

Frequently Asked Questions (FAQ) New Utility Billing Rates Script

1. Rates Increases

- a) 28% Water
- b) 50% Wastewater

2. When were the new rates implemented?

- a) The new water and wastewater rates were implemented on September 1, 2023. The new rates are reflected on the November 15th billing, which includes your bi-monthly usage for September and October.

3. Did the City notify the citizens of the rate increase?

- a) Yes, the City of St. Helena has reached out to the citizens of St. Helena by mail and social media platforms, notifying them of the proposed rate increase.
 - In May 2023 Prop 218 Notice was mailed to all citizens of St. Helena
 - The Notice of Public Hearing was on June 27, 2023
 - A postcard was mailed in September on how to calculate your new bill
- b) As part of the public process, the City convened a water and Wastewater Rate Study Advisory Committee to help guide the rates study. The committee was composed of members representing different stakeholder groups in the community. They studied the issues closely to ensure the recommendations they made to the City Council aligned closely with the community's values.
- c) The committee reviewed several rate alternatives brought forward by the financial consultant and settled on an improved water rate's structure designed to achieve three goals: promote conservation and water efficiency, infrastructure can be enhanced and serve the community for years to come and so all customers pay their fair share.

4. Why were the water and wastewater rates increased?

- a) More than \$42 million of critical deteriorating infrastructure was identified
- b) Rising costs to maintain and upgrade the aging water and wastewater infrastructure
- c) Comply with environmental and regulatory requirements
- d) Fund critical infrastructure projects that will help the City bring each system up to modern standards to continue delivering quality, reliable service for years to come.

5. Why were water tiered rates implemented?

- a) Encourage water conservation- by increasing the price per unit of water consumed for higher tiers, tiered water rates provide an economic incentive for consumers to reduce their water usage.
- b) Promoting fairness and equity- Tiered rates can help ensure that households and businesses that use more water pay their fair share of the cost of providing water services, while also protecting vulnerable populations from high prices for essential water needs.

6. What is the tiered structure?

- a) Applies only to water consumption
- b) The city will continue to bill bi-monthly
- c) The water is charged in a tiered structure, meaning the rate increases based on total usage:

- **Tier 1 Rate \$5.99- 1 to 11 Hundred Cubic Feet (HCF)**
- **Tier 2 Rate \$12.06- 12- to 15 Hundred Cubic Feet (HCF)**
- **Tier 3 Rate \$12.91- 16 or Greater Hundred Cubic Feet (HCF)**
- *NOTE: 1 HCF (hundred cubic feet) is approximately equal to 748 gallons. If you take the number of HCF used on your bill, multiple it by 748 and divide it by number of days in the billing cycle, you will get gallons used per day.*
- *NOTE: Multi Units water tier allotment is the water allotment for each tier times the number of units.*

7. New wastewater rates

- a) The City will continue to bill bi-monthly
- b) The residential and multi units wastewater use charge is calculated based on the Average Winter Consumption (AWC). Residential and Multi Unit rate \$9.89 per HCF
- c) The rates for non-residential customers are calculated based on their actual water consumption. The Non-Residential Rate see Attachment 1

8. What are the base fees

- a) The base charges (fixed) for water and wastewater: Non-Residential customers base fees are based on the size of the water meter. Residential customers base fees are based on a fixed service charge.
- b) Residential and Non-Residential base fees see Attachment 1

9. How to calculate the winter average

- a) The winter average is calculated based on the January, February and March water average consumption times two (bi-monthly billing)
- b) Winter consumption is used to calculate the winter average due because during the winter, the consumption is generally used for indoor activities
- c) The purpose of the winter average is to not charge customers for wastewater that is not being treated. For example, the water used for irrigation during summer is not treated, and therefore, customers should not be charged for wastewater on that consumption

- Example calculation:

January- 7 HCF

February - 6 HCF

March - 6 HCF

Average 6.33×2 (two months) = 12.66 HCF round down to 12.0 HCF

10. Why is the customer paying so much for brown water?

- a) Public Works has been working diligently to resolve this matter and have been in contact with the California Water Board's Division of Drinking Water about this matter and strategy to remedy the situation.

- b) Customers are now seeing improvements in St. Helena water clarity. City workers were flushing hydrants to clean water lines and enacted operational changes to minimize the transmission of discolored water into the system.
- c) In past years there has been significant underfunding of the City's infrastructure over many decades and City Council is focusing intently in restoring the infrastructure
- d) With the City Council's acceptance of the Water-Wastewater Rate Committee's recommendations, the City will generate revenue over the next five years to improve the water and wastewater systems.