

Residential rates are flat fees. They do not change from month-to-month. Although a flat rate is used, the rate is based on the average amount of sewage generated by that user type, which is based on total water used minus water used for irrigation.

User Type	Average Water Used	Water used for irrigation		
Single Family	220 gallons per day	25%		
Multi-Family	130 gallons per day	10%		
Low Water User	75 gallons per day	35%		

### Low Water User = Low Rate

To qualify as a residential "low water user" the customer must: Have four months during the last 12 months in which water use is 2 CCF or less per month (1 CCF = 100 cubic feet or 748 gallons).

Approximately 3,800 residential users currently are Low Water Users. If you do not currently qualify as a Low Water User, for this lower rate, you could in the future—so please conserve water.

Look above the address label of this document to see if you are currently a LOW WATER USER.

User Type	Current Monthly Rate	Monthly Increase	New Monthly Rate	<i>Compare</i> Santa Cruz County Monthly Rate
Single Family	\$30.97	\$2.23	\$33.20	\$46.69
Multi- Family	\$24.37	\$1.83	\$26.20	\$34.85
Low Water User	<sup>-</sup> \$16.89	\$1.61	\$18.50	\$34.85

# **Proposed Wastewater Rates**

Date new rate will appear on bills	July 1, 2007		July 1, 2008		July 1, 2009		July 1, 2010	
User Type (See above your address label for your user type)	Flat Fee	Quantity						
	per	Rate	per	Rate	per	Rate	per	Rate
	Month	per CCF						
Single Family Single Family, Low Water User	\$33.20 18.50		\$35.50 20.20		\$38.00 22.00		\$40.50 23.80	
Multi-Family: Per Unit Multi-Family, Low Water Users: Per Unit	26.20 18.50		28.10 20.20		30.20 22.00		32.30 23.80	
Business - Low Strength	\$17.80	\$2.18	\$20.30	\$2.35	\$22.90	\$2.54	\$25.60	\$2.72
Business - Medium Strength	25.00	2.37	30.30	2.50	35.90	2.65	41.60	2.80
Business - High Strength	53.40	5.50	60.10	5.78	67.20	6.09	74.50	6.39
Business - Hotels/Motels	25.00	2.42	30.30	2.55	35.90	2.70	41.60	2.85
Graham Hill Water Treatment Plant	\$1,202.20	\$6.05	\$1,459.70	\$7.30	\$1,733.00	\$8.64	\$2,011.50	\$9.99
City Landfill Leachate	1,019.40	3.34	1,335.10	3.52	1,670.10	3.72	2,011.50	3.91
Industrial - General	90.50	3.28	101.10	3.45	112.30	3.63	123.80	3.82
UCSC	23,171.40	4.79	27,973.40	5.12	33,069.40	5.47	38,263.50	5.82

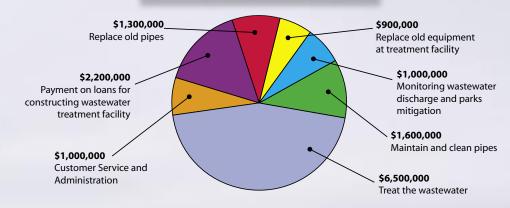
### Why Are Rate Increases Needed?

The cost to replace worn equipment at the Wastewater Treatment Facility has increased. The proposed rates reflect an annual increase from \$600,000 to \$900,000 to replace worn equipment.

Some of the pipes under the street are over 100 years old. The City spends approximately \$1,000,000 a year replacing pipes that no longer function properly. The proposed rates reflect spending an additional \$300,000 a year to replace old pipes.

The proposed rates reflect that the cost for labor, materials, energy, and outside services will increase at an estimated rate of 6% per year.

## What the Rates Pay For



### Basis for Wastewater Rates

The existing and proposed rates reflect the cost to provide these services. Each customer user type is assigned a suspended solids (SS) and biological oxygen demand (BOD) concentration. The "dirtier" the wastewater (i. e. the higher the BOD and SS), the higher the rate for each gallon of wastewater treated.



#### Commercial Rates

All commercial users are charged a flat monthly fee *plus* a quantity charge based on water use. The rate is reduced to reflect the amount of water used for irrigation. For businesses we assume that 20% of the water used is for irrigation.

Businesses are classified as: High Strength, Medium Strength, Low Strength, and Hotel/Motel. The "strength" is based on the biological oxygen demand (BOD) and suspended solids (SS) in the sewage. Higher BOD and SS require more treatment and therefore have higher costs. High Strength users include restaurants and large full-service supermarkets. Medium Strength users include, bakeries, coffee and sandwich shops, medical offices, and laundry facilities. Low Strength users include offices, retail stores, and schools.

Commercial rates vary month to month depending upon water use. The *average* commercial business cost starting July 1, 2007 will be:

User Type	Current Monthly Cost	Monthly Increase	New Monthly Cost	Compare Santa Cruz County Monthly Cost
Low Strength	\$63	\$6	\$69	\$118
Medium Strength	\$134	\$12	\$146	\$325
High Strength	\$332	\$18	\$350	\$360
Hotels/Motels	\$236	\$14	\$250	\$430





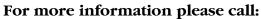
The Santa Cruz City Council will bold a public bearing on

# **Proposed Wastewater Rate Increases**

Tuesday • May 22, 2007 • 7:00 p.m. City Council Chambers • 809 Center Street The public is invited to attend the public hearing to comment on the proposed increases.



Mayor and City Council City of Santa Cruz 809 Center Street, Room 10 Santa Cruz, CA 95060 e-mail: citycouncil@ci.santa-cruz.ca.us



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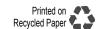
# Important Notice on Proposed Wastewater Rate Increase, Please Read!



The Department of Public Works

809 Center Street, Room 201 Santa Cruz, CA 95060 citypw@ci.santa-cruz.ca.us

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# The Public Works Department

809 Center Street, Room 201, Santa Cruz, CA 95060, 831-420-5160, www.ci.santa-cruz.ca.us

# **Information About the Proposed Sewer Rate Increase**

# 160 Miles of Pipe

The Wastewater System

Wastewater is generated from every home and business in Santa Cruz County. Wastewater is all the water used indoors—water that drains from sinks, showers, toilets, washing machines, and dishwashers. The wastewater generated in the City of Santa Cruz is transported to the wastewater treatment facility through the City's wastewater collection system.

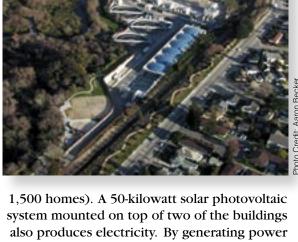
The Santa Cruz wastewater system is made up of over 160 miles of pipe supported by 21 pump stations and is worth over \$120 million. To maintain the system City crews clean approximately 100 miles of pipeline and replace up to 2,500 feet of old pipe each year.

# 10 Million Gallons a Day

The City of Santa Cruz Wastewater Treatment Facility was located next to Neary Lagoon in 1928. The Treatment Facility treats more than 10 million gallons of wastewater each day. Approximately 5 million gallons are generated within the City of Santa Cruz. The rest comes from the Santa Cruz County Sanitation District, which includes Live Oak, Capitola, Soquel, and Aptos.

The Wastewater Treatment Facility uses electricity generated on site to operate over 100 pumps. The largest pump can move over 13,000 gallons of wastewater every minute!

Seventy percent of the electricity needed to operate the plant comes from the plant itself. Methane gas that is generated during the treatment process as well as natural gas purchased from PG&E produces 1300 kilowatts of electricity (enough to power



the City saves the rate payers approximately \$500,000 every year.

#### Investment for the Future

In 1998 the City of Santa Cruz added a Secondary Treatment Facility to the plant, allowing the City to meet the most stringent requirements for wastewater treatment. Secondary treatment provides excellent protection to the waters of the Monterey Bay.

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The City of Santa Cruz has also invested in a stateof-the-art odor control system at the Wastewater Treatment Facility to eliminate odors that previously impacted the neighbors surrounding the site. This award-winning facility will serve the City of Santa Cruz and the County for decades to come.