



# Notice of Public Hearing On Proposed Rate Increases for Water, Wastewater, and Solid Waste Utilities

**NOTICE IS HEREBY GIVEN** that the City of Redding will hold a public hearing on Tuesday, February 4, 2020, at 6 p.m., in the City Council Chambers at 777 Cypress Avenue, Redding, California, to consider adoption of proposed increases to rates for Water, Wastewater, and Solid Waste Utility services.

Reasons for the proposed rates and instructions for protesting the rate increases are described in more detail below. For additional information, please visit the City of Redding Utility website at: [www.reddingutilities.com](http://www.reddingutilities.com).

This notice explains proposed Water, Wastewater, and Solid Waste Utility service rate increases for City of Redding customers. The proposed rate increases will only apply to utilities provided by the City, not services provided by other entities, such as the Bella Vista Water District or Centerville Community Services District. Review your City utility bill to determine services received.

**What Do Water, Wastewater, and Solid Waste Rates Fund?** The City provides water, wastewater (sewer), and solid waste (refuse and recycling) services to residential and commercial customers in the Redding area. These Utilities are operated to be financially self-sufficient. Monthly rates paid by customers are the primary source of revenue. Utility rates are calculated to provide funds to recover the costs for maintenance and operation of each Utility, such as purchasing raw water, electricity, supplies, rehabilitation and replacement of equipment/infrastructure, employee costs, and regulatory compliance. Ratepayer revenue is not used for other general government purposes. For more information about water, wastewater, and solid waste rates and services, please call (530) 224-6068. Visit [www.reddingutilities.com](http://www.reddingutilities.com) for additional information, including City Council reports, utility master plans, and other related materials.

**Compliance with Proposition 218:** Utility rate increases are subject to Proposition 218 requirements approved by California voters in 1996. The City must: (1) inform property owners of the proposed increase(s), (2) clearly demonstrate the basis on which the rates are calculated, and (3) hold a public hearing at least 45 days after public notification. If written protests are received representing a majority of properties receiving the utility service, the proposed rate increase(s) will not be imposed. If a sufficient number of protests are not received, the rate increases may be approved by the City Council. Although state law does not require it, the City of Redding sends notification to and accepts written protests from the utility account holder (ratepayers) in addition to the property owners.

**How Do I Protest the Proposed Rate Increase?** The property owner and the utility account holder (ratepayer) subject to the proposed rate changes may submit a protest against any or all of the proposed rate changes by filing a written protest with the City Clerk at or before the time set for the public hearing.

**Please be advised:** (1) More than one notice may be sent for a single property because the City sends notices to both property owners and ratepayers. (2) Property owners may receive more than one copy of this notice if they own multiple properties and/or have multiple City of Redding utility accounts. (3) While the City may receive multiple protests for a given property, only one protest can be counted for each property. (4) Not all utility services apply to each property, for example, some residents receive water from other providers. (5) A Public Hearing and Majority Protest is not an election, there are no “yes” and “no” votes.

**If you object** to the proposed increase in utility rates for a property you own and/or a utility service you receive, you may submit a written protest against any or all of the proposed rate increases by providing the following information: (1) the property address and/or Shasta County Assessor’s Parcel Number where the service is received; (2) the utility account holder or property owner’s printed name and signature; and (3) listing the proposed utility increase(s) being protested. Then place your written protest notice in an envelope and submit to the City of Redding-City Clerk, 3rd floor, at 777 Cypress Avenue, Redding, California via one of the following methods: (1) U.S. mail, (2) hand-deliver to the City Clerk’s Office, or (3) in person prior to the close of the public hearing. In order for the written protest to be counted as a valid protest, it must contain all the information noted above and be received (not postmarked) by the City Clerk no later than the end of the public hearing noticed above on **February 4, 2020**.

**If you do not object** to the proposed rate increases to fund the operation, maintenance, and replacement costs relating to providing Water, Wastewater, and Solid Waste utilities, you do not need to submit a written protest or take any other action.



**You may prepare a written protest as instructed above or use this form to protest the proposed utility rate increases.**

I, \_\_\_\_\_, protest the proposed \_\_\_\_\_ rate increase(s).  
(Print first and last name, must be legible) (Print Water, Wastewater, and/or Solid Waste)

Property Address or Assessor’s Parcel Number: \_\_\_\_\_  
(Print legibly)

Please sign here: \_\_\_\_\_

If you wish to use this form as your written protest, please fill out and hand deliver or mail in a stamped envelope to:

City of Redding, City Clerk, 777 Cypress Avenue, Redding, CA, 96001

**Proposed Changes to Water, Wastewater, and Solid Waste Rates:** An increase in the rates is necessary in order to recover sufficient revenues to operate and maintain the City’s water, wastewater, and solid waste systems. Specifically, the proposed increases are needed to cover inflationary cost increases of energy, fuel, chemicals, rehabilitation/replacement of equipment, employee costs, and regulatory compliance. Also, additional funding is needed to replace significant portions of the City’s aging water and sewer infrastructure network if the City is to continue to provide reliable service to its customers and comply with the requirements of various regulatory agencies. In addition, a new commercial fee is being introduced to provide hauling and disposal services for cannabis waste. If approved, the proposed rate increases will become effective beginning with the first utility billing cycle in March 2020.

The rate increases shown in Table 1 are for a typical single-family residential customer who uses a yearly average of 2,100 cubic feet of water per month, is connected to the City’s sewer system, and utilizes a single 96-gallon refuse cart. Note that there will continue to be no additional charge for collecting one green-waste cart and one recycling cart per week.

**TABLE 1**  
**Rate Comparison: Typical Single Family Residential Customer**

Service	Current Rate ('18/19)	Proposed Rate FY 2019/20	Proposed Rate FY 2020/21	Proposed Rate FY 2021/22	Proposed Rate FY 2022/23
Water service/month	\$51.20	\$51.80	\$53.91	\$56.09	\$58.31
Wastewater/month	\$54.86	\$57.05	\$59.33	\$61.70	\$64.17
Solid Waste - 96 gallon/mo.	\$25.01	\$25.90	\$26.68	\$27.48	\$28.30
Total	\$131.07	\$134.75	\$139.92	\$145.27	\$150.78

**Impact on Solid Waste Bills:** The proposed single-family residential rates for the various size solid waste carts are depicted in Table 2. Commercial accounts have a recommended increase of 3 percent. Because of the diverse nature of commercial collection, such as varying number of pickup days per week, size of containers, etc., it is not practical to list all charges and estimated rate changes for this Utility. However, those charges are listed online at [www.reddingutilities.com](http://www.reddingutilities.com).

**TABLE 2 – Proposed Solid Waste Rates**

SOLID WASTE RATE SCHEDULE	Current Rates ('18/19)	Proposed Rates			
		FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<i>Annual Rate increases as shown in Financial Plan:</i>		3.00%	3.00%	3.00%	3.00%
<b>Residential Wheeled Cart Monthly Rate</b>					
45-Gal Container	\$22.36	\$23.16	\$23.85	\$24.57	\$25.30
64-Gal Container	\$23.37	\$24.20	\$24.93	\$25.68	\$26.45
96-Gal Container	\$25.01	\$25.90	\$26.68	\$27.48	\$28.30
Additional Green Waste Container	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Landfill Monitoring	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22

**Impact on Water and Wastewater Bills:** Water and wastewater rates vary by size of water meter and type of wastewater effluent (i.e., rates are higher for restaurants and similar “high-strength” users). The complete schedule of rate increases under consideration is shown in Tables 3 and 4.

**TABLE 3 – Proposed Water Rates**

Water Rate Schedule	Current Rates	Recommended Rates			
		FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		4.00%	4.00%	4.00%	4.00%
<b>Fixed Service Charge</b>					
Monthly Fixed Service Charge - Standard Meters:					
5/8 inch	\$21.17	\$22.15	\$23.04	\$23.96	\$24.92
3/4 inch	\$28.04	\$29.61	\$30.79	\$32.02	\$33.30
1 inch	\$41.77	\$44.52	\$46.30	\$48.15	\$50.08
1.5 inch	\$76.09	\$81.79	\$85.06	\$88.47	\$92.01
2 inch	\$117.27	\$126.52	\$131.59	\$136.85	\$142.32
3 inch	\$227.10	\$245.81	\$255.64	\$265.87	\$276.50
4 inch	\$350.66	\$380.00	\$395.20	\$411.01	\$427.45
6 inch	\$693.88	\$752.77	\$782.88	\$814.19	\$846.76
8 inch	\$1,105.75	\$1,200.08	\$1,248.08	\$1,298.01	\$1,349.93
<b>Commodity Charges for All Water Consumed</b>					
Uniform Rate	\$1.43	\$1.41	\$1.47	\$1.53	\$1.59

**TABLE 4 – Proposed Wastewater Rates**

SEWER RATE SCHEDULE	Current Rates <sup>1</sup>	Proposed Rates			
		FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<i>Annual Rate increases as shown in Financial Plan:</i>		4.00%	4.00%	4.00%	4.00%
Monthly Service Charges:					
Single Family Dwelling (\$/residence)	\$54.86	\$57.05	\$59.33	\$61.70	\$64.17
Multi Family Dwelling (\$/unit)	\$40.59	\$42.21	\$43.90	\$45.66	\$47.49
Standard Commercial billed monthly (\$/ccf)	\$5.64	\$5.87	\$6.10	\$6.34	\$6.59
Standard Commercial calculated annually (\$/# HE) <sup>2</sup>	\$54.86	\$57.05	\$59.33	\$61.70	\$64.17
Commercial Food Preparation billed monthly (\$/ccf)	\$11.28	\$11.73	\$12.20	\$12.69	\$13.20
Commercial Food Preparation calculated annually (\$/# HE)	\$109.72	\$114.11	\$118.67	\$123.42	\$128.36

HE = Household Equivalent