

## **2011-13 Proposed Utility Rate Changes Frequently Asked Questions (FAQs)**

### ***1. How will this proposed rate change affect my monthly water bill?***

Beginning in December 2011, your monthly water bill would increase by \$4 per month (from \$33.55 to \$37.55). Beginning in 2013, a second year rate increase of five percent is proposed, and you will be charged a meter rate for actual water use (see questions #6 & 7).

### ***2. Is there going to be an increase in my garbage and sewer service?***

No, there is no increase in residential garbage or sewer service.

### ***3. What increase will there be in solid waste?***

There is no increase for residential solid waste service, but there is a proposed increase for solid waste commercial roll-off rates (large debris boxes 10, 20, 30, 40 yard boxes and 3 and 4 yard compacted bin service).

### ***4. Why is there a rate increase for roll-off boxes?***

The current charges do not cover the cost to provide this service. The proposed roll-off rates are still competitive within the region, actually below regional suppliers in most cases.

### ***5. Why are the water rates changing?***

These rate increases are necessary due to Rehabilitation and Replacement Projects and State Water Management Regulatory Requirements. The City has postponed critical construction projects to rehabilitate the existing system for several years due to a lack of sufficient funding. These increases will help the City avoid extremely costly emergency repairs, as well as meet state requirements for reducing City-wide consumption of water.

### ***6. What do I need to know about the water rate increases?***

The City is proposing a two-year water rate adjustment to offset projected revenue needs related to rehabilitation and replacement projects and state regulatory requirements. The first year increase would be \$4 per month for a flat rate of \$37.55. The second year increase represents a five percent increase equivalent to a \$39.55 flat rate. However, that rate would be converted to meter rates to comply with State law mandates that the City bill for actual water usage by 2013.

Starting Jan. 1, 2013, all residential customers would pay a low monthly base rate, plus a commodity rate based upon actual usage in order to comply with State Law. This metered rate structure is similar to your gas & electric bills. The City's intent is to develop a metered water rate that allows for residents who use an average amount of water per month (22.5 ccf or approx. 17,000 gallons) to

receive metered rate bills that are comparable to a 2013 equivalent flat rate of \$39.55 (if the City had not converted to meter rates).

## **7. What are the proposed 2013 residential water rates?**

After further review, the City's rate consultant is recommending that we lower the proposed commodity rates that were listed in the mailer sent to all residents in mid-August. These lower rates are now in line with the City's intent to meet projected revenue requirements with rates that would be consistent with a monthly flat rate of \$39.55 (if the City had not converted to meter rates).

### **Proposed 2013 Metered Water Rate**

<b>Residential Customers</b>	<b>Proposed Jan. 2013 Meter Rate</b>
Single Family	\$ 15.00 base plus water used
Single Family Low Income	\$ 9.45 base plus water used
Manufactured Home	\$ 6.83 base plus water used
Manufactured Home Low Income	\$ 4.27 base plus water used
<b>Residential Water Use (One CCF = 748 Gallons)</b>	<b>Commodity Rate</b>
0-20 CCF	\$ 1.35 per CCF    \$ 1.08 per CCF
20-40 CCF	\$ 1.49 per CCF    \$ 1.30 per CCF
Over 40 CCF	\$ 1.55 per CCF    \$ 1.60 per CCF

***\*Metered rates were structured to provide the average water user (22.5 ccf per month) comparable bills to an equivalent 2013 flat rate of \$39.55.***

## **8. What has the City done to reduce costs & become more efficient?**

The City has instituted numerous cost saving measures and streamlined operational divisions to improve efficiencies, including:

- Combining work crews in the water division, rather than hiring new staff, to meet expanding metering division workload
- Re-routing of solid waste routes to streamline solid waste collection workloads
- Investing in technology rather than staffing to reduce labor costs, such as the fixed network meter reading system and database management systems.

- Optimizing power, fuel and chemical consumption at the water treatment plant and distribution system.

**9. *When was the last rate increase and who approved it?***

The last water rate increase was approved by the City Council in April 2008.

**10. *What can I do to conserve water usage?***

The City provides conservation workshops and informational public meetings. For a free in-home consultation by City water conservation experts, call (916) 355-7252 to schedule an appointment.

**11. *How can I prepare for meter billing in FY 2013?***

Use on-line water use data for your property that will be available starting in 2012. Your 2012 utility bill will include a flat rate bill for payment, plus an informational meter rate bill showing the actual volume of water used and the amount that would be due under meter rates. Call water conservation experts for a free in-home consultation and attend free workshops and public meetings for water conservation tips.

**12. *How can I protest the proposed rates?***

The Folsom City Council will consider these proposed rate increases for utility services at a public hearing on Tuesday, Sept. 27, 2011 at 6:30 p.m. at the Folsom City Council Chambers, 50 Natoma Street. Under Proposition 218, if you are the owner of record of a parcel or parcels subject to the proposed rate increases you may submit a protest against any or all of the proposed rate increases by filing a written protest with the City Clerk at or before the time set for the public hearing. If written protests are filed by a majority of the affected parcel owners, the proposed rate increases will not be imposed. A written protest must contain a description of the parcel or parcels in which the party signing the protest has an interest, sufficient to identify the parcel(s). If the party signing the protest is not shown on the last equalized assessment roll of Sacramento County as the owner of the parcel(s), the protest must contain, or be accompanied by, written evidence that such party is the owner of the parcel(s). Protests should also indicate which proposed utility service rate(s) adjustment is being protested (water and/or solid waste). Protests regarding the proposed rate increases may be mailed to: City of Folsom, City Clerk, 50 Natoma Street, Folsom, CA 95630. Protests may also be personally delivered to the City Clerk.

**13. *If I have additional questions, who should I call?***

City of Folsom, Water Division 351-3361, or Utility Billing 355-7295.