



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

PROPOSITION 218 NOTIFICATION

PROPOSED RATE INCREASES FOR WATER, WASTEWATER, AND SOLID WASTE SERVICES

The City of Folsom is proposing a water, wastewater, and solid waste rate increase for residential and non-residential customers. You are receiving this notice in compliance with Proposition 218, which requires the city to inform property owners and the customer of record that proposed rate increases are being considered; the amount of the proposed rate increases; the basis on which the rates are calculated; and the reason for the proposed increases.

THE CITY HAS NOT MADE COMPREHENSIVE ADJUSTMENTS TO SOLID WASTE RATES SINCE 2004, WASTEWATER RATES SINCE 2008, AND WATER RATES SINCE 2011.

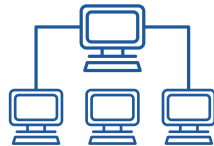
The city provides water, wastewater (sewer), and solid waste (trash) service to more than 22,000 residential and non-residential customers. Monthly water, wastewater, and solid waste rates paid by customers are the primary source of revenue for the city's Water, Wastewater, and Solid Waste Divisions. Rates fund utility operations and maintenance, including but not limited to replacement of utility vehicles, equipment and supplies, compliance with changing State regulations, repair and replacement of existing and aging utility infrastructure, and debt service for previous capital improvements to the city's water treatment plant and facilities.

Reason for Proposed Increases

The City of Folsom is committed to providing safe, reliable, high-quality water, wastewater, and solid waste services for our customers. Proposed rate increases are needed to meet current and future requirements for:



Ongoing operation and maintenance of existing utility services and infrastructure upgrades.



Technology upgrades to comply with State regulations and enhance service efficiency and reliability.



Equipment and supplies necessary to comply with changing State regulations and unfunded mandates.



Repair and replacement of specialized solid waste collection vehicles and trash containers.



Continued recycling efforts under State mandate with substantially reduced recycling revenue and increased processing cost due to an unprecedented crash in recycling markets.



A reasonable and responsible financial reserve for unexpected contingencies.

Please Join Us at an Open House to Learn More WEDNESDAY, NOVEMBER 6, 2019, 5:30-7 P.M.

The city will host a public open house on Wednesday, November 6 to share information about the rate study and proposed rate increases and to answer customer questions.

The open house will take place at the Folsom Community Center located at 52 Natoma Street in Folsom. For more information, including a list of Frequently Asked Questions, visit www.folsom.ca.us/utilityrates.

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Rates Fund the Utility Infrastructure and Projects That Help Our Community Thrive

Water treatment and reliability projects will ensure the city is able to continue delivering reliable, high-quality water to homes and businesses.

- Upgrades to aging and undersized water infrastructure throughout the city to improve service to customers. These projects will provide better pressure and fire flow to residents and businesses.
- Develop plans and studies, and implement projects that will serve as a backup water supply during drought and emergency conditions.



Sewer pipeline and replacement projects will minimize annual maintenance costs and the risks of sewer overflows, as well as ensure the city meets requirements of the State's Waste Discharge Requirement Order.

- Upgrades to aging and undersized sewer infrastructure throughout the city to minimize the risk of sewer overflows.
- Upgrades to sewer pump stations to improve pump efficiency (energy savings) and provide backup power in case of power outages.



Solid Waste vehicle replacements and recycling programs will ensure the city is able to continue providing reliable solid waste collection services while meeting the State's recycling requirements.

- Replacement of the city's aging waste collection vehicles will ensure the delivery of reliable trash and recycling services to all customers.
- Recyclable materials will continue to be collected and recycled in compliance with California State law and kept out of landfills.



You can learn more about the city's plan for improving and maintaining its water and wastewater infrastructure in the Water and Wastewater Master Plans at www.folsom.ca.us/WaterandWastewaterMasterPlans.

Reducing Costs, Optimizing Savings

Utility managers consistently seek opportunities to reduce costs or optimize savings for providing water, wastewater, and solid waste services. Some recent actions have included:

WATER

- Implementing a 24-hour shift schedule at the water treatment plant to reduce overtime and standby pay.*
- Participating in regional efforts to purchase supplies and materials in larger quantities to reduce per-unit costs to the city.*

WASTEWATER

- Investing in pipeline inspection equipment that can simultaneously clean and inspect the pipeline.*
- Using alternate project delivery methods to reduce construction costs associated with rehabilitating and/or replacing sewer pipelines (e.g. trenchless technology versus open-cut techniques).*

SOLID WASTE

- Implementing a swing shift in the Fleet Division to provide vehicle maintenance outside of operating hours.*
- Improving efficiency and access to service information, and reducing costs of printed material and return services through electronic collection schedules, reminders, and service notices.*

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This is a written protest against the proposed utility rate increases to be considered at the December 10, 2019 City Council meeting.

How Proposed Increases Were Calculated

Independent Rate Study and Consultation with the Utility Commission

The City of Folsom conducted a comprehensive Rate Study of all city-provided utilities, including water, wastewater, and solid waste. The Rate Study, prepared by an independent third-party expert, provided a detailed review of the city's utility costs and the rate structure needed to meet those costs to support the delivery of safe, reliable, and high-quality utility services.

The Rate Study recommends that the City of Folsom increase utility rates in order to meet the ongoing operational and capital expenses of each utility, as well as create a surcharge for customers in the Folsom Plan Area south of Highway 50 for the cost of the water supply to serve these customers.

In addition to the Rate Study, city staff briefed and sought the input of the city's Utility Commission on cost drivers and revenue requirements for each utility, a cost-of-service analysis, and the current and proposed rate design for each utility.

Instructions for Written Protests

Property owners and customers of record receiving City of Folsom water, wastewater, and solid waste service may protest the 2020-2024 rate increase by submitting a written protest by mail or delivering in-person to the City Clerk's Office at 50 Natoma Street, Folsom, CA 95630. To be deemed valid, protests must be in writing, signed, and contain the following information:

1. A statement that the proposed rate that is the subject of the hearing is being protested.
2. Name of the property owner or customer of record who is submitting the protest.
3. The assessor's parcel number and/or street address of the parcel with respect to which the protest is made.
4. Original, wet signature and legibly printed name of the property owner or customer of record who is submitting the protest.
5. Date the protest was signed.
6. A statement by the named property owner or customer of record affirming the contents of the protest are true and correct.

NOTE THAT PROTESTS SUBMITTED BY EMAIL, FAX, OR PHOTOCOPY DO NOT COUNT AS FORMAL WRITTEN PROTESTS.

Only one written protest per identified parcel will be counted for purposes of determining whether there is a majority protest. The City Clerk, or her designee, will tabulate the protests, and any member of the public may observe the tabulation. All protests are public records and will be retained for a minimum of two years.



Written protests must be received by the City Clerk at 50 Natoma Street, Folsom, CA 95630 prior to the close of the public hearing on December 10, 2019 in order to be considered valid and to be counted in the protest tabulation.

Your Name:

I Am The: *Please check appropriate box(es).*

- Property Owner
 Customer of Record

Assessor's Parcel Number and/or Street Address:

Which Rate Increase Are You Protesting?

- Water
 Wastewater
 Solid Waste

By Signing Below, I Certify That the Contents of This Protest Are True and Correct.

Your Signature and Date This Protest Was Signed:

Water Residential Rates – Current Rates & Proposed Increase

RESIDENTIAL						
	Present	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Monthly Fixed Charge						
SFR (1") Base	\$15.00	\$18.10	\$18.10	\$18.10	\$20.09	\$20.09
SFR Low-income*	\$9.45	\$11.40	\$11.40	\$11.40	\$12.65	\$12.65
Manufactured Home	\$6.83	\$8.24	\$8.24	\$8.24	\$9.15	\$9.15
Manufactured Home L.I.*	\$4.27	\$5.15	\$5.15	\$5.15	\$5.72	\$5.72
Condo	\$9.45	\$11.40	\$11.40	\$11.40	\$12.66	\$12.66
Commercial/Residential	\$4.27	\$5.15	\$5.15	\$5.15	\$5.72	\$5.72
Commodity (\$/CCF)						
0 - 20 CCF	\$1.08	\$1.36	\$1.36	\$1.36	\$1.51	\$1.51
20 - 40 CCF	\$1.30	\$1.45	\$1.45	\$1.45	\$1.61	\$1.61
Over 40 CCF	\$1.60	\$1.58	\$1.58	\$1.58	\$1.75	\$1.75
1 CCF = 748 gallons						

Water Non-Residential Rates – Current Rates & Proposed Increase

NON-RESIDENTIAL						
	Present	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Monthly Fixed Charge						
5/8"	\$12.61	\$12.06	\$12.06	\$12.06	\$13.39	\$13.39
3/4"	\$16.62	\$18.09	\$18.09	\$18.09	\$20.08	\$20.08
1"	\$26.88	\$30.15	\$30.15	\$30.15	\$33.47	\$33.47
1.5"	\$52.68	\$60.30	\$60.30	\$60.30	\$66.93	\$66.93
2"	\$84.29	\$96.48	\$96.48	\$96.48	\$107.09	\$107.09
3"	\$156.31	\$180.90	\$180.90	\$180.90	\$200.80	\$200.80
4"	\$259.82	\$301.50	\$301.50	\$301.50	\$334.67	\$334.67
6"	\$518.22	\$603.00	\$603.00	\$603.00	\$669.33	\$669.33
8"	\$828.84	\$964.80	\$964.80	\$964.80	\$1,070.93	\$1,070.93
10"	\$1,191.69	\$1,386.90	\$1,386.90	\$1,386.90	\$1,539.46	\$1,539.46
12"	\$1,712.97	\$2,035.13	\$2,035.13	\$2,035.13	\$2,258.99	\$2,258.99
Consumption Charge						
All Consumption	\$1.12	\$1.40	\$1.40	\$1.40	\$1.55	\$1.55
Folsom Plan Area Surcharge						
Residential	\$9.20 per month					
Non-Residential	\$0.85 per CCF					
The FPA surcharge is a reimbursement of costs for water supplies made available to serve the Folsom Plan Area.						
The proposed FPA surcharge will be updated annually based on the Engineering News Record Construction Cost Index (ENR CCI), 20-city average.						

Wastewater Residential Rates – Current Rates & Proposed Increase

RESIDENTIAL						
	Present	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Monthly Fixed Charge						
Residential per dwelling	\$16.15	\$20.51	\$20.51	\$20.51	\$25.43	\$25.43
Manufactured Home per dwelling	\$16.15	\$20.51	\$20.51	\$20.51	\$25.43	\$25.43
Multi-Family per unit	\$16.15	\$20.51	\$20.51	\$20.51	\$25.43	\$25.43

Wastewater Non-Residential Rates – Current Rates & Proposed Increase

NON-RESIDENTIAL							
	Per Unit Of	Present	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
AUTO DLR	per 1,000 sq. ft.	\$3.06	\$4.10	\$4.10	\$4.10	\$5.09	\$5.09
BAKERIES	per 1,000 sq. ft.	\$26.07	\$38.97	\$38.97	\$38.97	\$48.32	\$48.32
BANKS	per 1,000 sq. ft.	\$4.63	\$6.15	\$6.15	\$6.15	\$7.63	\$7.63
SALON	per chair	\$1.53	\$2.05	\$2.05	\$2.05	\$2.54	\$2.54
BARS	per 1,000 sq. ft.	\$10.72	\$14.36	\$14.36	\$14.36	\$17.80	\$17.80
BOWLING ALLEY	per lane	\$6.13	\$8.20	\$8.20	\$8.20	\$10.17	\$10.17
DRY CLEAN	per 1,000 sq. ft.	\$26.07	\$34.87	\$34.87	\$34.87	\$43.24	\$43.24
FIRE STATION	per 1,000 sq. ft.	\$15.28	\$20.51	\$20.51	\$20.51	\$25.43	\$25.43
GARAGES	per bay	\$1.53	\$2.05	\$2.05	\$2.05	\$2.54	\$2.54
HALLS	per 1,000 sq. ft.	\$4.63	\$6.15	\$6.15	\$6.15	\$7.63	\$7.63
HLTH/GYM	per 1,000 sq. ft.	\$4.63	\$6.15	\$6.15	\$6.15	\$7.63	\$7.63
HOTELS-MOTELS	per room	\$4.63	\$8.20	\$8.20	\$8.20	\$10.17	\$10.17
LAUNDRY SELF SERVE	per machine	\$7.69	\$10.26	\$10.26	\$10.26	\$12.72	\$12.72
MRKT W/ DISP	per 1,000 sq. ft.	\$15.28	\$34.87	\$34.87	\$34.87	\$43.24	\$43.24
MRKT W/O DISP	per 1,000 sq. ft.	\$3.06	\$4.10	\$4.10	\$4.10	\$5.09	\$5.09
MED/DENTAL	per 1,000 sq. ft.	\$6.13	\$8.20	\$8.20	\$8.20	\$10.17	\$10.17
MINI STORAGE	per fixture	\$16.80	\$21.33	\$21.33	\$21.33	\$26.45	\$26.45
MORTUARY	per slumber room	\$19.95	\$36.92	\$36.92	\$36.92	\$45.78	\$45.78
OFFICE	per 1,000 sq. ft.	\$3.06	\$4.10	\$4.10	\$4.10	\$5.09	\$5.09
PARK	per 1,000 sq. ft.	\$15.28	\$0.82	\$0.82	\$0.82	\$1.02	\$1.02
WORSHIP	per 1,000 sq. ft.	\$3.06	\$4.10	\$4.10	\$4.10	\$5.09	\$5.09
REST HOME	per bed	\$4.63	\$8.20	\$8.20	\$8.20	\$10.17	\$10.17
DINING ROOM RESTAURANT	per 1,000 sq. ft.	\$73.56	\$104.60	\$104.60	\$104.60	\$129.71	\$129.71
TAKEOUT RESTAURANT	per 1,000 sq. ft.	\$61.30	\$53.33	\$53.33	\$53.33	\$66.12	\$66.12
DINE IN/TAKEOUT RESTAURANT	per 1,000 sq. ft.	\$67.40	\$86.14	\$86.14	\$86.14	\$106.82	\$106.82
RETAIL STORE	per 1,000 sq. ft.	\$3.06	\$2.05	\$2.05	\$2.05	\$2.54	\$2.54

Wastewater Non-Residential Rates – Continued

SERVICE STATION	per pump	\$1.53	\$2.05	\$2.05	\$2.05	\$2.54	\$2.54	\$2.54
THEATER	per 100 seats	\$4.63	\$6.15	\$6.15	\$6.15	\$7.63	\$7.63	\$7.63
WAREHOUSE	per 1,000 sq. ft.	\$1.53	\$2.05	\$2.05	\$2.05	\$2.54	\$2.54	\$2.54
MULTIFAMILY	per unit	\$16.15	\$15.38	\$15.38	\$15.38	\$19.07	\$19.07	\$19.07
SCHOOLS–SECONDARY	per 100 students	\$27.57	\$51.28	\$51.28	\$51.28	\$63.58	\$63.58	\$63.58
SCHOOLS–PRIMARY	per 100 students	\$21.44	\$20.51	\$20.51	\$20.51	\$25.43	\$25.43	\$25.43
COLLEGES (winter average)	per 100 gal. of water	\$0.12	\$2.46	\$2.46	\$2.46	\$3.05	\$3.05	\$3.05
VACANT	per 1,000 sq. ft.	\$3.23	\$4.10	\$4.10	\$4.10	\$5.09	\$5.09	\$5.09
METERED (CCF) Auto Carwashes, Hospitals	per CCF of water	\$0.90	\$1.14	\$1.14	\$1.14	\$1.41	\$1.41	\$1.41

Solid Waste Residential Rates – Current Rates & Proposed Increase

RESIDENTIAL						
	Present	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Monthly Fixed Charge (Trash Can, Up to Two Recycle Cans and Two Green Waste Cans)						
64 Gallon Trash	\$22.50	\$26.00	\$30.00	\$34.50	\$39.75	\$45.75
96 Gallon Trash	\$25.50	\$29.50	\$34.00	\$39.25	\$45.25	\$52.25
64 Gallon Low-Income*	\$14.50	\$18.00	\$22.00	\$26.50	\$31.75	\$37.75
96 Gallon Low-Income*	\$17.50	\$21.50	\$26.00	\$31.25	\$37.25	\$44.25
64 Gallon Mobile Home	\$18.00	\$21.50	\$25.50	\$30.00	\$35.25	\$41.25
96 Gallon Mobile Home	\$21.00	\$25.00	\$29.50	\$34.75	\$40.75	\$47.75
64 Gallon Mobile Low-Income*	\$9.95	\$13.50	\$17.50	\$22.00	\$27.25	\$33.25
96 Gallon Mobile Low-Income*	\$12.95	\$17.00	\$21.50	\$26.75	\$32.75	\$39.75
Additional Services (Monthly Charge)						
Extra Trash Can (64 Gallon)	\$19.05	\$22.50	\$25.50	\$29.00	\$33.25	\$38.25
Extra Trash Can (96 Gallon)	\$19.05	\$26.00	\$29.50	\$33.75	\$38.75	\$44.75
Extra Recycle or Green Waste	\$1.50	\$1.75	\$2.25	\$2.75	\$3.25	\$3.75
Additional Charges (Per Occurrence)						
Extra Pickup (Any Can)	\$15.00	\$30.00	\$35.00	\$40.00	\$46.00	\$53.00
Can Cleaning	\$20.00	\$23.00	\$26.00	\$30.00	\$35.00	\$40.00
Can Replacement (Other Than Normal Wear & Tear)	\$55.00	\$65.00	\$75.00	\$86.00	\$99.00	\$114.00
Temporary Three Yard Dumpster	\$55.00	\$63.00	\$72.00	\$83.00	\$95.00	\$109.00
Extra Pickup - Three Yard Dumpster	\$31.00	\$36.00	\$41.00	\$47.00	\$54.00	\$62.00

*Low-income rates will be subsidized by revenues outside the utility revenues and not by regular rate payers.

Proposed Rate Increases Match Costs to Provide Service

Per the requirements of Proposition 218, utilities may not charge more in rates than the cost to provide service. That means proposed rate increases match the costs of providing water, wastewater, and solid waste services to City of Folsom customers from now to fiscal year 2024.

Solid Waste Non-Residential Rates – Current Rates & Proposed Increase

NON-RESIDENTIAL						
	Present	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Monthly Fixed Charge						
2 Yard Trash or Green Waste	\$87	\$114	\$120	\$126	\$132	\$136
3 Yard Trash or Green Waste	\$115	\$129	\$135	\$142	\$149	\$153
4 Yard Trash or Green Waste	\$138	\$144	\$151	\$159	\$167	\$172
6 Yard Trash or Green Waste	\$174	\$173	\$182	\$191	\$201	\$207
3 Yard Trash Compactor	\$240	\$238	\$250	\$263	\$276	\$284
4 Yard Trash Compactor	\$291	\$290	\$305	\$320	\$336	\$346
3 - 6 Yard Commingled Recycling	\$40	\$85	\$89	\$93	\$98	\$101
3 - 6 Yard Cardboard Recycling	\$30	\$77	\$81	\$85	\$89	\$92
8 Yard Cardboard Recycling	\$45	\$92	\$97	\$102	\$107	\$110
2 Yard Food Scraps	\$260	\$342	\$360	\$378	\$396	\$408
Additional Services (Monthly Charge)						
Recycle 96 Gallon (Up to 2 Cans, Serviced Every Other Week)	\$7.50	\$43	\$45	\$47	\$49	\$51
Green Waste 96 Gallon (Up to 2 Cans, Serviced Every Other Week)	\$7.50	\$43	\$45	\$47	\$49	\$51
Recycling Compliance Fee (Waived If Using City Recycling Service)	N/A	\$30	\$32	\$34	\$36	\$37
Sunday Service Premium	N/A	\$30	\$32	\$34	\$36	\$38
Additional Charges (Per Occurrence)						
Dumpster Switch Out (Any Size)	\$70	\$74	\$78	\$82	\$86	\$90
Dumpster Service Return	\$20	\$21	\$22	\$23	\$24	\$25
Standby Service (per 5 minutes)	\$25	\$26	\$27	\$28	\$29	\$30
Lock Replacement	N/A	\$15	\$16	\$17	\$18	\$19
Extra Pickup 2 Yard (Any Material)	\$27	\$33	\$35	\$36	\$38	\$39
Extra Pickup 3 Yard (Any Material)	\$31	\$37	\$39	\$41	\$43	\$44
Extra Pickup 4 Yard (Any Material)	\$35	\$42	\$44	\$46	\$48	\$50
Extra Pickup 6 Yard (Any Material)	\$43	\$50	\$53	\$55	\$58	\$60
Extra Pickup Compactor 3 Yard	\$90	\$90	\$95	\$100	\$105	\$110
Extra Pickup Compactor 4 Yard	\$90	\$90	\$95	\$100	\$105	\$110
Bulky Waste Pickup	N/A	\$50	\$53	\$55	\$58	\$60

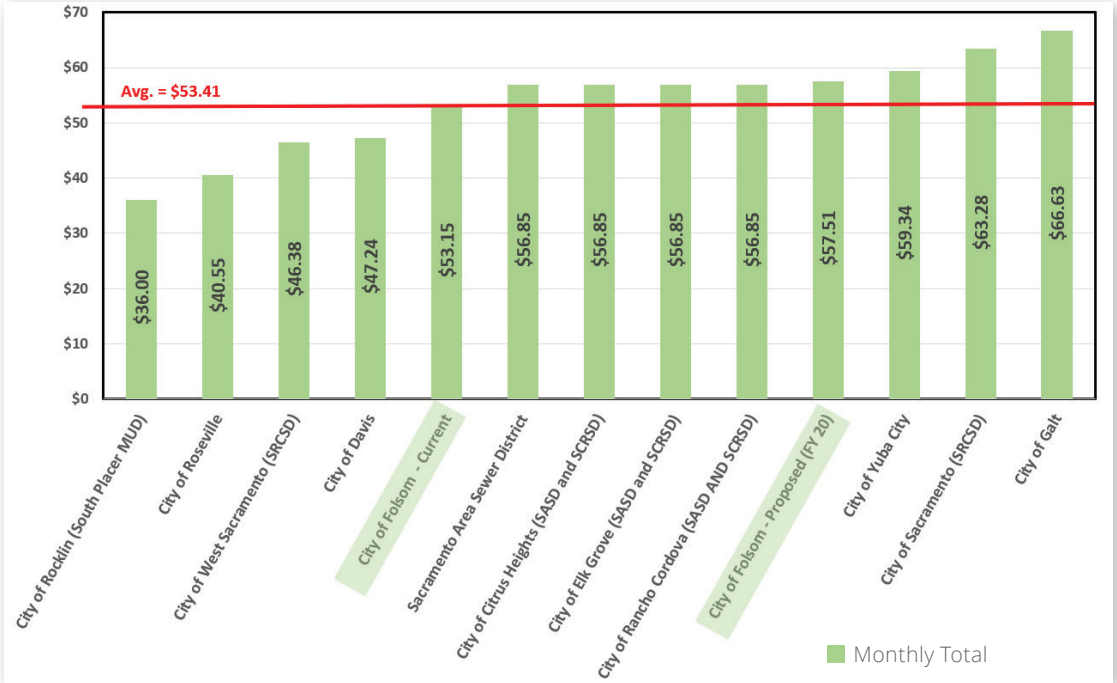
Exceptions to Proposed Rate Increases

The proposed rate increases for water service do not apply to select City of Folsom customers who receive a water bill from San Juan Water District, and the rate increases for wastewater do not apply to customers who receive wastewater collection services from the Sacramento Area Sewer District.

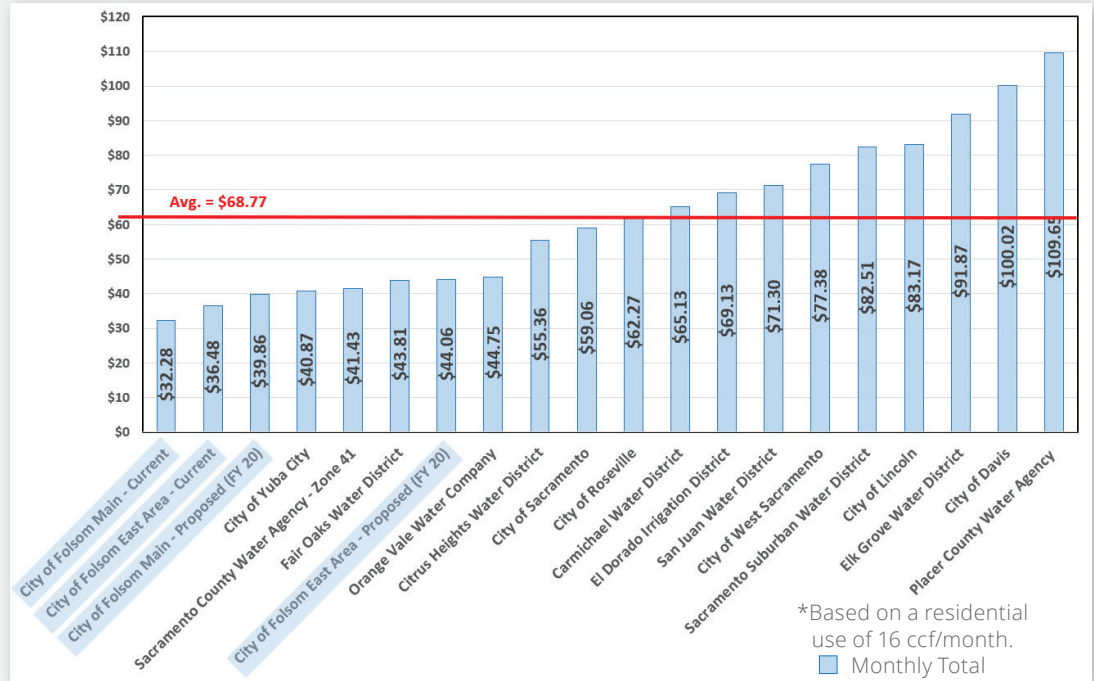
***IF APPROVED, RATE INCREASES
WOULD TAKE EFFECT ON FEBRUARY 1, 2020***

Folsom's Rates are Among the Lowest in the Sacramento Region

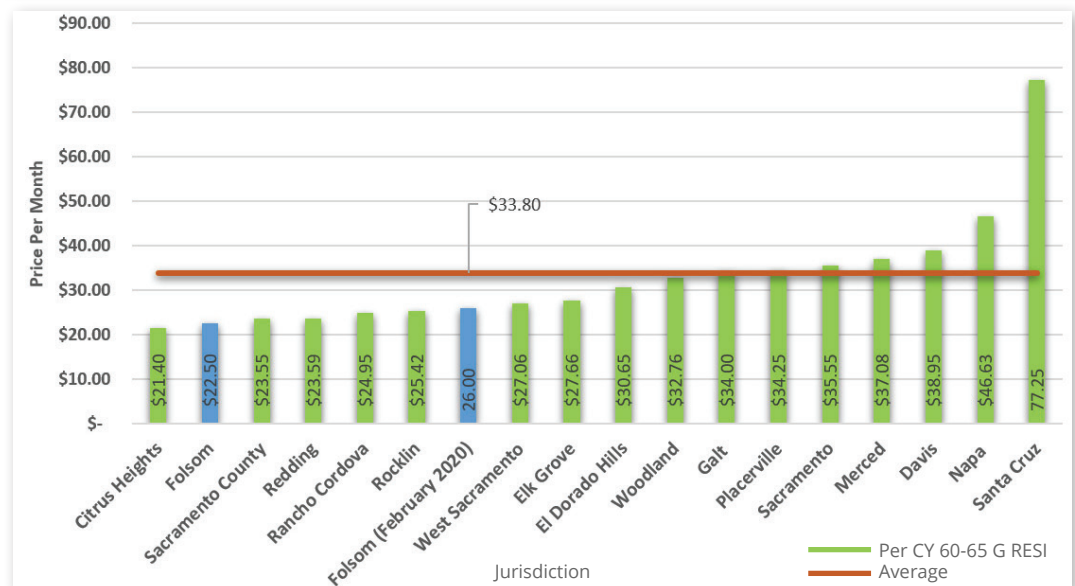
Regional SFR – Wastewater Rate Comparisons



Regional SFR – Water Rate Comparisons



Residential 64-Gallon Solid Waste Rate Comparisons





CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City of Folsom
50 Natoma Street
Folsom, CA 95630

CUSTOMER NOTIFICATION OF PROPOSED RATE INCREASES FOR WATER, WASTEWATER, AND SOLID WASTE SERVICES

**Public Hearing on Proposed Rate Increases
TUESDAY, DECEMBER 10, 2019 AT 6:30 P.M.**

City of Folsom Council Chambers, 50 Natoma Street, Folsom, CA 95630

The City of Folsom City Council will conduct a public hearing to consider increases to solid waste, wastewater, and water rates in the calendar years 2020 through 2024. All property owners and customers of record receiving City of Folsom water, wastewater, and solid waste service, and all other interested persons, may appear at the public hearing to make comments regarding the proposed increases.



INSTRUCTIONS FOR SUBMITTING A WRITTEN PROTEST ARE INCLUDED IN THIS DOCUMENT



Written protests must be received by the City Clerk at 50 Natoma Street, Folsom, CA 95630 prior to the close of the public hearing on December 10, 2019 in order to be considered valid and to be counted in the protest tabulation.

For More Information about Rates and Services

WATER AND WASTEWATER

Contact Environmental and Water Resources Director Marcus Yasutake
at 916-461-6161 or myasutake@folsom.ca.us.

SOLID WASTE

Contact Public Works Director Dave Nugen
at 916-461-6708 or dnugen@folsom.ca.us.