



NOTICE OF PUBLIC HEARING: PROPOSED CHANGES TO CITY OF SANTA BARBARA WASTEWATER RATES

Date: Tuesday, June 14, 2022—2:00 p.m.

Place: City of Santa Barbara Council Chambers, City Hall, 735 Anacapa Street, Santa Barbara. Social Distancing orders may require the hearing to be held electronically. Meeting details will be posted no less than 72 hours prior to the start of the Public Hearing on the City Council meeting agenda located at SantaBarbaraCA.gov/CAP

PROPOSED WASTEWATER RATES FOR: FISCAL YEARS 2023, 2024, AND 2025

You are receiving this notice because our records indicate that you are a City of Santa Barbara utility customer. If you are not a City wastewater customer, please disregard this Notice.

This Notice describes proposed changes to wastewater rates and explains how you can participate in the public process. The City's wastewater rates are based on a comprehensive rate study that uses a rate model to evaluate the cost of wastewater service, as required by Article XIII D, Section 6 of the California constitution.

Why are wastewater rates changing?

The City's wastewater system plays a leading role in the protection of public health and the environment. Maintaining the wastewater system requires a proactive commitment to investing in the capital infrastructure and resources necessary to keep this vital system operating 24 hours a day, 365 days per year. The proposed rate changes will enable the City to meet the needs of the wastewater system, including operation and maintenance costs, capital improvements, mandated standards of treatment, debt service, contingency reserves, and other financial obligations.

What goes into a wastewater bill?

Residential wastewater bills are made up of two key components: (1) a volumetric charge based on water usage, and (2) a fixed monthly base charge. For single-family customers, wastewater volumetric charges are not charged over a certain level of water use. Commercial customers are charged the greater of their volumetric charges or minimum monthly bill amount based on meter size.

How do I stay informed?

- **Watch** City Council meetings online at SantaBarbaraCA.gov/CityTV or tune in to City TV Channel 18.
- **Explore** information on rate changes at SantaBarbaraCA.gov/WaterRateChanges.
- **Contact** City staff at (805) 564-5387.
- **Attend** City Council meetings: visit SantaBarbaraCA.gov/CAP for meeting details.

How will the proposed changes impact my wastewater bill?

The table below shows sample wastewater bills for common service levels.

Customer Class	Account Characteristics	Usage (hcf/mth)	Total Monthly Wastewater Charges		
			Current Bill	FY 23 Proposed Bill	Difference
Single Family Residential	5/8" meter	9	\$56.07	\$59.82	\$3.75
Multi-Family Residential: 1-4 Attached Units*	1 unit in a small multi-unit complex	5	\$41.23	\$44.50	\$3.27
Multi-Family Residential: 5 or more Attached Units**	1 unit in a large multi-unit complex	5	\$41.23	\$44.50	\$3.27
Commercial	1" Meter	17	\$78.20	\$83.98	\$5.78

*Applicable to all accounts serving two to four detached dwelling units, Accessory Dwelling Units served by their own water meter, and all accounts serving a dwelling unit attached to no more than 3 additional dwelling units.

**Applicable to all accounts serving five or more dwelling units, and to accounts serving a dwelling unit attached to 4 or more additional dwelling units.

Water Rates

In June 2021 Council adopted water rates for Fiscal Years 2022, 2023, and 2024. Fiscal Year 2023 rates will go into effect on July 1, 2022. Moderate (9 HCF) single family water users with a 5/8" meter will see their monthly water charges increase \$5.85, or 5%, in Fiscal Year 2023.

TABLE 1—WASTEWATER PROPOSED RESIDENTIAL FIXED & VOLUMETRIC RATES

1 HCF (hundred cubic feet) = 748 gallons. FY = fiscal year July 1—June 30

Customer Class	Charge Type	Current	Proposed		
			FY23	FY24	FY25
Single Family Residential	Monthly Base Charge (\$/Dwelling Unit)	\$22.68	\$25.35	\$27.00	\$28.76
	Usage Charge up to 9 HCF in FY23, and 8 HCF in FY24 and FY25 (\$/HCF)	\$3.71	\$3.83	\$4.28	\$4.62
Multi-Family Residential 4 or less Dwellings	Monthly Base Charge (\$/Dwelling Unit on account)	\$22.68	\$25.35	\$27.00	\$28.76
	Usage Charge (\$/HCF)	\$3.71	\$3.83	\$4.28	\$4.62
Multi-Family Residential 5+ Dwellings	Monthly Base Charge (\$/Dwelling Unit on account)	\$22.68	\$25.35	\$27.00	\$28.76
	Usage Charge (\$/HCF)	\$3.71	\$3.83	\$4.28	\$4.62

Commercial and Commercial High Strength/Industrial customers are charged a fixed charge based on meter size (Tables 2-3), or a volumetric charge based on the quantity of water consumed (Table 4), whichever is greater.

TABLE 2— WASTEWATER PROPOSED COMMERCIAL FIXED CHARGES BY METER SIZE

	5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
Current	\$43.39	\$65.09	\$75.72	\$129.97	\$216.68	\$433.20	\$540.67	\$1,082.96	\$1,895.21	\$2,909.10
FY23	\$46.65	\$69.98	\$81.41	\$139.73	\$232.96	\$465.75	\$581.29	\$1,164.33	\$2,037.60	\$3,127.67
FY24	\$51.69	\$77.54	\$90.46	\$129.23	\$206.76	\$387.68	\$646.13	\$1,292.25	\$2,067.60	\$2,972.18
FY25	\$55.05	\$82.58	\$96.34	\$137.63	\$220.20	\$412.88	\$688.13	\$1,376.25	\$2,202.00	\$3,165.38

TABLE 3— WASTEWATER PROPOSED COMMERCIAL HIGH STRENGTH/INDUSTRIAL FIXED CHARGES BY METER SIZE

	5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
Current	\$56.06	\$84.09	\$98.27	\$160.80	\$280.69	\$561.21	\$701.75	\$1,403.22	\$2,455.57	\$3,858.97
FY23	\$61.04	\$91.56	\$107.00	\$175.08	\$305.62	\$611.06	\$764.09	\$1,527.87	\$2,673.71	\$4,201.78
FY24	\$59.70	\$89.55	\$104.48	\$149.25	\$238.80	\$447.75	\$746.25	\$1,492.50	\$2,388.00	\$3,432.75
FY25	\$63.58	\$95.37	\$111.27	\$158.95	\$254.32	\$476.85	\$794.75	\$1,589.50	\$2,543.20	\$3,655.85

TABLE 4— WASTEWATER PROPOSED VOLUMETRIC RATES (\$/HCF)

Customer Class	Current	Proposed		
		FY23	FY24	FY25
Commercial	\$4.60	\$4.94	\$5.27	\$5.63
Commercial High Strength/Industrial	\$5.73	\$6.24	\$6.65	\$7.08

TABLE 5— WASTEWATER PROPOSED STRENGTH SURCHARGES (\$/LB)***

	Current	FY23	FY24	FY25
BOD (>750 mg/l)	\$0.32	\$0.32	\$0.34	\$0.36
TSS (>850 mg/l)	\$0.42	\$0.46	\$0.48	\$0.51
Ammonia (>90 mg/l)	\$0.98	\$1.10	\$1.17	\$1.25

***If the City's Water Resources Laboratory determines that a customer has exceeded the high strength discharge limit for Biochemical Oxygen (BOD), Total Suspended Solids (TSS), or Ammonia, a surcharge will be assessed for each constituent in excess of its relative limit.

How do I protest? If you wish to submit a written protest of any of the above increases, your protest must be received by the City Clerk of the City of Santa Barbara at 735 Anacapa Street, Santa Barbara, CA, 93101, prior to the City Council's consideration of this item on June 14, 2022. **Protests must include your name, service address, and whether you are protesting the amount of the fee increase, the basis for calculation of the fee, or both.** In the event that social distancing practices remain in place, mailed protests are encouraged. Written protests may be delivered in-person at the address above, deposited in the bill payment drop box slot located on the exterior of the building on the De La Guerra Plaza side. Only written protests received before the close of the public hearing on June 14, 2022, will be counted. During the hearing, the City Council will consider all protests and public testimony. Protests are public records. The public hearing may be conducted via teleconference or other electronic meeting format, and the Council Chambers may not be open to the general public. Submission of written protests by personal delivery during the meeting may not be permitted. One written protest per parcel or service address will be tabulated. If you later challenge the rates in court, you may be limited to the grounds stated in your protest. If you challenge the City's rate setting action in court, you may be limited to the issues and grounds raised in a written protest or in public testimony at the public hearing. There is a 120-day statute of limitation for challenging any new, increased, or extended fee or charge (California Government Code Section 53759).



Investing in Our Wastewater System



The City’s wastewater system plays an essential role in protecting public health and the environment. Maintaining the City’s wastewater system requires a proactive commitment to investing in the capital infrastructure and resources necessary to keep this vital system operating 24 hours a day, 365 days per year.

Infrastructure Investment is Paying Off

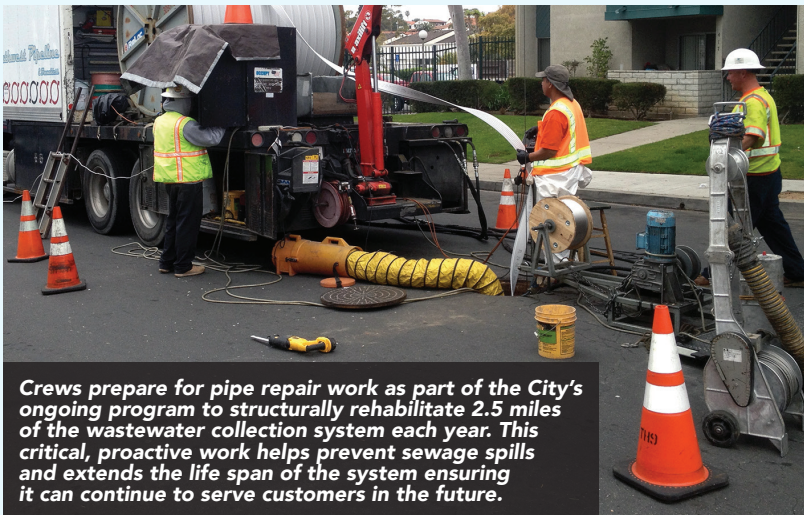
The impacts of climate change and aging infrastructure are increasing, but we’re already seeing the benefits of proactive investment in system improvements. In the past ten years, the City has taken a proactive approach of protecting the environment by increasing our rehab and repairs of our wastewater collection system, resulting in a reduction of sewer spills by over 33 percent. Plans are underway to replace the aging mechanical and electrical equipment at the City’s largest sewage pump station (Braemar Lift Station), resulting in increased reliability, efficiency and longevity. By strategically investing now, at the lowest cost possible, we avoid more costly expenses that result from lack of care and maintenance, including costs to our environment and community.

The Wastewater System

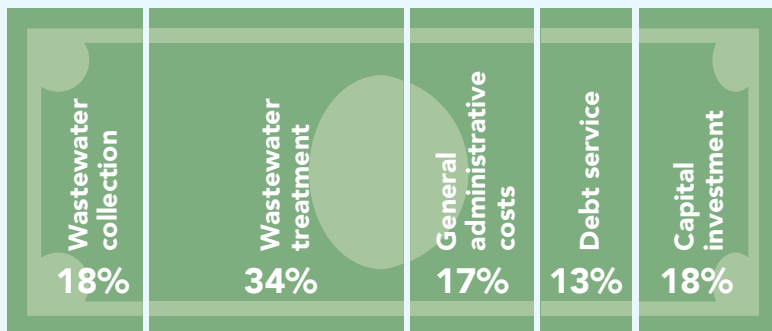
The City’s complex wastewater system includes 256 miles of sewer mains, 7 lift stations, 25 creek crossings, over 7,000 access structures (manholes and cleanouts), two miles of pressurized force mains, and the El Estero Water Resource Center – all of which must operate seamlessly 24/7/365 to process approximately 2 billion gallons of wastewater annually.

Ensuring Sufficient Rates to Fund Critical Infrastructure

Regulations, inflation, costs of essential materials, state and federal requirements, and more are resulting in significant cost increases to operate 24-hour sewer service for the City’s 96,000 customers. While affordability is always top of mind, so too is the City’s responsibility to ensure adequate revenue to fund vital system operations and improvements. The City is actively working on controlling costs by obtaining State Revolving Fund loans and grants for complex and expensive capital improvement projects (like the Braemar Lift Station Rehabilitation Project and the El Estero Electrical Renewal Project). Obtaining these loans and grants helps the City reduce and spread out costs throughout a 20-year period.



What Your Wastewater Bill Pays For



Your bill helps ensure we keep our wastewater system maintained and operating around the clock, which is key to protecting public health and the environment.



Scan this code using the camera on your phone to learn more about the proposed rate change and to register for the webinar.

To learn more, join our informational webinar on Thursday, May 12th at 6:00 pm.