



# Notice of Public Hearing

Proposed Utility Rate Increases For Water,  
Wastewater, Solid Waste Services

6 p.m. Tuesday, August 8, 2023  
City of Lincoln Council Chambers  
600 Sixth Street, Lincoln, CA 95648



*Para leer este aviso en español, visite el  
sitio web [www.Lincolncalifornia.gov/ratestudies](http://www.Lincolncalifornia.gov/ratestudies).*

**Scan for City Council Meetings**  
*Reuniones del Ayuntamiento*

# Please Take Notice That

the Lincoln City Council will conduct a Public Hearing to consider proposed rates for water, wastewater (sewer), and solid waste (trash, recycling, and green waste) services. Currently, customers are paying 2013 water and wastewater rates, and 2017 solid waste rates. Since 2013, inflation has risen nearly 30 percent affecting the costs of providing these services.

All those interested are invited to appear at the time and place of the Public Hearing listed below to give oral or written testimony or to submit written protests regarding the proposed rate adjustments.

**Lincoln City Council Public Hearing**  
**6 p.m. August 8, 2023**  
**City of Lincoln Council Chambers**  
**600 Sixth Street, Lincoln, CA 95648**

## Why Am I Receiving This Notice?

This Notice is being furnished to you by the City pursuant to California Constitution Article XIIIID (also known as "Proposition 218"). Proposition 218 requires that the City notify property owners of record and utility customers of proposed increases to property-related fees, such as those for water, sewer, and trash services.

This serves as notice that the Lincoln City Council will conduct a Public Hearing at the time, date, and location specified above to consider recommended increases to its water, sewer, and trash rates.

The City Council will hear and consider oral testimony and written materials submitted regarding the proposed rate increases at the Public Hearing. The City Council has the authority to adjust the proposed rate increases in response to oral testimony and written materials submitted for consideration, provided that any adjustments cannot increase rates beyond those listed in this notice.

If adopted, proposed rate adjustments would become effective on October 1, 2023, with annual rate increases through 2028.

**NOTE: Please refer to enclosed information on how to protest proposed rate increases.**

## Why Are Rate Increases Needed?

The Lincoln City Council will consider rate changes that will affect water, sewer, and trash rates on your utility bill. These critical services are funded in large part by the rates customers pay. Lincoln has some of the lowest utility rates in the region because customers are paying 2013 and 2017 rates depending on the service. Similar to higher costs for most consumer goods, utilities are impacted by rising costs for energy, fuel, equipment, parts, and labor.

The City is considering rate adjustments for water, wastewater (sewer), and solid waste (trash, recycling, green waste) services in fall 2023 for Fiscal Years 2024-2028 due to inflation and rising costs of operations, maintenance, and environmental and regulatory compliance. Per State law, revenues generated from rate increases must only be used to fund the actual costs to operate and maintain the system including infrastructure projects and the cost of debt to finance capital improvement projects.

With help from an independent consultant, rate studies were performed to assess the revenue needs for each utility. The rate studies were reviewed by a third party for additional quality

assurance. The proposed rates are determined based on the projected revenue needed to fund:

- **Operations and Maintenance**, such as labor, supplies, chemicals, electricity, etc.
- **Capital**, such as large projects to repair/replace pipes and equipment.
- **Debt Service** to pay back loans.
- **Reserves** to meet minimum debt requirements and fund emergency or unplanned expenses.

## What Happens If We Do Not Raise Rates?

If rates are not raised, the service to customers may be affected and public and environmental health could be impacted. Current rates are not sufficient to sustain the funds. Investment in critical infrastructure is currently being deferred that place our aging system in a vulnerable status. Deferring until later will result in higher costs and possible increased regulatory oversight and fines by permitting agencies. We would be forced to defer major infrastructure projects that would leave our existing systems vulnerable in many ways, some of which are listed below.

## Consequences of Not Increasing Rate Revenues:

### WATER

- Deferred maintenance leads to more leaks, equipment failures, and costly emergency repairs.
- Water delivery may become unreliable with frequent outages and pressure losses.
- Loss of water pressure allows contamination infiltration into the drinking water system.
- Property damage may be caused by catastrophic failures (water leaks), which may cause street washouts, dangerous sinkholes, flooding, and compromised fire protection.
- The State Water Board could cite the City if any violations of the California Safe Drinking Water Act occur.

### WASTEWATER (SEWER)

- Lack of maintenance can result in untreated sewage escaping into the environment and waterways.
- Deferred capital can cause frequent leaks and sanitary sewer overflows, equipment failures, and costly emergency repairs.
- Community health and safety can be affected by inadequate capacity from clogged pipes.
- Older collection systems are prone to high stormwater infiltration that could overwhelm lift stations and release untreated sewage.
- If fats, oils, and grease (FOG) is not controlled, fines by the state or lawsuits may be incurred.

### SOLID WASTE (TRASH, RECYCLING, GREEN WASTE)

- Potential reduction in the pickup frequency of trash, recyclables, and green waste.
- Less frequent pickups may lead to health and safety issues including disease, unwelcome odors and pests, and may increase illegal dumping.
- Recycling centers for cardboard could be eliminated. Residents would need to take cardboard to the local Material Recovery Facility.
- Deferred maintenance may result in frequent fleet breakdowns and cause overtime costs and service disruptions.
- Inadequate recycling facilities may result in overflows and illegal dumping.



# Proposed Water Rates

Table 1 shows the proposed 5-year schedule of water rates. FY 2024 reflects the cost-of-service analysis. Rates for FY 2025 and beyond equal the prior year's rates multiplied by the revenue adjustment. Rates are rounded up to the nearest penny to ensure revenue sufficiency.

**TABLE 1: PROPOSED 5-YEAR WATER RATE SCHEDULE**

Proposed Rates	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Effective Date		Oct 2023	July 2024	July 2025	July 2026	July 2027
<b>Monthly Fixed Charge</b>						
Meter Size (1)						
3/4"	\$16.79	\$26.99	\$27.80	\$28.64	\$29.50	\$30.39
1"	\$27.92	\$39.25	\$40.43	\$41.65	\$42.90	\$44.19
1 1/2"	\$67.14	\$82.14	\$84.61	\$87.15	\$89.77	\$92.47
2"	\$106.36	\$125.03	\$128.79	\$132.66	\$136.64	\$140.74
3"	\$243.37	\$275.15	\$283.41	\$291.92	\$300.68	\$309.71
4"	\$419.59	\$468.16	\$482.21	\$496.68	\$511.59	\$526.94
6"	\$859.18	\$988.97	\$1,018.64	\$1,049.20	\$1,080.68	\$1,113.11
8"	\$1,566.53	\$1,724.24	\$1,775.97	\$1,829.25	\$1,884.13	\$1,940.66
<b>Monthly Water CIP Component (Capital Cost Recovery)</b>						
Meter Size (1)						
3/4"	\$0.81	\$14.25	\$14.68	\$15.13	\$15.59	\$16.06
1"	\$1.34	\$23.74	\$24.46	\$25.20	\$25.96	\$26.74
1 1/2"	\$3.22	\$56.97	\$58.68	\$60.45	\$62.27	\$64.14
2"	\$5.09	\$90.19	\$92.90	\$95.69	\$98.57	\$101.53
3"	\$11.67	\$206.49	\$212.69	\$219.08	\$225.66	\$232.43
4"	\$20.13	\$356.01	\$366.70	\$377.71	\$389.05	\$400.73
6"	\$42.93	\$759.47	\$782.26	\$805.73	\$829.91	\$854.81
8"	\$75.13	\$1,329.07	\$1,368.95	\$1,410.02	\$1,452.33	\$1,495.90
<b>Volumetric</b>						
Potable Water \$/kgal	\$2.37	\$3.64	\$3.75	\$3.87	\$3.99	\$4.11

(1) Meter size is located on your monthly utility bill. (kgal = 1,000 gallons)

## Bill Impacts

### Single Family Residential Monthly Water Bill Impact

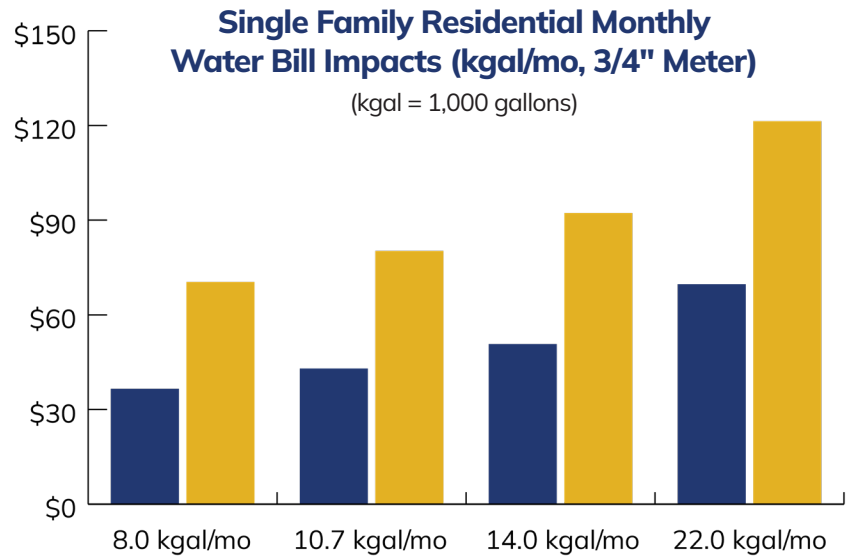
The table to the right shows a comparison of a ¾-inch meter single-family bill at different usage levels for the proposed FY 2024 rates versus the current rates.

### Wholesale Water Purchase Cost Pass-Through

The City of Lincoln has no control over the wholesale charges rendered by regional wholesale water agencies (Placer County Water Agency and Nevada Irrigation District) and will pass through wholesale water purchase costs to the City of Lincoln water customers.

The pass-through amount will not exceed the estimated cost to purchase water from the wholesale agencies. The pass-through charge will be calculated as the projected increase in wholesale water purchase costs divided by annual water use. The pass-through charge will not require a public hearing or any

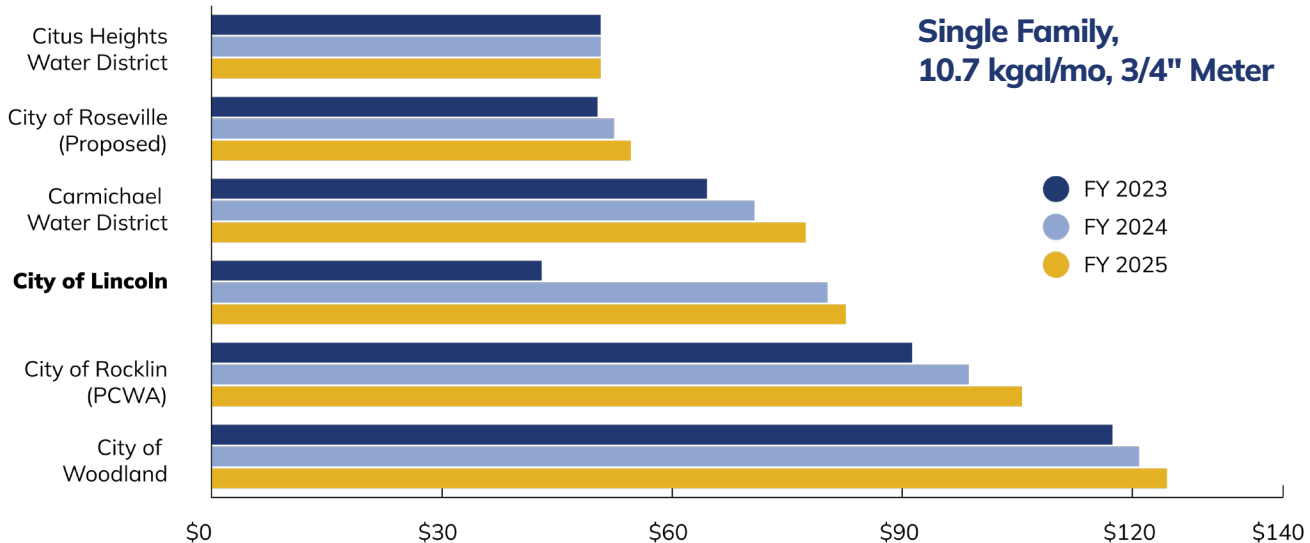
additional action by the Lincoln City Council. At least 30 days before the effective date of the pass-through on or about January 1 of each year beginning in 2024, the City will provide customers with notice of the expected pass-through charge.



	8.0 kgal/mo	10.7 kgal/mo	14.0 kgal/mo	22.0 kgal/mo
Current Monthly	\$36.56	\$42.98	\$50.78	\$69.74
Proposed Monthly Bill	\$70.36	\$80.22	\$92.20	\$121.32
Difference	\$33.80	\$37.24	\$41.42	\$51.58
Difference %	92%	87%	82%	74%

## Cost of Water Compared to Neighboring Cities

Based on average Single-Family Residence (SFR) with ¾" meter.



	Citus Heights Water District	City of Roseville (Proposed)	Carmichael Water District	City of Lincoln	City of Rocklin (PCWA)	City of Woodland
FY 2023	\$50.65	\$50.25	\$64.54	\$42.98	\$91.29	\$117.38
FY 2024	\$50.65	\$52.40	\$70.74	\$80.22	\$98.66	\$120.85
FY 2025	\$50.65	\$54.59	\$77.39	\$82.64	\$105.62	\$124.51



# Proposed Wastewater Rates

Table 2 shows the proposed 5-year schedule of wastewater rates followed by the LiSWA (Lincoln-Sewer Maintenance District 1 Wastewater Authority) treatment charge. Rates for FY 2024 reflect the cost-of-service analysis. Rates for FY 2025 and beyond equal the prior year's rates multiplied by the revenue adjustment. Rates are rounded up to the nearest penny. Customers will see the City's collection related charge plus the pass-through of the LiSWA treatment charge on their bills.

**TABLE 2: PROPOSED 5-YEAR WASTEWATER RATE SCHEDULE**

Proposed Rates	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Effective Date		Oct 2023	July 2024	July 2025	July 2026	July 2027
Residential	\$32.08	\$31.59	\$33.17	\$34.83	\$36.58	\$38.41
Usage, \$/kgal						
Non-Residential (1)	\$4.92	\$4.86	\$5.11	\$5.37	\$5.64	\$5.93
Parks (1), (2)		\$0.90	\$0.95	\$1.00	\$1.05	\$1.11

(1) Subject to a minimum charge equal to the Residential charge.

(2) Parks are currently charged on an EDU basis. Starting in FY 2024, they will be charged on billed water use.

Customers will see the City's collection-related charge plus the pass-through of the LiSWA treatment charge on their bills.

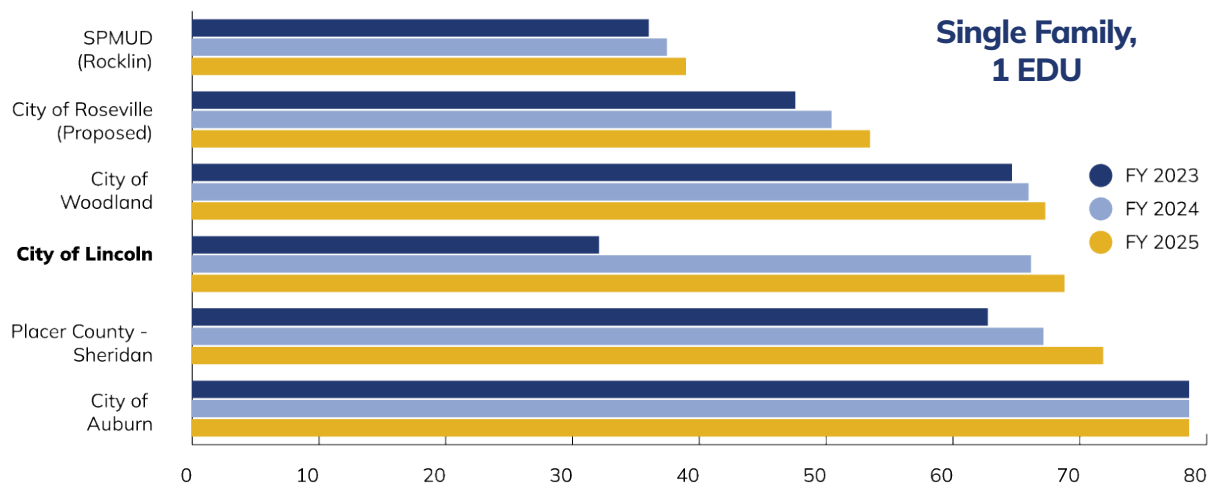
LiSWA Charge	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Effective Date		Oct 2023	July 2024	July 2025	July 2026	July 2027
Monthly LiSWA Treatment Fixed Charge, \$/WWTRU	\$22.79	\$34.56	\$35.60	\$36.67	\$37.77	TBD

## BILL IMPACTS

Customer	Current	Proposed Oct. 1, 2023	\$ Change
Residential Fixed Charge	\$32.08	\$31.59	-\$0.49
LiSWA Pass Through Charge	\$0.00	\$34.56	\$34.56
Total Bill	\$32.08	\$66.15	\$34.07

## Cost of Wastewater Compared to Neighboring Cities

Based on average Single-Family Residence (SFR) with 3/4" meter, (kgal = 1,000 gallons)



	SPMUD (Rocklin)	City of Roseville	City of Woodland	City of Lincoln	Placer County - Sheridan	City of Auburn
FY 2023	\$36.00	\$47.56	\$64.65	\$32.08	\$62.74	\$78.62
FY 2024	\$37.44	\$50.42	\$65.95	\$66.15	\$67.13	\$78.62
FY 2025	\$38.94	\$53.45	\$67.27	\$68.77	\$71.83	\$78.62



# Proposed Solid Waste Rates

Table 3A and 3B show the proposed 5-year schedule of solid waste rates. Rates for FY 2024 reflect the cost-of-service analysis. Rates for FY 2025 and beyond equal the prior year's rates multiplied by the revenue adjustment. Rates are rounded up to the nearest penny.

**TABLE 3A: PROPOSED 5-YEAR SOLID WASTE RESIDENTIAL RATE SCHEDULE**

Residential Collection Rates	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
95-gallon Cart	\$26.00	\$29.36	\$33.17	\$37.46	\$38.58	\$39.73
Additional 95-gallon Carts	\$16.11	\$16.38	\$16.68	\$17.03	\$17.12	\$17.21

**TABLE 3B: PROPOSED 5-YEAR SOLID WASTE NON-RESIDENTIAL RATE SCHEDULE**

Non-Residential Collection Rates	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
One 95-Gallon Cart	\$31.23	\$32.90	\$34.79	\$36.93	\$37.48	\$38.06
Two 95-Gallon Cart	\$60.17	\$64.08	\$68.49	\$73.47	\$74.77	\$76.11
Three 95-Gallon Cart	\$89.11	\$95.25	\$102.18	\$110.02	\$112.07	\$114.17
Four 95-Gallon Cart	\$118.05	\$126.42	\$135.88	\$146.57	\$149.36	\$152.23
Commercial Bins						
3 - Yard Bin per Pickup	\$34.04	\$39.28	\$45.20	\$51.89	\$53.63	\$55.43
4 - Yard Bin per Pickup	\$44.45	\$51.67	\$59.82	\$69.03	\$71.43	\$73.91
5 - Yard Bin per Pickup	\$54.85	\$64.04	\$74.43	\$86.17	\$89.23	\$92.39
Commercial Compactors (1)						
2-YD Compactor (Mon-Fri)	\$26.27	\$34.88	\$44.62	\$55.61	\$58.48	\$61.43
3-YD Compactor (Mon-Fri)	\$51.38	\$61.37	\$72.65	\$85.40	\$88.73	\$92.15
3-YD Compactor (Sat-Sun)	\$69.38	\$81.86	\$95.96	\$111.89	\$116.05	\$120.33
4-YD Compactor (Mon-Sat)	\$68.51	\$81.82	\$96.87	\$113.87	\$118.30	\$122.87
5-YD Compactor (Sun-Sat)	\$60.17	\$94.55	\$133.40	\$177.30	\$188.75	\$200.54
6-YD Compactor (Mon-Fri)	\$102.76	\$122.73	\$145.30	\$170.80	\$177.45	\$184.30
6-YD Compactor (Sat)	\$120.76	\$150.12	\$183.31	\$220.80	\$230.58	\$240.65
20-YD Compactor (Mon-Fri)	N/A	\$453.50	\$537.41	\$587.72	\$600.83	\$614.34
30-YD Compactor (Mon-Fri)	N/A	\$680.26	\$806.12	\$881.57	\$901.25	\$921.52

(1) Commercial Compactor charges are per pick-up.

## Bill Impacts

The following tables show a bill comparison for FY 2024 for average residential and commercial customers.

Residential Collection Rates	Current	FY 2024	Change
1 - Cart	\$26.00	\$29.36	\$3.36
Additional Carts	\$16.11	\$16.38	\$0.27

Commercial Collection Rates	Current	FY 2024	Change
One 95-Gallon Cart	\$31.23	\$32.90	\$1.67
Two 95-Gallon Cart	\$60.17	\$64.08	\$3.91
Three 95-Gallon Cart	\$89.11	\$95.25	\$6.14
Four 95-Gallon Cart	\$118.05	\$126.42	\$8.37

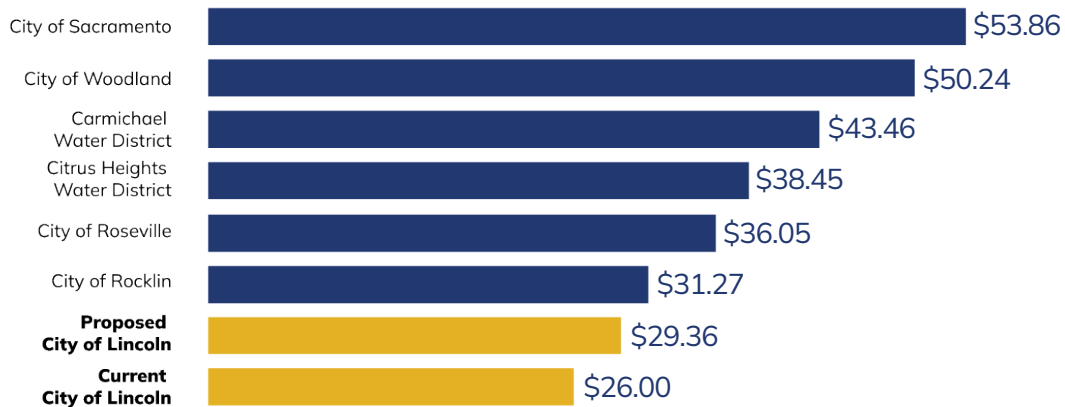
## Bill Impacts

Non-Residential Collection Rates	Current	FY 2024	Change
Commercial Bins			
3 - Yard Bin per Pickup	\$34.04	\$39.28	\$5.24
4 - Yard Bin per Pickup	\$44.45	\$51.67	\$7.22
5 - Yard Bin per Pickup	\$54.85	\$64.04	\$9.19
Commercial Compactors			
2-YD Compactor (Mon-Fri)	\$26.27	\$34.88	\$8.61
3-YD Compactor (Mon-Fri)	\$51.38	\$61.37	\$9.99
3-YD Compactor (Sat-Sun)	\$69.38	\$81.86	\$12.48
4-YD Compactor (Mon-Sat)	\$68.51	\$81.82	\$13.31
5-YD Compactor (Sun-Sat)	\$60.17	\$94.55	\$34.38
6-YD Compactor (Mon-Fri)	\$102.76	\$122.73	\$19.97
6-YD Compactor (Sat)	\$120.76	\$150.12	\$29.36
20-YD Compactor (Mon-Fri)	N/A	\$453.50	N/A
30-YD Compactor (Mon-Fri)	N/A	\$680.26	N/A

## Solid Waste Services Compared to Neighboring Cities

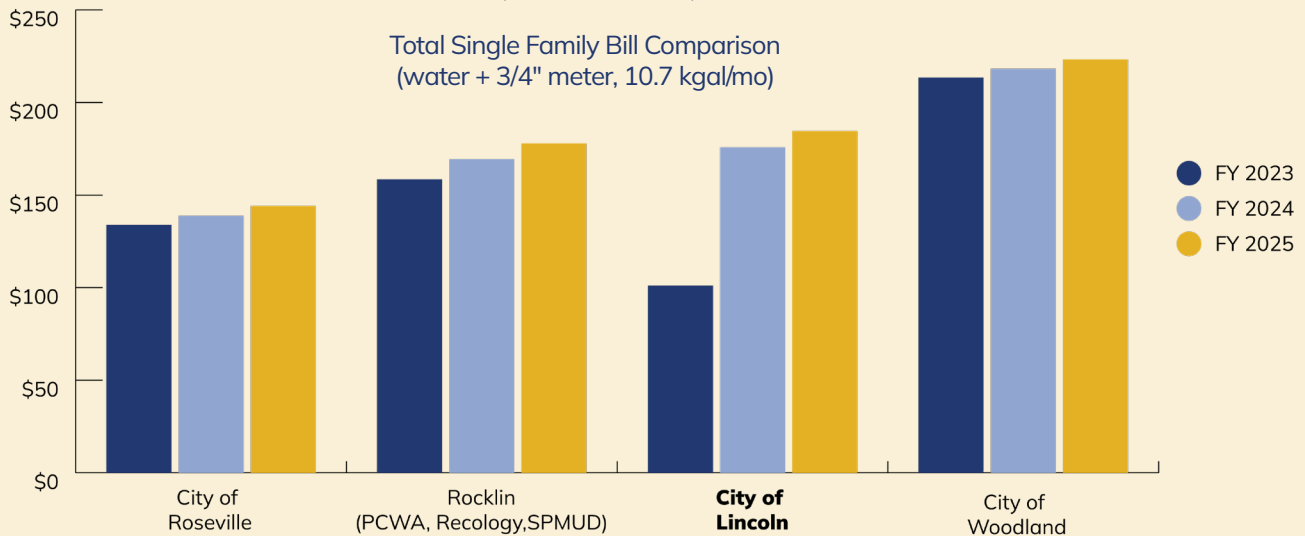
### Monthly Residential Collection Fee Survey

as of June 2023



## Comparison to Neighboring Cities – Combined Bill

### Water, Wastewater, and Solid Waste



## Proposed Rate Recommendations

The enclosed rate recommendations were presented to the Lincoln City Council on June 13, 2023. A video of the meeting is available on the City's website. The Cost of Service Study Report is available on the website at [www.lincolncalifornia.gov/ratestudies](http://www.lincolncalifornia.gov/ratestudies).



Scan this code to be taken directly to the Rate Studies webpage

## How Do I Protest the Proposed Rate Increases?

You have the right to protest the proposed rate increases.

The protest must be in writing, and it must be submitted by either the property owner or a current ratepaying tenant. It must include the property service address and/or the assessor's parcel number, the eligible individual's name (property owner or tenant), and original signature.

Written protests may only be **submitted by mail or in person** to the Lincoln City Clerk at the City Clerk's Office, 600 Sixth Street, Lincoln, CA 95648, or during the Public Hearing on Tuesday, August 8, 2023. All protests must be received by the City Clerk before the conclusion of the Public Hearing. The Clerk will not accept or consider any protest received after the conclusion of the Public Hearing.

**Only one written protest per affected property will be counted. Telephone, e-mail, and fax protests will not be accepted.** For your convenience, you may opt to use the enclosed protest form. At the Public Hearing on August 8, 2023, the City Council will accept and consider all written protests and hear all oral comments on the proposed changes. Oral comments will not be counted as protests unless accompanied by a written protest as outlined above.

At the conclusion of the Public Hearing, the City Council will consider adoption of the proposed changes as follows:

(1) If fewer than a majority of property owners or ratepayers file a protest, the City Council will consider increasing water, wastewater, and solid waste rates as proposed.

(2) If a majority of affected property owners or ratepayers protest proposed rate increases before the conclusion of the Public Hearing, the City is prohibited by law from increasing its utility rates at this time.

If adopted, the proposed water, wastewater, and solid waste rates will take effect beginning October 1, 2023. The reasons for the rate adjustments, the basis upon which they were calculated, and the amount of the proposed water, wastewater, and solid waste rates are described in more detail in the Rate Studies Report, which is on file with the City Clerk and available at [www.LincolnCA.gov/ratestudies](http://www.LincolnCA.gov/ratestudies).

## Contact Us

If you have questions about this Notice or how rate adjustments may impact your bill, call the City Finance Director at (916) 434-2430, send an email to [RateStudiesQs@LincolnCA.gov](mailto:RateStudiesQs@LincolnCA.gov), or refer to the Frequently Asked Questions (FAQs) on the City's Rate Studies webpage.

Optional protest form. *Please see enclosed information.*



If you wish to use this form as your protest, please fill out and submit by mail or in person to: Lincoln City Clerk, City Clerk's Office, 600 Sixth St., Lincoln, CA 95648. All protests must be received prior to the conclusion of the Public Hearing on August 8, 2023.

(Print your full name)

I, \_\_\_\_\_, protest the proposed rate increases for (check all that apply)

Water       Wastewater       Solid Waste

I am the:     Property Owner       Ratepayer (Customer)

Property Address: \_\_\_\_\_

Assessor's Parcel Number (APN): \_\_\_\_\_ Signature: \_\_\_\_\_