

# NOTICE OF PROPOSED WATER, SEWER & RECYCLED WATER RATE INCREASES

## NOTICE TO PROPERTY OWNERS & RATEPAYERS

PUBLIC HEARING ABOUT PROPOSED UTILITY SERVICE FEE RATE INCREASES

**APRIL 2, 2024, AT 6:30 PM**

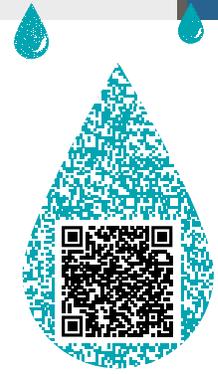
CITY HALL COUNCIL CHAMBERS

4381 BROADWAY, 2ND FLOOR, AMERICAN CANYON, CA 94503

FULL NOTICE, ONLINE BILL CALCULATOR, FAQS AND MORE INFORMATION AT

**[WWW.CITYOFAMERICANCANYON.ORG/RATES](http://WWW.CITYOFAMERICANCANYON.ORG/RATES)**

FOR ASSISTANCE CALL (707) 647-4364



## PAUNAWA SA MGA MAY ARI-ARIAN AT NAGBABAYAD NG RATE PUBLIC

HEARING TUNGKOL SA IMINUMUKHANG UTILITY SERVICE FEE RATE TAAS

**ABRIL 2, 2024, AT 6:30 PM**

CITY HALL COUNCIL CHAMBERS

4381 BROADWAY, 2ND FLOOR, AMERICAN CANYON, CA 94503

## BUONG PAUNAWA AT KARAGDAGANG IMPORMASYON SA

**[WWW.CITYOFAMERICANCANYON.ORG/RATES](http://WWW.CITYOFAMERICANCANYON.ORG/RATES)**.

PARA SA TULONG TUMAWAG (707) 647-4364.

## AVISO A DUEÑOS DE PROPIEDAD Y CONTRIBUYENTES

AUDIENCIA PÚBLICA SOBRE PROPUESTA DE AUMENTO DE TARIFAS DE SERVICIO PÚBLICO

**2 DE ABRIL DE 2024, A LAS 6:30 PM**

SALÓN DEL CONCEJO DE LA ALCALDÍA

4381 BROADWAY, 2DO PISO, AMERICAN CANYON, CA 94503

## AVISO COMPLETO Y MÁS INFORMACIÓN EN

**[WWW.CITYOFAMERICANCANYON.ORG/RATES](http://WWW.CITYOFAMERICANCANYON.ORG/RATES)**.

PARA ASISTENCIA, LLAME AL (707) 647-4364.

The City of American Canyon City Council will hold a public hearing on Tuesday, April 2, 2024, at 6:30 PM, at the City Council Chambers located at 4381 Broadway, 2nd floor in American Canyon, to consider adopting increases in the rates for its water, sewer, and recycled water service fees. The proposed increase will take effect on May 1, 2024, and apply to all parcels that receive water, sewer, and/or recycled water services from the City of American Canyon.

**American Canyon is committed to transparency throughout this process.**

Go online for tools and more insight about the proposed increases: **[WWW.CITYOFAMERICANCANYON.ORG/RATES](http://WWW.CITYOFAMERICANCANYON.ORG/RATES)**

How to  
Save Water

Low Income  
Assistance

Online Bill Impact  
Calculator

Our Water  
Source



## PROPOSED RATE INCREASES

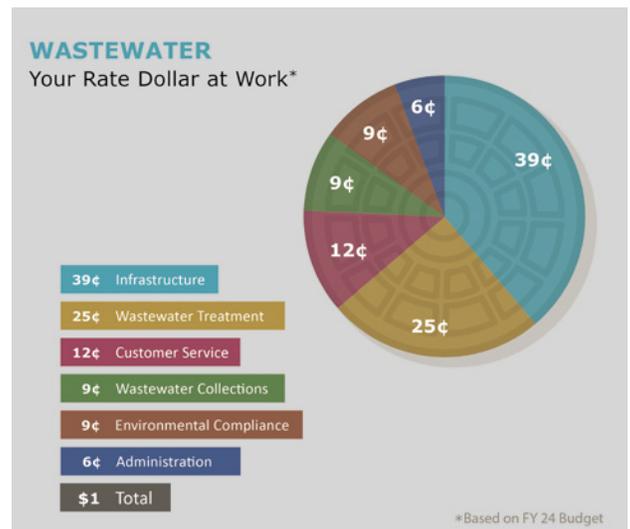
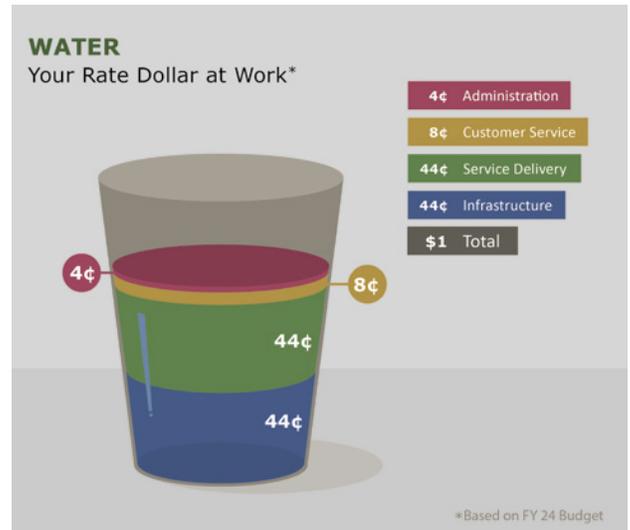
American Canyon provides services to 5,786 residential and commercial water customers, 5,052 residential and commercial sewer customers and 76 recycled water customers. American Canyon’s utility infrastructure includes a network of treatment plants, pipes, tanks, pump stations, fire hydrants, meters, and other facilities. Through this valuable infrastructure, American Canyon provides safe and reliable drinking water, collects and treats wastewater, and produces recycled water for reuse, advancing sustainability efforts. Skilled labor, quality materials, and reliable equipment are necessary to operate and maintain the utility systems and facilitate water purchases from the Cities of Napa and Vallejo, as well as the State Water Project.

As a result of external cost pressures, including inflation, new regulatory measures, water supply challenges, aging infrastructure, and more, the cost of providing these essential services continues to increase. The last rate study for the Sewer Enterprise Fund was completed in 2007, with rates increasing yearly by CPI since 2011. Although CPI increases cover some expenses, it has not kept up with increases in expansion costs, personnel costs, and treatment chemical costs. The last rate study for the Water Enterprise was completed in 2018, with the last increase in January 2023. Current rates do not bring in sufficient revenue to cover the cost of providing reliable water and wastewater services. Since rates are the primary funding source, with no taxes used for these services, American Canyon must consider a potential rate increase.

The City Council established the Utility Rate Advisory Committee on November 15, 2022. Since then, the committee met several times with staff to understand the City’s utility needs and the costs of providing service while collaborating with staff to prepare a recommendation for the City Council. The proposed utility rates were formulated by assessing the City’s service costs, taking into account future annual operating costs, and considering budgeted repair and replacement expenses through an evaluation of the audited financial data from previous years. The proposed utility rates represent an increase in existing utility rates that will support a cost-of-service structure consistent with current law.

The American Canyon Utility Rate Study was prepared by independent consulting firm NBS and contains a detailed description of the analysis which serves as the basis for the proposed rate structure. The Study is available online at [www.CityOfAmericanCanyon.org/Rates](http://www.CityOfAmericanCanyon.org/Rates) or can be reviewed in person at City Hall (4381 Broadway, Suite 201, in American Canyon).

If adopted, the new rates would become effective with each customer’s first billing period, which begins in May 2024. The first bills reflecting the new rates would not be received by customers until June 2024. Scheduled annual increases then occur in January each year through 2028.



# NOTICE OF PROPOSED WATER, SEWER & RECYCLED WATER RATE INCREASES

## Water Rate Schedule

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
<b>Residential Use</b>						
< 1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$26.56	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$26.56	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$26.56	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$26.56	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$26.56	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$26.56	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Multi-Family, Commercial and Landscape</b>						
< 1" meter	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter (Residential)	\$26.56	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter (Commercial)	\$44.42	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$88.75	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$141.99	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$283.98	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$443.74	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$887.48	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$1,420.06	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Private Fire Protection</b>						
< 1" meter	\$13.28	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$13.28	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$13.28	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$13.28	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$13.28	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$13.28	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$13.28	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$13.28	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Temporary Hydrant Meters</b>						
< 1" meter	\$283.98	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$283.98	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	\$283.98	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$283.98	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	\$283.98	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$283.98	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$283.98	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	\$283.98	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65

# NOTICE OF PROPOSED WATER, SEWER & RECYCLED WATER RATE INCREASES

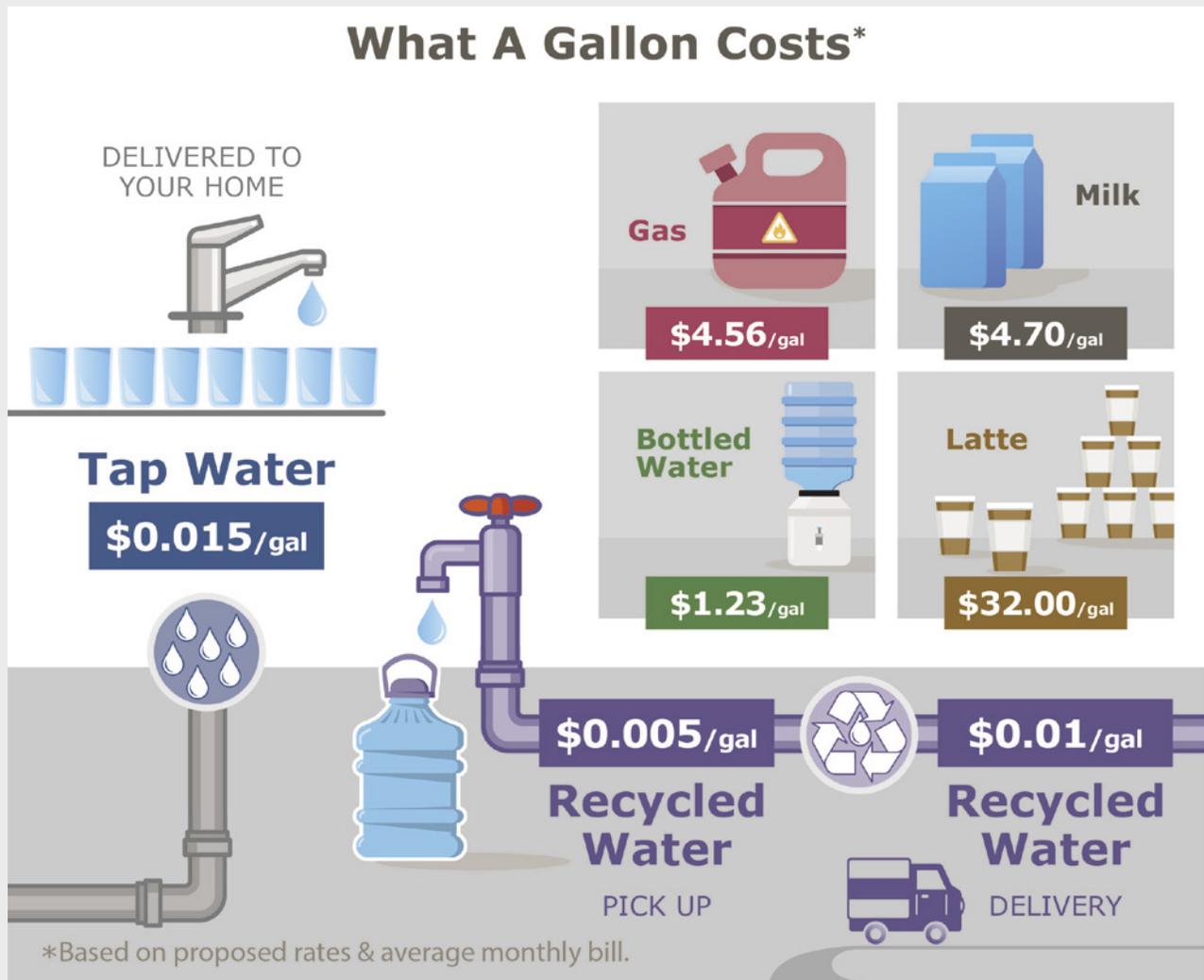
Water Rate Schedule (Continued)	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Raw Water</b>						
< 1" meter	n/a	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1" meter	\$44.42	\$31.32	\$34.14	\$37.21	\$38.70	\$39.86
1 1/2" meter	n/a	\$58.53	\$63.80	\$69.55	\$72.33	\$74.50
2" meter	\$141.99	\$91.19	\$99.40	\$108.35	\$112.68	\$116.06
3" meter	n/a	\$178.29	\$194.33	\$211.82	\$220.30	\$226.91
4" meter	\$443.74	\$276.27	\$301.13	\$328.23	\$341.36	\$351.60
6" meter	\$887.48	\$548.43	\$597.79	\$651.59	\$677.66	\$697.99
8" meter	n/a	\$875.03	\$953.78	\$1,039.63	\$1,081.21	\$1,113.65
<b>Variable Charges for All Water Consumed (in \$/hcf)</b>						
<b>Residential Use</b>						
Tier 1 (0 - 6 units)	\$7.54	\$7.07	\$7.70	\$8.40	\$8.73	\$8.99
Tier 2 (> 6 units)	\$8.15	\$9.76	\$10.64	\$11.60	\$12.06	\$12.42
<b>Multi-Family, Commercial and Landscape</b>	\$7.72	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Private Fire Protection</b>	\$3.86	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
<b>Temporary Hydrant Meters</b>						
Potable	\$7.72	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70
Recycled	\$0.90	\$6.69	\$7.36	\$8.10	\$8.50	\$8.93
<b>Raw Water</b>	\$3.44	\$7.62	\$8.30	\$9.05	\$9.41	\$9.70

## Sewer Rate Schedule

Sewer Rate Schedule	Description	Current Rates	Proposed Sewer Rates				
			FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Residential — Monthly Fixed Service Charges</b>							
Single Family Residential	Per Dwelling Unit	\$60.48	\$74.94	\$89.93	\$100.72	\$112.81	\$112.81
Multi-Family Residential	Per Dwelling Unit	\$45.36	\$48.70	\$58.44	\$65.45	\$73.31	\$73.31
<b>Commercial Customers</b>							
Monthly Fixed Service Charge	Per Account	\$60.48	\$115.21	\$138.25	\$154.84	\$173.42	\$173.42
Volumetric Charge	Per HCF	\$5.40	\$1.92	\$2.31	\$2.58	\$2.89	\$2.89
<b>Industrial Customers</b>							
Monthly Fixed Administrative Charge	Per Account	n/a	\$2.52	\$3.02	\$3.38	\$3.79	\$3.79
<b>Fixed Charges</b>							
Flow - per HCF per day	Per HCF per day Sewage Flow	n/a	\$517	\$620	\$695	\$778	\$778
BOD - per pound per day	Per pound per day	n/a	\$221	\$266	\$298	\$334	\$334
TSS - per pound per day	Per pound per day	n/a	\$217	\$261	\$292	\$327	\$327
<b>Sewer Use Charges</b>							
Flow - per HCF	Per HCF Sewage Flow	n/a	\$3.54	\$4.25	\$4.76	\$5.33	\$5.33
BOD - per pound	Per pound	n/a	\$1.10	\$1.32	\$1.48	\$1.66	\$1.66
TSS - pound	Per pound	n/a	\$1.11	\$1.33	\$1.49	\$1.67	\$1.67

## Recycled Water Rate Schedule

Recycled Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
< 1" meter	\$26.56	\$38.89	\$42.78	\$47.05	\$49.41	\$51.88
1" meter	\$44.42	\$64.81	\$71.29	\$78.42	\$82.34	\$86.46
1 1/2" meter	\$88.75	\$129.62	\$142.58	\$156.84	\$164.69	\$172.92
2" meter	\$141.99	\$207.40	\$228.14	\$250.95	\$263.50	\$276.67
3" meter	\$283.98	\$414.79	\$456.27	\$501.90	\$526.99	\$553.34
4" meter	\$443.74	\$648.11	\$712.92	\$784.22	\$823.43	\$864.60
6" meter	\$887.48	\$1,296.23	\$1,425.85	\$1,568.43	\$1,646.85	\$1,729.20
8" meter	\$1,420.06	\$2,073.96	\$2,281.36	\$2,509.49	\$2,634.97	\$2,766.71
<b>Commodity Charges for All Water Consumed (in \$/hcf)</b>						
Variable Charge	\$0.90	\$6.69	\$7.36	\$8.10	\$8.50	\$8.93
Variable Charge - Self-Haul	\$0.00	\$4.00	\$4.41	\$4.85	\$5.09	\$5.34



## Drought Rate Schedule

Drought rates are only effective upon City Council action consistent with the City of American Canyon Municipal Code Chapter 13.14, Water Conservation Plan.

Drought Rate Schedule	Proposed Drought Rate (in addition to Proposed Water Rate Schedule on pages 2 & 3)				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Conservation Target</b>					
Up to 10%	\$0.35	\$0.44	\$0.53	\$0.58	\$0.62
Up to 20%	\$0.79	\$0.98	\$1.19	\$1.30	\$1.39
Up to 30%	\$1.36	\$1.68	\$2.03	\$2.23	\$2.39
Up to 40%	\$2.12	\$2.61	\$3.16	\$3.46	\$3.71
Up to 50%	\$3.17	\$3.92	\$4.75	\$5.20	\$5.57
>50%	\$4.76	\$5.88	\$7.12	\$7.79	\$8.36

Any property owner of record and/or ratepayer whose property is subject to the proposed new rates for the City’s utility service fees may submit a written protest against the proposed rate increases.

**Only one written protest will be counted per identified parcel.**

**To be valid, each written protest must:**

- State that the identified property owner and/or ratepayer is in opposition to the proposed rate increases;
- Provide the location of the identified parcel (by assessor’s parcel number, street address, or customer account);
- Include the name and original signature of the property owner and/or ratepayer submitting the protest; and
- If the person protesting was not shown on Napa County’s last equalized assessment roll as the property owner and/or ratepayer of record, provide written evidence that the person is the property owner and/or ratepayer (example: current copy of city services bill).

**Written protests may be submitted by mail or in person to:**

**City of American Canyon, Attention: City Clerk, 4381 Broadway, Suite 201, American Canyon, CA 94503**

*Any protest submitted via e-mail or other electronic means will not qualify as a written protest. Written protests may also be submitted at the public hearing (date and time noted above). All written protests must be submitted to the City prior to the conclusion of the public comment portion of the public hearing.*

At the public hearing, the City Council will accept and consider all written protests and hear all oral comments on the proposed rate increases. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. At the conclusion of the public hearing, the City Council will consider adoption of the proposed changes as follows:

1. If less than a majority of property owners or ratepayers file a protest, the City Council will consider increasing water rates, effective May 1, 2024.
2. If a majority of affected property owners or ratepayers protest the increase before the conclusion of a required public hearing, the City is prohibited by law from increasing water rates.

*Please note that there is a 120-day statute of limitations from the effective date of the resolution or ordinance adopting the rates to challenge any of the rates described herein.*

