



CITY OF BUELLTON WATER AND WASTEWATER RATES

Why are water and wastewater (sewer) rates increasing?

The City’s water and wastewater funds have been deficient for many years. Operating and capital improvement costs have relied on past reserves to fund costs. In addition, the last detailed rate analysis was completed in 1996 and a nominal per meter increase from 2012-2014 are not sufficient to fund the necessary expenditures to operate the city’s water and wastewater systems.

How are the water rates changing?

Both the monthly meter charge (flat rate based on water meter size) and the monthly consumption charge (volumetric rate based on water use) will increase. The table below shows the increases by year of proposed implementation:

Meter Size	Current Rate - Fixed Monthly	Proposed Fixed Monthly – starting 11/01/2016	Proposed Fixed Monthly – starting 07/01/2017	Proposed Fixed Monthly – starting 07/01/2018
5/8" and 3/4"	\$24.20	\$33.23	\$33.34	\$35.51
1"	\$26.65	\$86.26	\$89.66	\$96.89
1 ½"	\$31.48	\$171.02	\$177.47	\$191.90
2"	\$41.21	\$271.77	\$280.00	\$301.60
3"	\$60.60	\$580.58	\$604.20	\$646.19
4"	\$78.80	\$1,052.43	\$1,085.82	\$1,176.31
6"	\$109.11	\$2,222.07	\$2,318.68	\$2,511.90
8"	\$145.51	\$2,992.60	\$3,105.95	\$3,364.78
Consumption Charge (per HCF)	\$1.97	\$2.68	\$2.76	\$2.98
Additional Dwelling Unit Charge	\$13.00	\$23.26	\$23.34	\$24.86

Is there a difference in water rates between residential and commercial?

The rate structure for residential and commercial are the same and based on water meter size and amount of water used. Typically, residential water meters are 5/8" or 3/4".

How are the sewer rates changing?

The monthly and volumetric charge for sewer is increasing based on the following table of customer classifications.

Customer Class	Current		Proposed Starting 11/01/2016		Proposed Starting 07/01/2017		Proposed Starting 07/01/2018	
	Monthly Charge	Charge for Excess Water Use (use over 900 cf)	Monthly Charge	Charge for Excess Water Use (use over 1400 cf)	Monthly Charge	Charge for Excess Water Use (use over 1400 cf)	Monthly Charge	Charge for Excess Water Use (use over 1400 cf)
Single Family Dwelling	\$25		\$25.96 (plus \$18.17 for each add. Unit)		\$28.12		\$30.45	
Multiple Dwelling	n/a		\$25.96 (plus \$18.17 for each add. Unit)		\$28.12 (plus \$19.68 for each add. Unit)		\$30.45 (plus \$21.31 for each add. Unit)	
Multi Family-Townhouses & Condos	\$25 (plus \$23.08 for each add. Unit)		\$25.96 (plus \$18.17 for each add. Unit)		\$28.12 (plus \$19.68 for each add. Unit)		\$30.45 (plus \$21.31 for each add. Unit)	
Multi Family-Apts	\$25 (plus \$17.38 for each add. Unit)		\$25.96 (plus \$18.17 for each add. Unit)		\$28.12 (plus \$19.68 for each add. Unit)		\$30.45 (plus \$21.31 for each add. Unit)	
Mobile Home Parks	\$25 (plus \$18.17 for each add. Space)		\$25.96 (plus \$12.98 for each add. Space)		\$26.46 (plus \$14.06 for each add. space)		\$30.45 (plus \$15.22 for each add. Unit)	
Motels	\$30.84	\$1.74/hcf	\$51.77	5.15/ hcf	\$56.08	5.58/hcf	\$60.72	6.05/hcf
Restaurant	\$30.84	\$1.74/hcf	\$51.77	5.15/hcf	\$56.08	5.58/hcf	\$60.72	6.05/hcf
Fast Food/Bar	\$30.84	\$1.74/hcf	\$51.77	5.15/hcf	\$56.08	5.58/hcf	\$60.72	6.05/hcf
Theaters/Banquet	\$30.84	\$1.74/hcf	\$51.77	5.15/hcf	\$56.08	5.58/hcf	\$60.72	6.05/hcf
Camper/Trailer Parks (unmetered)	\$30.84	\$1.74/hcf	\$51.77 plus \$14.06 for each add. Space		\$56.08		\$60.72 (plus \$15.22 for each add. Space)	
Camper/Trailer Parks (metered)	\$30.84	\$1.74/hcf	\$51.77 for first space	5.15/hcf	\$56.08	5.58/hcf	60.72 for first space	6.05/hcf
Schools	\$30.84	\$1.74/hcf for 85% use over 900 cf	\$25.56	0.47/hcf	\$27.69	0.51/hcf	\$29.98	0.56/hcf
Churches (w/o school)	\$30.84		\$25.56	0.47/hcf	\$27.69	0.51/hcf	\$29.98	0.56/hcf
Other Commercial	\$30.84	\$1.74/hcf for 85% use over 900 cf	\$58.35	5.15/hcf	\$63.21	5.58/hcf	\$68.44	6.05/hcf
Industrial Accounts	Determined by Public Works Dir.							

Is there any benefit we are receiving with these new rates?

Yes! The rates provide equity in cost sharing among the different types of users. That means each classification of user, a Single Family Resident – Condominium – Commercial – Restaurant - Winery, etc, are each paying their fair share of the costs. The new rates also provide a higher water allowance as part of the base cost. The current allotment is 900 cf, the recommendation is 1400 cf. In addition, these rates will allow the city to continue to provide, manage, repair and treat water and wastewater for its community. The ability to fund the maintenance and repair of our infrastructure is critical to providing water to the community as well as treating the waste.

Did you change the rate structure?

The proposed rates are consistent with the current rate structure, so there is no change there. We wanted to ensure that the rates are understandable to the ratepayers. In addition, it provides a financial incentive for continued water conservation. You pay for the water you use.

How were the rate increases determined?

The City contracted with Water Consultancy to perform a detailed analysis and review of the City's water and wastewater rates. As part of the review, Water Consultancy compiled historical and current financial information and worked with City staff on realistic projections on customer growth. Operating and capital costs were reviewed from both historic and future projections. Then they conducted a cost of service analysis to assure that each customer class is allocated the appropriate proportion of the City's projected revenue requirements. Cost allocations are based on establishing functional cost categories such as water demand characteristics as well as customer growth projections. Based on this, the rate structure for each customer class is reviewed and updated as necessary.

When will this take effect?

The first set of rate increases would occur on November 1, 2016. The second set of rate increases would occur on July 1, 2017 and the third set would occur on July 1, 2018.

Can I change out my meter to reduce my monthly meter cost? If so, how do I do it and what does it cost?

You can elect to have your meter replaced with a smaller meter. We advise that you seek the assistance of an engineer to appropriately determine your actual water needs and appropriate meter size. You will be responsible for the cost of the plumbing changes on site for the water line reduction (everything from the end of the water meter to your home) and you must obtain your own licensed plumber to complete the work. You will be responsible for the cost of the meter replacement, which the City will perform. Once you have the meter size established, you would contact the City to pay the appropriate deposit (actual cost will be time and materials) and submit a request for the work. The City will schedule the water crew to perform our portion of the work *after* your on-site plumbing work is completed. We do not have a set cost for this type of work and would be site specific based on field conditions. The cost of a new meter itself is as follows:

How do I protest the rate increase?

Any record owner of a parcel upon which the fees are proposed, may submit a written protest to the proposed rate increases to the City's water and wastewater service fees; provided, however only one protest will be counted per identified parcel. Each protest must: 1) be in writing; 2) state whether the protest is submitted in opposition to the rate increases to the water or wastewater service fees; 3) provide the location of the identified parcel (by assessor's parcel number and service address); and 4) include the name and signature of the person submitting the written protest. Written protests may be submitted by mail to City Clerk, City of Buellton at PO Box 1819, Buellton, CA 93427. Written protests may also be submitted in person at City Hall or at the Public Hearing on September 22, 2016 (time and location as noted above). All written protests must be received prior to the conclusion of the public input portion of the Public Hearing. Any protests submitted via e-mail or other electronic means will not be accepted as a formal written protest. Please identify on the front of the envelope for any protest, whether mailed or submitted in person, that the enclosed letter is for the Public Hearing on the Proposed Rate Changes.

The City Council will consider all written protests timely submitted and hear and consider all public comments made at the public hearing. Oral comments at the public hearing will not

qualify as formal protests unless accompanied by a written protest with the required information as listed above. At the conclusion of the public hearing, the City Council will determine whether to adopt the proposed rates. If, after the close of the public hearing, written protests against the proposed rate increases are not presented by a majority of the record owners of the identified parcels upon which they are proposed to be imposed, the City Council will be authorized to impose the rate increases.