

NOTICE OF PUBLIC HEARING Proposed Increase to Utility Rates



Date: June 5, 2007
Time: 2:00 p.m.
Place: City Council Chambers, City Hall
735 Anacapa Street, Santa Barbara

NOTICE IS HEREBY GIVEN that the City Council of the City of Santa Barbara will consider a recommendation to adopt a resolution, at the above-indicated time and place, to increase water, wastewater (sewer), and solid waste collection rates charged by the City. Increases would be effective on utility bills dated July 1, 2007 or later. Sample billing comparisons for current and proposed rates are shown on the reverse.

Water Rates (Applicable only to customers billed by the City for water service)

The proposed water rate increase is three and one-half percent (3.5%) of quantity charges and monthly service charges for all customer classes. Small variations above or below the 3.5% amount may occur due to rounding. The monthly bill for the average in-City single family residential customer (twelve hundred cubic feet of water) would increase from \$55.34 to \$57.28 under the proposed rates. The proposed increase will fund increasing water system costs resulting from inflation, stricter water quality regulations, and the ongoing need to repair and upgrade the water system, including reconstruction of the City's Ortega Groundwater Treatment Plant and improvements at Cater Water Treatment Plant. Water buy-in fees (for new connections) would increase from \$2,039 to \$2,805 for a typical single family residence, based on an updated inventory and valuation of the City's water infrastructure.

Wastewater Rates (Applicable only to customers billed by the City for sewer service)

The proposed wastewater rate increase is six percent (6%) of the City's current wastewater charges for all customer classes. Small variations above or below the 6% amount may occur due to rounding. The maximum monthly charge for a single family residential customer would increase from \$28.09 to \$29.81 under the proposed rates. The proposed increase will fund increasing wastewater system costs resulting from inflation and the ongoing need for rehabilitation of the City's wastewater treatment plant and collection system. The increase also includes funding for the Sewer Lateral Inspection & Repair Rebate Program. Wastewater buy-in fees (for new connections) would increase from \$1,418 to \$2,240 for a typical single family residence based on an updated inventory and valuation of the City's wastewater infrastructure.

Solid Waste Rates (Applicable only to customers billed by the City for solid waste collection)

The City proposes to increase rates for solid waste collection up to 3.58% for all customers receiving collection services from franchised haulers within the City limits. The increase is needed in order to meet the City's contractual obligation to compensate the haulers for changes in the cost of doing business. Basic residential service (one trash can) would increase from \$23.79 to \$24.65 under the proposed rates. Residential service would continue to include free collection of greenwaste and commingled recycling.

Note: This notice is intended only for customers billed by the City of Santa Barbara for water, wastewater, and/or solid waste collection services. Please disregard this notice with regard to any services billed to you by other agencies. Sample charges are shown on the reverse. For a complete itemization of all current and proposed rates go to www.SantaBarbaraCa.gov/water or call (805) 564-5460.

If you oppose any of the above increases, please deliver your protest **in writing** to the City Clerk of the City of Santa Barbara at 735 Anacapa Street, Santa Barbara, CA, 93101, prior to or during the City Council's consideration of this item on June 5, 2007. (If you wish to submit your protest during the public hearing, please deliver it to City Staff in the Council Chamber.) Because multiple rates are being considered by City Council at the same hearing, please indicate the specific rate you are protesting.

Typical Water and Wastewater Billing Comparisons – Current vs. Proposed Rates

Customer Class	Example	Assumed Monthly Usage (hcf/mth)	Total Monthly Water & Wastewater Charges*		
			Current Rates	Proposed Rates	\$ Increase
Single Family Residential	Low User 5/8" meter	6	\$50.57	\$52.89	\$2.32
	Average User 5/8" meter	12	\$83.43	\$87.09	\$3.66
	Above Average User 1" meter	40	\$224.34	\$232.96	\$8.62
Multi-Family Residential Building	12 dwelling units 2" meter	60	\$490.94	\$514.12	\$23.18
Commercial	75% at Block 1 rate 25% at Block 2 rate 2" meter	60	\$468.95	\$488.32	\$19.37
Industrial/ High Strength Commercial	75% at Block 1 rate 25% at Block 2 rate 2" meter	100	\$766.05	\$799.32	\$33.27
Irrigation-Commercial	75% at Block 1 rate 25% at Block 2 rate 2" meter – no sewer	60	\$347.15	\$359.32	\$12.17
Recycled Water	2" meter – no sewer	250	\$491.30	\$509.32	\$18.02
Irrigation-Residential	1 acre of irrigated area 75% at Block 1 rate 25% at Block 2 rate 1" meter – no sewer Allotments are annualized – monthly average shown at right	40	\$200.87	\$207.91	\$7.04
Irrigation-Recreation		120	\$337.47	\$349.21	\$11.74
Irrigation-Agriculture		72	\$183.03	\$189.37	\$6.34
Out-of-City Customers	Currently charged at 130% of rates for corresponding in-City classes; no change is proposed in this percentage.				

* Not including 6% utility tax on water

Water and Sewer Buy-in Fees (charged for new connections to City water and wastewater systems)

Customer Class:	Multi-family Resid.		Single Family Resid.	All Other Classes							
Meter Size:	5/8"	1"	5/8"	5/8"	1"	2"	3"	4"	6"	8"	10"
Water Buy-in, Current:	\$1,021	NA	By meter size at right:	\$2,039	\$5,098	\$16,313	\$32,625	\$50,977	\$101,954	\$163,126	\$234,494
Proposed:	\$1,431	\$3,579		\$2,805	\$7,013	\$22,440	\$44,881	\$70,126	\$140,252	\$224,403	\$322,579
Sewer Buy-in, Current:	\$710	NA	\$1,418	\$1,418	\$3,546	\$11,346	\$22,692	\$35,456	\$70,913	\$113,460	\$163,099
Proposed:	\$1,143	\$2,240	\$2,240	\$2,240	\$5,601	\$17,922	\$35,844	\$56,007	\$112,014	\$179,222	\$257,631

**Typical Trash, Recycling, & Greenwaste Billing Comparisons
Current vs. Proposed Rates @ 3.58% Increase***

Service Level	Current Rates	Proposed Rates	\$ Increase
Basic Residential Service (32-gal trash, 32-gal greenwaste, up to 95-gal recycle)	\$23.79	\$24.65	\$0.86
Basic Multi-Unit Residential (4-32 gal trash/week, + up to 95-gal greenwaste, up to 95-gal recycling)	\$31.39	\$32.52	\$1.13
Basic Business Service (32-gal trash/week, up to 95-gal greenwaste, up to 96-gal recycle)	\$23.79	\$24.65	\$0.86

*For more information, including a complete itemization of all current and proposed rates:
www.SantaBarbaraCa.gov/water or (805) 564-5460