

## **APPENDIX S: Proposition 2018 Notice on Proposed Rates**



OCTOBER 2021

# Water Department Proposition 218 Notice Proposed Rates

## IMPORTANT DATES

**Virtual Community Meeting - Investing in Your Water Future**

Wed., November 10, 2021  
6 p.m. | Register at [cityofsantacruz.com/h2orates](http://cityofsantacruz.com/h2orates)

**Public Hearing**

Tuesday, November 23  
after the hour of 10 a.m. | City Hall

## Safe, Reliable Water Now & Into the Future

Dear Neighbor,

The City of Santa Cruz takes great pride in providing you with safe, high quality water service that is essential to your everyday life. Beyond uses for sanitation and fire protection, water is a shared community resource that gives us parks to play in and helps us grow food in our gardens. It is a big responsibility and the employees who serve you are experts and take great pride in their work.

An equally important responsibility is ensuring our ability to continue to provide you and your family with water into the distant and uncertain future. This requires careful analysis and planning, and I'm happy to report that the public rate study process to fund water reliability and resiliency that began in 2020 is nearing completion.

Highlights include:

- Funding more than 15 years of planned investments to modernize our aging infrastructure –

increasing reliability, resiliency, and hardening it against effects of climate change

- Changes to our water rate structure designed to:
  - Make it simpler to understand your bill and manage your water use
  - Better align the rates all customers pay with the costs to serve them
  - Ensure water for essential indoor use remains affordable for everyone

This mailer summarizes the findings of this work and notifies you of proposed changes to the water rate structure (*how* you are charged for water) and the proposed rates themselves (*how much* you are charged for water) that, if approved by the City Council, would be adjusted in 2022.

City Council will consider adopting these recommendations at a public hearing scheduled for **Tuesday, November 23 after the hour of 10 a.m.**

Prior to that, I invite you to join us for a virtual community meeting on **Wednesday, November 10 at 6 p.m.** where we will detail plans for critical infrastructure investment and share proposed changes to our water rate structure.

My thanks to all who participated in the process to date. From members of City Council and the Water Commission to individuals who provided input via customer panels, and stakeholders who provided input online – all feedback was extremely valuable and helped us make an inclusive plan that will help ensure water security for years to come.

Sincerely,

Rosemary Menard  
Water Director



# Identifying and Managing Risk

We operate a complex system of pipes, pumps, and tanks; Loch Lomond Reservoir; and treatment facilities to provide water to your home and the homes of nearly 100,000 of your neighbors. Though well-maintained, some of our infrastructure is nearly 100-years-old,

making pipe breaks and service disruptions more frequent now than they used to be.

In addition, the impacts of climate change are here, and not just during our state's current drought. High tem-

peratures, unpredictable rainfall, and wildfires mean our community is vulnerable to water shortages. Because all Santa Cruz drinking water comes from local rainfall, we must count every drop and make every drop count.

## Facing Challenges Together

While our current water system cannot meet our community's future needs, there is still time to invest in critical infrastructure to ensure affordable, high quality, reliable water keeps flowing for years to come. The rates and charges shown in this notice will fund key projects over the next 15 years such as:

Project	Value to Customers
<b>Graham Hill Water Treatment Plant Modernization</b>	Upgrades to 60-year-old plant will ensure its ability to provide high quality drinking water even when source water quality is degraded due to events such as wildfires.
<b>Newell Creek Dam Infrastructure Overhaul</b>	Bring infrastructure at the dam up to modern safety standards and establish long-term reliable storage for drinking water supply.
<b>Water Pipeline Repair and Replacement</b>	Reduce leaks and costly main breaks of the 1960's-era pipeline that has reached the end of its service life.
<b>Customer Meter Replacement</b>	Enable Water Department to quickly identify leaks and notify customers.
<b>Groundwater Storage and Recovery</b>	Adding secure water storage to recharge underground aquifers in wet years – water that can be pumped and used in dry years.



**Left:** Crews work to fix water main leak on Prospect Street

## Simplifying the Water Rate Structure

With input from stakeholders, and in consultation with water rate-setting experts, we propose adjustments that are designed to fund operating costs and infrastructure investment – all while making things simpler to understand on your bill.

Components of Your Bill	Current Rate Structure	Proposed Rate Structure
<b>Fixed</b>		
Ready-to-Serve (RTS) Charge	Based on meter size	Based on meter size
Private Fire RTS (for customers with private fire lines)	All meters pay the same, no matter the size	Varies by meter size
Outside City surcharge for customers beyond city limits	Yes	Surcharge eliminated
<b>Variable</b>		
<b>Consumption Charge</b>		
Residential	4 Tiers	3 tiers
Commercial / North Coast/ UCSC	Uniform	Uniform
Irrigation (water budget)	3 Tiers	3 Tiers
<b>Infrastructure Reinvestment Fee</b>		
Residential	4 tiers	3 tiers
Commercial / North Coast / UCSC	Uniform	Uniform
Irrigation (water budget)	3 tiers	3 tiers
Elevation Surcharge (if applicable)	Single zone	Multi-zone, based on service elevation
Rate Stabilization Fee	\$1/ccf	\$1/ccf
<b>Drought Year (when applicable)</b>		
Drought Cost Recovery Fee	Fixed fee, by meter size	Fixed fee, by meter size

# At-a-Glance Summary

## Monthly Bill Impacts: Three Typical Single Family Residential Customers\*



### Low Usage

Uses 3 units (ccf) of water per month and will see their 2022 monthly bill **increase by \$1.54**

### Average Usage

Uses 6 units (ccf) of water per month and will see their 2022 monthly bill **increase by \$4.47**

### High Usage

Uses 8 units (ccf) of water per month and will see their 2022 monthly bill **increase by \$7.71**

*\*Scenarios based on most common 5/8" meter size and include the Ready-to-Serve Charge, Consumption Charge, Infrastructure Reinvestment Fee, and Rate Stabilization Fee. Does not include a Fire Ready-to-Serve or Elevation Surcharge. One hundred cubic feet (ccf) = 748 gallons.*

## FAQ

### What is the need to increase water rates?

There are many contributing factors – but first and foremost is our responsibility to plan thoughtfully for Santa Cruz's future needs. We must invest in a more resilient, modern water system to provide reliable, high-quality drinking water for decades to come.

Also, our costs to deliver the water service that customers expect are rising and changing. We are not alone; utility costs are increasing across California. Just like any business, as costs of these inputs rise, our prices must rise to reflect the cost of providing the service.

### How were the proposed changes identified?

The fundamental basis upon which the proposed rates were calculated is the requirement of our State Constitution that fees and charges for water service are proportionate to the cost of providing that service to the user. At the same time, our community has long been active in helping the Water Department with things like developing policies to encourage water efficiency and the plan to address water supply challenges. They were also consulted during the rate study process.

Customers participated in a series of virtual customer panels and an online community designed to gather feedback. The resident-led Santa Cruz Water Commission was actively involved in rate study recommendations, and the Santa Cruz City Council will decide on proposed changes.

### What will the proposed rate structure accomplish?

The proposed simplified rate structure is designed to ensure water for essential use is affordable to all customers, maintain transparency and equity for capital and water reliability needs, and provide sufficient revenues to meet operating, infrastructure investment and customer service level needs.

### Why is the City considering adjusting the water use tiers for residential customers?

Detailed analysis revealed that the desired policy objectives – refining the rate structure to more accurately reflect the proportionate cost of providing water service to the user, while encouraging wise water use and ensuring essential use affordability – could be accomplished with a simpler 3-tiered structure.

## Can you explain the purpose of the Drought Cost Recovery Fee?

The City of Santa Cruz depends on water sales to fund the system that collects, treats, and delivers safe, reliable water to your home. This helps ensure fairness, as customers are charged in large part by how much water they use. It also leads to lower revenues for the City when customers are asked to use less, such as during droughts.

Lower revenues are a challenge for the City, as many of the costs associated with building and maintaining a water system are fixed. Based on stages calibrated to drought severity, the Drought Cost Recovery Fee works to offset the lost revenue when customers use less water during declared droughts.

## Why do proposed increases from current to future Drought Cost Recovery Fees seem out of line with other proposed adjustments?

Current drought rates are being subsidized by reserve funds, and are not indexed to annual revenue adjustments, so are artificially low. Proposed drought rates are unsubsidized and indexed, thus reflecting true revenue needs.

## Where can I go for more information?

Visit the City's website at [cityofsantacruz.com/h2orates](http://cityofsantacruz.com/h2orates) or call Customer Service at (831) 420-5220.

---

# Multi-Year Proposed Water Rates

## Proposed Ready-to-Serve Charges

Ready-to-serve charges are a fixed charge based on the size of your water meter. This charge pays for things like customer service, billing, and meter servicing.

Ready-to-Serve (\$/meter)						
Meter Size	Current	As of 7/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
5/8 inch	\$11.26	\$12.38	\$14.39	\$16.73	\$17.89	\$19.13
3/4 inch	\$11.56	\$12.61	\$14.66	\$17.04	\$18.22	\$19.48
1 inch	\$12.44	\$13.27	\$15.42	\$17.92	\$19.16	\$20.49
1-1/2 inch	\$13.61	\$14.15	\$16.45	\$19.12	\$20.44	\$21.86
2 inch	\$16.85	\$16.55	\$19.24	\$22.36	\$23.91	\$25.56
3 inch	\$40.71	\$34.33	\$39.90	\$46.37	\$49.57	\$53.00
4 inch	\$49.55	\$40.91	\$47.54	\$55.25	\$59.07	\$63.15
6 inch	\$70.16	\$56.26	\$65.38	\$75.98	\$81.23	\$86.84
8 inch	\$93.73	\$73.81	\$85.77	\$99.67	\$106.55	\$113.91
10 inch	\$120.24	\$93.57	\$108.73	\$126.35	\$135.07	\$144.39

## Proposed Fire Ready-to-Serve Charges

This charge is only for customers who have private fire lines. These charges are based on the size of your private fire line.

Fire Ready-to-Serve (\$/meter)						
Meter Size	Current	As of 7/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
3/4 inch	\$1.26	\$2.36	\$2.75	\$3.20	\$3.43	\$3.67
1 inch	\$1.26	\$2.53	\$2.94	\$3.42	\$3.66	\$3.92
1-1/2 inch	\$1.26	\$3.14	\$3.65	\$4.25	\$4.55	\$4.87
2 inch	\$1.26	\$4.21	\$4.90	\$5.70	\$6.10	\$6.53
2-1/2 inch	\$1.26	\$5.80	\$6.74	\$7.84	\$8.39	\$8.97
4 inch	\$1.26	\$14.56	\$16.92	\$19.67	\$21.03	\$22.49
6 inch	\$1.26	\$38.11	\$44.29	\$51.47	\$55.03	\$58.83
8 inch	\$1.26	\$78.72	\$91.48	\$106.30	\$113.64	\$121.49
10 inch	\$1.26	\$139.81	\$162.46	\$188.78	\$201.81	\$215.74

## Current Consumption Charges and Infrastructure Reinvestment Fee (IRF)

Customer Class	Current Consumption Charge	Current IRF
<b>Residential</b>		
Tier 1 (0 to 5 ccf)	\$7.37	\$2.23
Tier 2 (6 to 7 ccf)	\$8.24	\$3.34
Tier 3 (8 to 9 ccf)	\$9.51	\$4.13
Tier 4 (10 ccf and above)	\$11.28	\$5.55
<b>Commercial</b>		
Uniform	\$8.43	\$3.27
<b>UCSC</b>		
Uniform	\$8.60	\$3.46
<b>Landscape Irrigation</b>		
Tier 1 (up to 100% of budget)	\$8.80	\$4.06
Tier 2 (101% to 150% of budget)	\$11.74	\$6.08
Tier 3 (151% of budget and above)	\$13.17	\$6.16
<b>North Coast Agriculture</b>		
Uniform	\$4.59	\$4.39

## Proposed Consumption Charges

High water users place more significant demand (and higher costs) on the system than low water users. Tiered volumetric rates ensure that the more water someone uses, the more they pay.

Consumption Charge (\$/ccf)					
Customer Class	As of 7/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
<b>Residential</b> <sup>[1]</sup>					
Tier 1 (0 to 5 ccf)	\$7.68	\$8.93	\$10.38	\$11.10	\$11.87
Tier 2 (6 to 9 ccf)	\$10.37	\$12.05	\$14.01	\$14.98	\$16.02
Tier 3 (10 ccf and above)	\$12.60	\$14.65	\$17.03	\$18.21	\$19.47
<b>Commercial</b> <sup>[2]</sup>					
Uniform	\$8.53	\$9.92	\$11.53	\$12.33	\$13.19
<b>UCSC</b>					
Uniform	\$8.78	\$10.21	\$11.87	\$12.69	\$13.57
<b>Landscape Irrigation</b> <sup>[3]</sup>					
Tier 1 (up to 100% of budget)	\$11.50	\$13.37	\$15.54	\$16.62	\$17.77
Tier 2 (101% to 150% of budget)	\$16.86	\$19.60	\$22.78	\$24.36	\$26.05
Tier 3 (151% of budget and above)	\$22.11	\$25.70	\$29.87	\$31.94	\$34.15
<b>North Coast Agriculture</b> <sup>[4]</sup>					
Maintain Reliability	\$5.07	\$5.90	\$6.86	\$7.34	\$7.85
Decrease Reliability	\$2.24	\$2.61	\$3.04	\$3.25	\$3.48

[1] Includes Single Family and Multi-Family, tier width is per dwelling unit

[2] Includes Business, Industrial, Restaurant, Hotel, Golf, Municipal, Bulk, Fire Service Leaks, and Temporary

[3] Tiers based on percent of water budget for each customer

[4] See final Rate Study Report on City Website for more details





## Proposed Infrastructure Reinvestment Fees

The Infrastructure Reinvestment Fee funds capital investment.

Infrastructure Reinvestment Fee (\$/ccf)						
Customer Class	As of 7/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26	
<b>Residential</b> <sup>[1]</sup>						
Tier 1 (0 to 5 ccf)	\$2.06	\$2.40	\$2.79	\$2.99	\$3.20	
Tier 2 (6 to 9 ccf)	\$3.86	\$4.49	\$5.22	\$5.59	\$5.98	
Tier 3 (10 ccf and above)	\$6.15	\$7.15	\$8.31	\$8.89	\$9.51	
<b>Commercial</b> <sup>[2]</sup>						
Uniform	\$2.84	\$3.31	\$3.85	\$4.12	\$4.41	
<b>UCSC</b>						
Uniform	\$3.29	\$3.83	\$4.46	\$4.77	\$5.10	
<b>Landscape Irrigation</b> <sup>[3]</sup>						
Tier 1 (up to 100% of budget)	\$9.03	\$10.50	\$12.21	\$13.06	\$13.97	
Tier 2 (101% to 150% of budget)	\$11.73	\$13.64	\$15.85	\$16.95	\$18.12	
Tier 3 (151% of budget and above)	\$14.21	\$16.52	\$19.20	\$20.53	\$21.95	
<b>North Coast Agriculture</b> <sup>[4]</sup>						
Maintain Reliability	\$1.38	\$1.61	\$1.88	\$2.01	\$2.15	
Decrease Reliability	\$0.64	\$0.75	\$0.88	\$0.95	\$1.02	

[1] Includes Single Family and Multi-Family, tier width is per dwelling unit

[2] Includes Business, Industrial, Restaurant, Hotel, Golf, Municipal, Bulk, Fire Service Leaks, and Temporary

[3] Tiers based on percent of water budget for each customer

[4] See final Rate Study Report on City Website for more details

## Proposed Elevation Surcharges

This surcharge covers the additional energy costs of pumping water to customers residing at higher elevations. Higher elevations require water to pass through a greater number of pump stations than lower elevations. Not all customers receive this charge.

Elevation Surcharge (\$/ccf)						
Elevation Zone	Current	As of 7/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
Lift Zone 1	\$0.54	\$0.19	\$0.23	\$0.27	\$0.29	\$0.32
Lift Zone 2	\$0.54	\$0.38	\$0.45	\$0.53	\$0.57	\$0.61
Lift Zone 3	\$0.54	\$0.69	\$0.81	\$0.95	\$1.02	\$1.10

## Proposed Rate Stabilization Fee

This charge is held in a separate fund to mitigate the City’s risk associated with implementing the more volumetric based rate structure that encourages conservation, but potentially negatively impacts revenues.

All Customers	Rate Stabilization Fee (\$/ccf)					
	Current	As of 7/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
All Accounts	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00



## Drought Cost Recovery Fee – by Drought Stage

The following tables are for the Drought Cost Recovery Fee to be applied if the Council declares a water shortage, and a table is provided for each stage of the Water Shortage Contingency Plan. Due to ongoing dry conditions, the fees in these tables would become effective upon the Council’s action to adopt revised water rates for the next rate schedule period.

### Stage 1:

These drought cost recovery fees recover lost revenue from reductions in Stage 1, or a 10% reduction in water use.

Meter Size	Drought Cost Recovery Fee (\$/meter) - Stage 1					
	Current	As of 1/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
5/8 inch	\$2.45	\$11.90	\$13.83	\$16.07	\$17.18	\$18.37
3/4 inch	\$2.45	\$17.85	\$20.75	\$24.11	\$25.77	\$27.55
1 inch	\$6.13	\$29.75	\$34.57	\$40.17	\$42.95	\$45.91
1-1/2 inch	\$12.25	\$59.50	\$69.14	\$80.34	\$85.89	\$91.81
2 inch	\$19.60	\$95.19	\$110.62	\$128.53	\$137.40	\$146.88
3 inch	\$36.75	\$208.23	\$241.97	\$281.17	\$300.57	\$321.31
4 inch	\$61.25	\$374.81	\$435.53	\$506.09	\$541.01	\$578.34
6 inch	\$122.50	\$773.40	\$898.70	\$1,044.28	\$1,116.34	\$1,193.37
8 inch	\$281.75	\$1,665.79	\$1,935.65	\$2,249.23	\$2,404.42	\$2,570.33
10 inch	\$347.90	\$2,498.68	\$2,903.47	\$3,373.83	\$3,606.63	\$3,855.48

## Stage 2:

These drought cost recovery fees recover lost revenue from reductions in Stage 2, or a 20% reduction in water use.

Drought Cost Recovery Fee (\$/meter) - Stage 2						
Meter Size	Current	As of 1/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
5/8 inch	\$6.12	\$21.05	\$24.47	\$28.43	\$30.39	\$32.49
3/4 inch	\$6.12	\$31.58	\$36.70	\$42.65	\$45.59	\$48.73
1 inch	\$15.30	\$52.63	\$61.16	\$71.07	\$75.97	\$81.21
1-1/2 inch	\$30.60	\$105.25	\$122.31	\$142.12	\$151.92	\$162.41
2 inch	\$48.96	\$168.40	\$195.69	\$227.39	\$243.08	\$259.85
3 inch	\$91.80	\$368.37	\$428.05	\$497.39	\$531.71	\$568.40
4 inch	\$153.00	\$663.06	\$770.48	\$895.30	\$957.07	\$1,023.11
6 inch	\$306.00	\$1,368.21	\$1,589.87	\$1,847.42	\$1,974.89	\$2,111.16
8 inch	\$703.80	\$2,946.91	\$3,424.31	\$3,979.05	\$4,253.61	\$4,547.11
10 inch	\$869.04	\$4,420.37	\$5,136.47	\$5,968.58	\$6,380.41	\$6,820.66

## Stage 3:

These drought cost recovery fees recover lost revenue from reductions in Stage 3, or a 30% reduction in water use.

Drought Cost Recovery Fee (\$/meter) - Stage 3						
Meter Size	Current	As of 1/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
5/8 inch	\$9.79	\$30.20	\$35.10	\$40.78	\$43.60	\$46.60
3/4 inch	\$9.79	\$45.30	\$52.64	\$61.17	\$65.39	\$69.90
1 inch	\$24.48	\$75.49	\$87.72	\$101.93	\$108.97	\$116.49
1-1/2 inch	\$48.95	\$150.98	\$175.44	\$203.86	\$217.93	\$232.97
2 inch	\$78.32	\$241.56	\$280.70	\$326.17	\$348.68	\$372.73
3 inch	\$146.85	\$528.40	\$614.01	\$713.47	\$762.70	\$815.33
4 inch	\$244.75	\$951.12	\$1,105.21	\$1,284.25	\$1,372.86	\$1,467.59
6 inch	\$489.50	\$1,962.62	\$2,280.57	\$2,650.02	\$2,832.87	\$3,028.34
8 inch	\$1,125.85	\$4,227.17	\$4,911.98	\$5,707.72	\$6,101.55	\$6,522.55
10 inch	\$1,390.18	\$6,340.76	\$7,367.97	\$8,561.58	\$9,152.33	\$9,783.84

## Stage 4:

These drought cost recovery fees recover lost revenue from reductions in Stage 4, or a 40% reduction in water use.

Drought Cost Recovery Fee (\$/meter) - Stage 4						
Meter Size	Current	As of 1/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
5/8 inch	\$13.46	\$38.20	\$44.39	\$51.58	\$55.14	\$58.95
3/4 inch	\$13.46	\$57.30	\$66.59	\$77.37	\$82.71	\$88.42
1 inch	\$33.65	\$95.49	\$110.96	\$128.94	\$137.84	\$147.35
1-1/2 inch	\$67.30	\$190.98	\$221.92	\$257.87	\$275.67	\$294.69
2 inch	\$107.68	\$305.57	\$355.08	\$412.60	\$441.07	\$471.50
3 inch	\$201.90	\$668.43	\$776.72	\$902.55	\$964.82	\$1,031.40
4 inch	\$336.50	\$1,203.17	\$1,398.09	\$1,624.58	\$1,736.67	\$1,856.50
6 inch	\$673.00	\$2,482.72	\$2,884.93	\$3,352.28	\$3,583.59	\$3,830.86
8 inch	\$1,547.90	\$5,347.40	\$6,213.68	\$7,220.30	\$7,718.50	\$8,251.08
10 inch	\$1,911.32	\$8,021.10	\$9,320.52	\$10,830.45	\$11,577.75	\$12,376.61

## Stage 5:

These drought cost recovery fees recover lost revenue from reductions in Stage 5, or a 50% reduction in water use.

Drought Cost Recovery Fee (\$/meter) - Stage 5						
Meter Size	Current	As of 1/1/22	As of 7/1/23	As of 7/1/24	As of 7/1/25	As of 7/1/26
5/8 inch	\$18.35	\$46.07	\$53.54	\$62.21	\$66.50	\$71.09
3/4 inch	\$18.35	\$69.10	\$80.30	\$93.31	\$99.74	\$106.63
1 inch	\$45.88	\$115.17	\$133.83	\$155.51	\$166.24	\$177.71
1-1/2 inch	\$91.75	\$230.33	\$267.65	\$311.01	\$332.47	\$355.41
2 inch	\$146.80	\$368.52	\$428.23	\$497.60	\$531.93	\$568.63
3 inch	\$275.25	\$806.13	\$936.73	\$1,088.48	\$1,163.58	\$1,243.87
4 inch	\$458.75	\$1,451.03	\$1,686.10	\$1,959.25	\$2,094.44	\$2,238.95
6 inch	\$917.50	\$2,994.18	\$3,479.24	\$4,042.88	\$4,321.84	\$4,620.04
8 inch	\$2,110.25	\$6,449.00	\$7,493.74	\$8,707.73	\$9,308.56	\$9,950.85
10 inch	\$2,605.70	\$9,673.50	\$11,240.61	\$13,061.59	\$13,962.84	\$14,926.28

**Right:** \$103 M project underway to modernize infrastructure at the city's only reservoir, Loch Lomond.





**Santa Cruz Water Dept**  
**212 Locust Street, Suite A**  
**Santa Cruz, CA 95060**

PRSR STD  
U.S. POSTAGE  
PAID  
PERMIT NO. 11  
SANTA CRUZ, CA

Notice of Public Hearing  
**Proposed Water Rates**  
**Affecting Your Area**



## Notice of Public Hearing

You are receiving this notice because our records indicate that you are a water customer of the City of Santa Cruz. The City Council will consider adoption of a proposed water rate structure and water rate increase affecting all water customers. This notice describes the proposed increase and explains how you can participate in the rate setting process. Interested persons are encouraged to attend and comment on the issues being discussed. The meeting will be held in City Council Chambers at 809 Center Street after the hour of 10 a.m. on November 23, 2021.

Written protests: Any property owner or a tenant who is a customer of the Water Department may protest the proposed water rates. Only one written protest per parcel, filed by an owner or a tenant who is a customer, will be counted. Only written and signed protests that include the writer's address and/or assessor parcel number will be counted to determine whether a majority protest to the proposed water rate increase exists. Written protests may be mailed or hand delivered to the Mayor and Council of Santa Cruz at 809 Center Street, Room 10, Santa Cruz, CA 95060. If you oppose the proposed rate increases, Proposition 218 requires that your protest be submitted in writing to be counted, even if you plan to attend the Public Hearing. To be counted, the protest must: 1) be in writing; 2) state opposition to the proposed rate increase; 3) identify the parcel by assessor's parcel number or street address; 4) include the printed name and original signature of the owner of record or a tenant who is a customer of the Water Department; 5) be received before the conclusion of the Public Hearing after the hour of 10 a.m. on November 23, 2021.

**For more information, visit [cityofsantacruz.com/h2orates](http://cityofsantacruz.com/h2orates)**

