

# City of Calistoga

## Staff Report

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**TO:** Honorable Mayor and City Council  
**FROM:** Dylan Feik, City Manager  
**DATE:** February 20, 2018  
**SUBJECT:** Consider Introduction of Ordinances Related to Proposed Water and Wastewater Rates from the 2017 Water & Wastewater Utility Rate Study.

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1 **ISSUE:** Consider introduction of Ordinances related to proposed water and wastewater  
2 rates from the 2017 Water & Wastewater Utility Rate Study.

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4 **RECOMMENDATION:** To introduce the Ordinances and waive the first reading.

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6 **BACKGROUND:** Since November 2016, the City has been studying water and  
7 wastewater utility rates required to sufficiently fund the City's enterprise funds. Beginning  
8 in November 2017, City Council has held six (6) public meetings including a Community  
9 Forum to collect feedback and input from residents.

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11 On January 2, 2018, Council held a Public Hearing regarding the water and wastewater  
12 funds, their financial status and options to address concerns.

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14 On February 6<sup>th</sup>, Council provided direction to staff to include an additional \$15,000,  
15 bringing it to a total of \$30,000, in the water enterprise fund to serve as low-income  
16 assistance to low income customers.

### PROPOSED RATE INCREASES

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19  
20 Water:

	2017/18	2018/19	2019/20	2020/21	2021/22
% Rate Revenue Increase	15.00%	14.00%	10.00%	10.00%	10.00%

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23 Wastewater:

	2017/18	2018/19	2019/20	2020/21	2021/22
% Rate Revenue Increase	15.00%	13.00%	10.00%	10.00%	3.00%

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26 Staff is providing draft ordinances for Council review and adoption. These new rates will  
27 take effect March 1, 2018.

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29 **Attachments:**

- 30 1. Water Rate Report Final  
31 2. Wastewater Rate Report Final  
32 3. Draft Ordinance Amending Water Rates  
33 4. Draft Ordinance Amending Wastewater Rates