comply with the legal requirements of Proposition 218. **Current and proposed water and wastewater service charges are shown below:**

Bi-Monthly Single-Family Residential Water Rates (Non-Lifeline)	Current Rates	Effective 02/16/18	Effective 06/16/19	Effective 06/16/20	Effective 06/16/21	Effective 06/16/22
Base Charge (Bimonthly)	\$27.56	\$20.75	\$22.21	\$23.44	\$24.62	\$25.73
<u>Commodity Charge*</u>						
All Use, per CCF		\$4.15	\$4.45	\$4.70	\$4.94	\$5.17
0 to 10 CCF	\$2.94					
10.01 to 25 CCF	\$3.52					
Over 25 CCF	\$3.81					

Bi-Monthly Single-Family Residential Water Rates (Lifeline)	Current Rates	Effective 02/16/18	Effective 06/16/19	Effective 06/16/20	Effective 06/16/21	Effective 06/16/22
Base Charge (Bimonthly)	\$20.68	\$15.57	\$16.67	\$17.58	\$18.47	\$19.30
<u>Commodity Charge*</u>						
All Use, per CCF		\$3.12	\$3.34	\$3.53	\$3.71	\$3.88
0 to 10 CCF	\$2.22					
10.01 to 25 CCF	\$2.65					
Over 25 CCF	\$2.87					

Bi-Monthly Commercial & Multi-Family Residential Water Rates	Current Rates	Effective 02/16/18	Effective 06/16/19	Effective 06/16/20	Effective 06/16/21	Effective 06/16/22
Base Charge (Bimonthly)	\$27.56	\$20.75	\$22.21	\$23.44	\$24.62	\$25.73
<u>Commodity Charge*</u>						
All Use, per CCF		\$4.15	\$4.45	\$4.70	\$4.94	\$5.17
0 to 40 CCF	\$2.94					
40 to 200 CCF	\$3.52					
Over 200CCF	\$3.81					

*Rates are per hundred cubic feet (CCF) or approximately 750 gallons.

Note: Water rates subject to automatic "pass through" increases based on increases in the price of water from El Dorado Irrigation District.

Bi-Monthly Drought Water Rates (Non-Lifeline)	Effective 02/16/18	Effective 06/16/19	Effective 06/16/20	Effective 06/16/21	Effective 06/16/22
Base Charge (Bimonthly)	\$20.75	\$22.21	\$23.44	\$24.62	\$25.73
Commodity Charge [^]					
All Use, per CCF	\$4.73	\$5.10	\$5.40	\$5.69	\$5.97

Bi-Monthly Drought Water Rates (Lifeline)	Effective 02/16/18	Effective 06/16/19	Effective 06/16/20	Effective 06/16/21	Effective 06/16/22
Base Charge (Bimonthly)	\$15.57	\$16.67	\$17.58	\$18.47	\$19.30
Commodity Charge [^]					
All Use, per CCF	\$3.55	\$3.83	\$4.05	\$4.27	\$4.48

Note: The drought rates could be implemented after the City, El Dorado Irrigation District, and/or the State of California declares a drought.

Bi-Monthly Wastewater Rates	Current Rates		Effective 02/16/18		Effective 06/16/19		Effective 06/16/20		Effective 06/16/21		Effective 06/16/22	
Rate Category	Base Charge - First 7.5 CCF*	CCF over 7.5 CCF*	Base Charge - First 7.5 CCF*	CCF over 7.5 CCF*	Base Charge - First 7.5 CCF*	CCF over 7.5 CCF*	Base Charge - First 7.5 CCF*	CCF over 7.5 CCF*	Base Charge - First 7.5 CCF*	CCF over 7.5 CCF*	Base Charge - First 7.5 CCF*	CCF over 7.5 CCF*
Residential:												
Single Family	\$162.11	\$7.51	\$171.43	\$7.94	\$183.86	\$8.52	\$192.13	\$8.90	\$199.81	\$9.25	\$205.81	\$9.53
Lifeline	\$121.58	\$5.63	\$128.57	\$5.96	\$137.89	\$6.39	\$144.10	\$6.68	\$149.86	\$6.94	\$154.36	\$7.15
Apartment Units	\$145.91	\$7.51	\$154.30	\$7.94	\$165.48	\$8.52	\$172.93	\$8.90	\$179.85	\$9.25	\$185.24	\$9.53
Non-Residential:												
Retail Stores/Offices	\$143.98	\$15.07	\$152.26	\$15.93	\$163.30	\$17.09	\$170.65	\$17.86	\$177.48	\$18.57	\$182.80	\$19.13
Service Stations	\$171.50	\$18.11	\$181.36	\$19.15	\$194.51	\$20.54	\$203.26	\$21.47	\$211.39	\$22.33	\$217.73	\$23.00
Motel - Hotel Rooms (w/o kitchens)	\$171.01	\$12.81	\$180.84	\$13.54	\$193.95	\$14.52	\$202.68	\$15.18	\$210.79	\$15.78	\$217.11	\$16.26
Restaurants	\$327.40	\$18.61	\$346.23	\$19.68	\$371.33	\$21.11	\$388.04	\$22.06	\$403.56	\$22.94	\$415.66	\$23.63
Fast Food Service	\$281.58	\$15.27	\$297.77	\$16.15	\$319.36	\$17.32	\$333.73	\$18.10	\$347.08	\$18.82	\$357.49	\$19.39
Coffee Shops	\$212.78	\$15.18	\$225.01	\$16.05	\$241.32	\$17.22	\$252.18	\$17.99	\$262.27	\$18.71	\$270.14	\$19.27
Laundromats / Laundry	\$137.14	\$15.35	\$145.02	\$16.23	\$155.54	\$17.41	\$162.54	\$18.20	\$169.04	\$18.92	\$174.11	\$19.49
Hospitals	\$158.15	\$16.64	\$167.25	\$17.59	\$179.37	\$18.87	\$187.44	\$19.72	\$194.94	\$20.51	\$200.79	\$21.12
Resthomes	\$152.22	\$16.13	\$160.98	\$17.05	\$172.65	\$18.29	\$180.42	\$19.11	\$187.63	\$19.88	\$193.26	\$20.47
Markets	\$178.12	\$18.61	\$188.36	\$19.68	\$202.02	\$21.11	\$211.11	\$22.06	\$219.55	\$22.94	\$226.14	\$23.63
Churches	\$128.56	\$13.09	\$135.95	\$13.84	\$145.81	\$14.85	\$152.37	\$15.51	\$158.46	\$16.14	\$163.22	\$16.62
Car Wash	\$121.64	\$12.98	\$128.64	\$13.72	\$137.96	\$14.72	\$144.17	\$15.38	\$149.94	\$16.00	\$154.44	\$16.48
Bars	\$185.18	\$15.89	\$195.83	\$16.81	\$210.02	\$18.02	\$219.48	\$18.83	\$228.25	\$19.59	\$235.10	\$20.18
Mortuaries	\$208.85	\$24.33	\$220.86	\$25.73	\$236.88	\$27.59	\$247.53	\$28.83	\$257.44	\$29.99	\$265.16	\$30.88
Halls	\$128.60	\$10.71	\$136.00	\$11.32	\$145.85	\$12.14	\$152.42	\$12.69	\$158.52	\$13.20	\$163.27	\$13.59
Fire Station	\$151.87	\$15.81	\$160.60	\$16.72	\$172.24	\$17.93	\$179.99	\$18.74	\$187.19	\$19.49	\$192.81	\$20.07
Fair Grounds	\$163.59	\$17.53	\$173.00	\$18.54	\$185.54	\$19.88	\$193.89	\$20.78	\$201.65	\$21.61	\$207.70	\$22.26
Movie Theatre (per seat)	n/a	\$0.87	n/a	\$0.92	n/a	\$0.98	n/a	\$1.03	n/a	\$1.07	n/a	\$1.10
Schools (per student)	n/a	\$8.30	n/a	\$8.78	n/a	\$9.42	n/a	\$9.84	n/a	\$10.23	n/a	\$10.54

*CCF stands for hundred cubic feet or approximately 750 gallons.

Note: Wastewater rates based on the elimination of the sewer charge discount program effective February 16, 2018.

Compliance with Proposition 218

Proposition 218 requires that public utility providers follow a strictly defined process for increasing fees such as water and wastewater service rates. Generally speaking, the City must 1) inform affected property owners of the proposed rates, 2) clearly demonstrate the amounts of the proposed rates are cost justified (the cost of service study is on file at the City), and 3) hold a public hearing no less than 45 days after noticing property owners, at which the City hears all protests to the proposed rates. These rates are subject to "majority protest," meaning they **cannot be imposed** if a majority of affected property owners submit **written** protests opposing the rates.

To Protest This Change

- 1) Notify the City in writing (City Hall, 3101 Center Street Placerville, CA 95667, Attn: City Clerk) prior to the close of the February 13, 2018, public hearing that you oppose the proposed increase to either the water rates, wastewater rates, or both. You must identify the property affected by the proposed rates and the property owner must sign the **written protest**. OR
- 2) Attend the February 13, 2018, public hearing at the time and place identified on page 1 of this notice and submit a written protest before the close of the public hearing.