

# City of Sutter Creek Sewer Utility

## Notice of Public Hearing on Proposed Rates for Sewer Service Charges

June 3<sup>rd</sup> 2024 at 6 pm

Sutter Creek Community Center  
18 Main Street, Sutter Creek, CA 95685

*The City of Sutter Creek will hold a public hearing on a proposed rate schedule for Sewer Service Charges.*

The City's Sewer Utility provides sewer collection, treatment and disposal services for over 2,000 residential and business accounts located within the City of Sutter Creek, Amador City, and parts of Amador County. The Sewer Utility collects and treats about 138 million gallons of wastewater per year at the City's wastewater treatment plant. These sewer services are essential to protecting public health and the environment and maintaining a high quality of life.

The City of Sutter Creek collects a Sewer Service Charge on each property that is connected to the City's sewer system. The City uses these funds to operate the collection and treatment systems, and to pay for effluent disposal.

### WHY INCREASE RATES NOW?

The City conducted a rate study in 2019 that found that significant rate increases would be necessary in order to meet operating costs, increase re-investment in the aging sewer collection system and address the need for a new regional solution to treating and disposing of wastewater. At the time of the 2019 rate study, the sewer utility had not raised sewer rates since 2009. The 2019 study concluded that immediate rate increases would be needed in order to meet immediate financial deficiencies, and that additional rate increases would be needed in the future once the costs of the regional wastewater treatment and disposal solution were better understood.

In order to meet the on-going costs of operations, the continued re-investment in the aging collection system, and the anticipated cost of the upgraded wastewater treatment plant and discharge system, the City is proposing increases to the Sewer Service Charge over the next five years. Additional details regarding the operating costs and the capital spending

needs and spending plan are available in the 2024 Sewer Rate Study, which is available on the City's website.

### HOW WERE RATES CALCULATED?

The proposed rates were calculated using methodologies that are aligned with industry standard practices for rate setting and all applicable laws, including California Constitution Article VIII D, Section 6 (commonly known as Proposition 218). The revenue requirements for the City Sewer Utility were based on a financial plan that integrated operational and capital funding needs (including the estimated cost of the future wastewater treatment plant project). Residential customers are charged on a per-dwelling basis (measured in equivalent single-family units or "ESFUs"), which are the basic units of wastewater utility service and reflect the average volume and strength of flows from residential dwelling units. All residential accounts pay a Sewer Service Charge of one (1) ESFU per dwelling unit, while all other customers ("Commercial") are assigned an ESFU value based on the respective account's average daily winter water usage divided by 131 gallons (the estimated daily indoor water usage by residential accounts).

### HOW MUCH OF AN INCREASE?

Under this proposal, rate revenue from the Sewer Service Charge will increase 45% on July 1, 2024, 20% on July 1, 2025, 9% on July 1, 2026, 9% on July 1, 2027 and 2% on July, 2028.

These significant rate increases are necessary in order to ensure that sewer ratepayers in Sutter Creek can be provided with reliable wastewater utility services.

Sewer accounts that have been vacant for a sustained period are permitted to request a reduced sewer charge. Such accounts must

demonstrate vacancy by giving evidence that water service has been shut off for at least 6 months. The Vacancy Rate is 68% of one (1) ESFU. This rate is based on the Sewer Utility's fixed costs.

For complete details, the 2024 Sewer Rate Study report is available at: [www.cityofsuttercreek.org](http://www.cityofsuttercreek.org).

For more information on proposed Sewer Service Charges, please call:

(209) 267-5647

or email: [kdarrow@cityofsuttercreek.org](mailto:kdarrow@cityofsuttercreek.org)

### HOW TO PARTICIPATE

Proposition 218 establishes a protest process for the public to follow if they wish to oppose the rates.

Written protests on the proposed Sewer Service Charges must be received prior to the close of the Public Hearing on June 3, 2024 and may be hand delivered during the hearing, mailed or delivered to:

Karen Darrow  
City Clerk  
18 Main St. Sutter Creek, CA 95685

E-mail protests are not accepted.

Written protests on the proposed Sewer Service Charges must identify the owner(s) or tenant of the property and provide the property address. Only one protest per affected parcel will be considered. If written protests are presented by owners from a majority of affected parcels, the City cannot approve the proposed rate.

Please be advised that pursuant to Government Code Section 53759(d) there is a 120-day statute of limitation for any challenge to the new, increased or extended fee or charge.

The City of Sutter Creek is proposing a multi-year sewer rate adjustment schedule for all residential and commercial (non-residential) customers. The proposal will be considered by the City Council at a Public Hearing on June 3<sup>rd</sup>, 2024. If approved, the sewer rate adjustments will commence July 1, 2024. You are receiving this notification in compliance with California Constitution Article XIII C and D (commonly known as Proposition 218), which requires that all impacted property owner(s) are mailed notice of proposed rate increases at least 45 days prior to a public hearing.

### Proposed Sewer Service Charge Rate Schedule

	Current	July 1, 2024*	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
ESFU Rate:	\$76.93	\$111.55	\$133.86	\$145.91	\$159.04	\$162.22
ESFU Rate Increase:	(na)	45.0%	20.0%	9.0%	9.0%	2.0%
Vacancy Rate:**	\$30.28	\$43.91	\$52.69	\$57.43	\$62.60	\$63.85

\* The proposed rate increase replaces the 2% increase that was previously adopted for this date

\*\* Based on 68% of standard ESFU rate, based on utility fixed costs.

Your Sewer Service Charge pays to operate and maintain sewer collection and treatment infrastructure. The proposed Sewer Service Charges will help enable the City to provide reliable and dependable wastewater collection and treatment service while protecting our creeks, waterbodies and public health.