

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: ALAN ALTON – DEPUTY DIRECTOR, FINANCE
SUBJECT: RECOMMENDED CHANGES TO THE SEWER CAP AND WATER
CAP SETTING PERIOD FOR THE SEWER OR WATER CAP IN
EFFECT FROM JULY 1, 2021 THROUGH JUNE 30, 2022

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by Santa Rosa Water and Finance Department staff that the Board of Public Utilities, by resolution, establish sewer and water caps effective for the period from July 1, 2021 through June 30, 2022, by either averaging usage for three winter billing periods of November 2020 through March 2021 or based solely on the second billing period where irrigation was not required, whichever is lower.

EXECUTIVE SUMMARY

Santa Rosa Water bills single-family residential and multi-family residential accounts that do not have a separate irrigation meter for landscaping for sewer usage based on a calculated sewer cap. Santa Rosa Water bills single-family residential accounts for water based on a two-tier water usage rate. For water-only customers that use City water for both indoor and irrigation use, a water cap is calculated to determine indoor water use. Water only customers are billed for water use up to the water cap at the first tier, and all water use above the water cap is billed at the second tier. for all other usage.

Sewer and water caps are calculated by the average winter water use for three complete billing periods of use beginning with the first meter reading on or after November 15th of each year and ending after three full billing periods have completed (“Winter Billing Period”). The sewer and water caps go into effect July 1st of each year.

During the most recent Winter Billing Period, Santa Rosa received less than average rainfall with the exception of the second billing period. Due to the lack of rainfall, there may have been a need to irrigate during portions of the Winter Billing Period. In order to be responsive to Santa Rosa Water’s customers, staff reviewed the cap setting months and determined the second billing period which began with reads on or after December

RECOMMENDED CHANGES TO THE SEWER CAP AND WATER CAP SETTING PERIOD FOR THE SEWER OR WATER CAP IN EFFECT FROM JULY 1, 2021 THROUGH JUNE 30, 2022
PAGE 2 OF 4

17, 2020 and ended before or on February 10, 2021 did not require irrigation for landscaping.

In analyzing customer's usage during cap setting, it was determined that the three-month average might be lower than the second billing period for some customers. Therefore, the lesser of the second billing period or the three-month average is proposed for calculating the sewer and water caps. The Board of Public Utilities has the authority to modify the sewer and water cap setting methodology per City Code Chapters 14-08.010 and 15-20.042(A).

BACKGROUND

1. For water charges, customers are billed a fixed monthly charge based on meter size and a usage charge based on actual metered use, per thousand gallons, for each billing period. For single-family residential customers, the water usage charge is based on a two-tiered rate structure, with the first tier based on water used up to the sewer cap.
2. For sewer charges, customers are billed a fixed monthly charge based on the meter size and a usage charge based on estimated indoor water use through the calculation of a sewer cap. The sewer cap determines the maximum volume of sewer charged to residential customers.
3. During any billing period, if actual water use is less than the sewer cap, the customer is billed for the same volume of sewer as water used.
4. For water-only customers (i.e., City water customers with no corresponding City sewer account) that use City water for both indoor and irrigation water use, a water cap is calculated to determine indoor water use. Indoor water usage is then charged at the first tier up to the water cap and at the second tier for all other usage.
5. The average usage during the Winter Billing Period is used to determine the sewer and water cap because it is representative of indoor water use. During the Winter Billing Period, Santa Rosa typically receives more than adequate rainfall to provide for irrigation needs of the landscape, therefore supplemental irrigation is not needed.
6. The sewer and water caps are updated on July 1st of every year, based on the previous Winter Billing Period average water use. The sewer and water cap stays in effect from July 1st through June 30th each year.
7. Water or sewer customers that establish an account after the Winter Billing Period and therefore have no usage during the Winter Billing Period, have a sewer or water cap assigned based on the number of residents in the household.

RECOMMENDED CHANGES TO THE SEWER CAP AND WATER CAP SETTING
PERIOD FOR THE SEWER OR WATER CAP IN EFFECT FROM JULY 1, 2021
THROUGH JUNE 30, 2022
PAGE 3 OF 4

ANALYSIS

1. Reference Evapotranspiration (ETo) is the amount of water needed by plants to remain healthy and is measured in inches by two weather stations in Santa Rosa which are included in the State of California's Irrigation Management Information System (CIMIS) program. The two Santa Rosa Water weather stations are Station #83 on Llano Road and Station #158 at the Bennett Valley Golf Course. During an average winter, plant water needs as determined by ETo is met by rainfall.
2. During the Winter Billing Period Santa Rosa received less than average rainfall. Due to the dry weather and analysis of ETo during the Winter Billing Period, there may have been periods during cap setting months that customers irrigated.
3. During the second billing period, which began with reads on or after December 17, 2020 and ended before or on February 10, 2021, staff analyzed the ETo and rainfall received and more than adequate rainfall was received to meet the water need of plants and therefore irrigation was not required during the second billing period.
4. In order to be responsive to the City's customers during less than average rainfall, it is more equitable to determine FY2021-22 sewer caps based on either average usage from the Winter Billing Period or using the second billing period when no irrigation was required, and apply which ever is less.
5. For those customers that establish accounts after the Winter Billing Period of November through March and therefore have no usage during the Winter Billing Period, the sewer or water cap for July 1, 2021 through June 30, 2022 will be assigned based on the citywide average sewer or water cap for the number of residents in the household.
6. This change in the methodology for determining the sewer and water cap does not change the water, recycled water and wastewater rates proposed for FY 2021/2022 which will be going to City Council on May 25, 2021.

FISCAL IMPACT

Rates and the fiscal year budgets are designed to incorporate changes in the water and sewer caps and therefore this will not have a significant impact on the projected revenue.

ENVIRONMENTAL IMPACT

This action is not a project pursuant to the California Environmental Quality Act (CEQA) because it is not an action which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378. In addition, pursuant to CEQA Guideline section 15273, in certain situations, the modification, structuring, or restructuring of charges by agencies is exempt from CEQA.

RECOMMENDED CHANGES TO THE SEWER CAP AND WATER CAP SETTING
PERIOD FOR THE SEWER OR WATER CAP IN EFFECT FROM JULY 1, 2021
THROUGH JUNE 30, 2022
PAGE 4 OF 4

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

N/A

ATTACHMENTS

- Resolution

CONTACT

Alan Alton
AAlton@srcity.org
707.543.3093