



City of Solvang
1644 Oak Street
Solvang, CA 93463

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ATTENTION:

This notice contains important information about proposed rate increases for water and wastewater services.

Please Read.

We are in the middle of a severe drought. Please remember to do your part and conserve water!

Written protests to proposed rate increases may be submitted by a property owner or tenant directly responsible for payment of water and/or sewer fees. Only one protest per identified parcel will be counted. Written protests to proposed rate increases must be delivered in person or by mail prior to the conclusion of the Public Hearing on June 13, 2022 to the City of Solvang, Attn: City Clerk, 1644 Oak Street, Solvang CA 93436. Protests submitted electronically will not be accepted as written protests. Regardless of mailing date, all written protests must be received by the City Clerk prior to the close of the public hearing to be accepted.

Related documents are available for review after April 28, 2022 at www.cityofsolvang.com or at the reception desk at City Hall - 1644 Oak Street.
The City of Solvang will conduct a public hearing to consider increases to water and wastewater rates for the fiscal years 2022-23 through 2026-27 on June 13, 2022, at 6:30 p.m. in the City Council Chambers, located at 1644 Oak Street, Solvang, CA 93463.

Notice of Public Hearing:



PROPOSITION 218 PUBLIC HEARING NOTIFICATION
NOTICE OF PROPOSED UTILITY RATE INCREASE
TO WATER AND SEWER FEES FOR FY'S 2022-2027

Notice is hereby given that the City of Solvang will conduct a public hearing for consideration of proposed water and sewer rate increases on June 13, 2022, at 6:30 PM in the City Council Chambers, located at 1644 Oak Street, Solvang CA 93463.

Proposed increases for both water and sewer utility services are necessary to account for increased costs for operations and maintenance of these services. The increases are also required to ensure the City can complete needed and required capital improvement projects to maintain and sustain their infrastructure.

The City's utility department is responsible for ensuring delivery of clean, safe, and reliable water to our customers. All drinking water for the city must adhere to the everchanging and very strict water quality requirements, set by the Environmental Protection Agency and the State Water Resources Control Board. Providing our customers with a safe and reliable means of disposal of their sewage is another priority of the utility department. Ensuring that all sewage is treated to continually meet the guidelines set by the Regional Water Quality Control Board, is essential in ensuring the safety of the public, groundwater sources and the environment.

The city has not experienced an increase in its water and sewer rates since 2016 and has not completed a rate study since 2011. More information on the proposed water and sewer rates is included in this notice and can also be located online at https://www.cityofsolvang.com/AgendaCenter/ViewFile/Agenda/_03142022-684.

WATER RATES

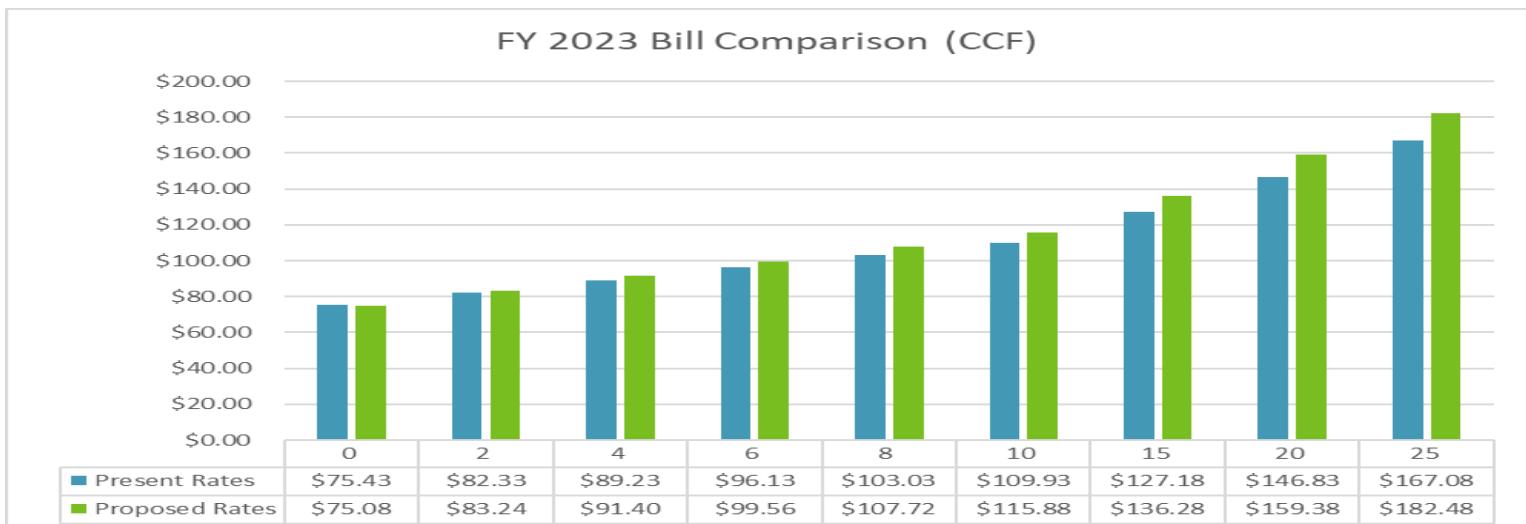
Below is a chart representing the current and proposed rates for water utility service. The proposed rates are for FY 2022 through FY 2027. Included in the chart are the proposed fixed meter charges, which are based on the size of meter in use and represent the fixed charges based on the cost-of-service unit costs.

	Present Rates	Proposed Rates FY 22-23	Proposed Rates FY 23-24	Proposed Rates FY 24-25	Proposed Rates FY 25-26	Proposed Rates FY 26-27
Fixed Charge - \$/Month						
5/8"	\$75.43	\$75.08	\$79.21	\$83.57	\$88.17	\$93.02
3/4"	113.15	112.62	118.81	125.34	132.23	139.50
1"	188.58	187.70	198.02	208.91	220.40	232.52
1 1/2"	377.17	375.42	396.07	417.85	440.83	465.08
2"	603.47	600.67	633.71	668.56	705.33	744.12
3"	1,206.94	1,201.34	1,267.41	1,337.12	1,410.66	1,488.25
4"	1,885.84	1,877.09	1,980.33	2,089.25	2,204.16	2,325.39
6"	3,771.68	3,754.18	3,960.66	4,178.50	4,408.32	4,650.78
8"	6,034.69	6,006.69	6,337.06	6,685.60	7,053.31	7,441.24

The table below represents the proposed consumption charges, which are based on the amount of water usage. The proposed rates include a three-tier rate structure.

	Present Rates	Proposed Rates FY 22-23	Proposed Rates FY 23-24	Proposed Rates FY 24-25	Proposed Rates FY 25-26	Proposed Rates FY 26-27
Consumption Charge - \$/CCF						
Single Family						
0 – 16 ccf	\$3.45	---	---	---	---	---
16 + ccf	4.05	---	---	---	---	---
0 – 15 ccf	---	\$4.08	\$4.30	\$4.54	\$4.79	\$5.05
15 – 35 ccf	---	4.62	4.87	5.14	5.42	5.72
35 + ccf	---	5.35	5.64	5.95	6.28	6.63
Multi-Family – All Consumption	\$3.75	\$4.13	\$4.36	\$4.60	\$4.85	\$5.12
Commercial – All Consumption	3.75	\$4.14	\$4.37	\$4.61	\$4.86	\$5.13
Irrigation – All Consumption	3.75	\$4.45	\$4.69	\$4.95	\$5.22	\$5.51

The majority of customers are single family residents with a 5/8" meter. Below is a graph representing a typical bill for comparison on the proposed rate increase.



WASTEWATER RATES

	Present Rates
Fixed Charge	
All Customers	\$34.65
Volumetric Charge	\$ / CCF
Com & Ind	\$2.85
Com & Ind – High	7.42

Currently all wastewater customers are billed a fixed monthly rate of \$34.65. Single family and multi-family customers do not get charged a volumetric fee. The volumetric rates for commercial (Com) and industrial (Ind) customers are based on water usage. Volumetric charges for Com/Ind low and high are based on the strength and impact of the wastewater from these facilities. For Com/Ind low the current rate is \$2.85/CCF, for Com/Ind high the current rate is \$7.42/CCF.

The proposed rate changes are included in the table below. Each category, single family, multi-family, Com/Ind Low, and Com/Ind High will be assessed a fixed monthly rate. Single family and multi-family customers will not be charged a volumetric fee. Both Com/Ind Low and Com/Ind High will be charged a volumetric fee in the same manner as the current model. The proposed increases in these charges are also included in the chart below.

	Present Rates	Proposed Rates FY 22-23	Proposed Rates FY 23-24	Proposed Rates FY 24-25	Proposed Rates FY 25-26	Proposed Rates FY 26-27
Fixed Charge - \$/Month						
Single Family	\$34.65	\$49.88	\$58.61	\$68.87	\$79.54	\$91.87
Multi-Family	34.65	47.90	56.28	66.13	76.38	88.22
Com & Ind	34.65	39.43	46.33	54.44	62.88	72.63
Com & Ind – High	34.65	42.14	49.51	58.17	67.19	77.60
Volumetric Charge - \$/CCF						
Single Family	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Multi-Family	0.00	0.00	0.00	0.00	0.00	0.00
Com & Ind	2.85	4.06	4.77	5.60	6.47	7.47
Com & Ind – High	7.42	7.89	9.27	10.89	12.58	14.53

HOW TO SUBMIT A WRITTEN PROTEST

Written protests to proposed rate increases may be submitted by a property owner or tenant directly responsible for payment of water and/or sewer fees. Only one protest per identified parcel will be counted. Written protests to proposed rate increases must be delivered in person or by mail prior to the conclusion of the Public Hearing on **June 13, 2022** to the City of Solvang, Attn: City Clerk, 1644 Oak Street, Solvang CA 93436. Protests submitted electronically will not be accepted as written protests. Regardless of mailing date, all written protests must be received by the City Clerk prior to the close of the public hearing to be accepted.

Written protests must: (1) State that the identified property owner or tenant is opposed to the water rate increase, sewer rate increase, or both; (2) Provide the location of the identified parcel (by street address, assessor's parcel number, or utility account number); and (3) Include the name and signature of the property owner or tenant submitting the protest.

The City Council will hear and consider all written protests and oral comments to the proposed rate increases at the Public Hearing. Oral comments will not qualify as valid protests unless accompanied by a written protest. Upon the conclusion of the Public Hearing, the City Council will consider adoption of the proposed rate increases as described in this notice. If written protests against the proposed rates are not presented by a majority of the property owners or tenants of the identified parcels subject to the proposed rate increases, the City Council will be authorized to adopt the proposed rate increases.

EFFECTIVE DATE OF PROPOSED RATE SCHEDULE

If the majority of rate payers do not submit a protest to the proposed rate increases, the new rates for both water and wastewater utility service will go into effect on July 1, 2022. As outlined in California Government Code Section 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge for water or sewer service.