



Water and Sewer Rate and Drought Ordinance Penalty FAQs

Solvang utility customers,

As you are likely aware, the City Council recently adopted revised water and sewer rates. These new rates (effective August 1, 2022) will impact the water and sewer charges over the next five years. We have prepared this Frequently Asked Questions (FAQ) guide to provide more information regarding these changes.

As always, we are here to answer any questions and invite you to contact us in the following methods:

- For questions regarding the **drought ordinance and penalties**, contact Jose Acosta, Utilities Director, at jacosta@cityofsolvang.com or by phone at 805-688-5575 x 222.
- For questions regarding your **individual account** and how you may be impacted by the rates, please contact us by email at utilitybilling@cityofsolvang.com or by phone at 805-688-5575 x 202
- Feel free to reach us in person at City Hall (1644 Oak St.) on Monday – Friday from 8am – 5 pm, by email at CityHall@cityofsolvang.com, or by phone at 805-688-5575.

1. How were water and sewer rates set?

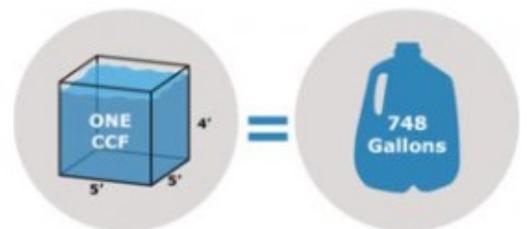
The City of Solvang contracted with HDR Engineering to complete a comprehensive study for both the water and sewer rates. The rate study reviewed the current revenues of both enterprise funds, planning for future growth and development, review of infrastructure and equipment capital improvement plans, and long-term financial stability. A copy of both studies can be found at:

Water Rate Study Link: <https://www.cityofsolvang.com/DocumentCenter/View/3345/City-of-Solvang---Water-Rate-Study-Final-Report---June-2022>

Wastewater(Sewer) Rate Study Link: <https://www.cityofsolvang.com/DocumentCenter/View/3346/City-of-Solvang---Wastewater-Rate-Study-Final-Report---June-2022?bidId=>

2. What is a CCF? What is an HCF?

Different utilities use different units for measuring water use. The most common units are centum cubic feet (CCF) and the gallon. A CCF, also called an HCF (hundred cubic feet), represents one hundred cubic feet of water. The first "C" comes from the Roman word for hundred, "centum." This is the most common unit used by both water and natural gas utilities. But you may be more familiar with the other unit, the gallon. One CCF, or HCF, is equal to 748 gallons.



3. When do the new rates take effect?

The new rates took effect August 1, 2022.

4. What is the Drought Ordinance?

The City Code specifies measures that must be adopted, by resolution of the City Council, to promote water conservation and protect the water supplies of the City for its constituents and visitors. Within the code there are four stages outlining the regulations in effect during drought conditions. This section of the Code can be located at:

https://library.qcode.us/lib/solvang_ca/pub/municipal_code/item/title_9-chapter_3-article_d-9_3d_3

5. What stage is currently being enforced for City customers?

The City Council declared a Stage Two Drought Condition by Resolution No. 21-1145 on August 23, 2021. The City Council adopted the amended Stage Two Drought Regulation on July 11, 2022. The State of California has also required all agencies to enter Stage Two of their Water Shortage Contingency Plans.

6. What penalties are levied during the Stage Two Drought Condition?

Below is a table, briefly explaining penalties during Stage Two:

STAGE II REGULATIONS Customers: All Customers as Described Mandatory	Reduction Target	No Penalties	Trigger for Penalty at 1.5x	Trigger for Penalty at 2.0x	Second Month and Each Additional Month
Single Family Residential Allocation: 14 HCF/Month	20%	Any usage up to 14HCF/Month	Any usage over 14 HCF/Month, up to Tier 3	Any usage entering and above Tier 3	N/A
Commercial/ Industrial/ Institutional	20%	Any usage up to 80% of benchmark	N/A	>80% of benchmark usage	\$1,000
Irrigation	50%	Any usage up to 50% of benchmark	N/A	>50% of benchmark usage	\$500
Multifamily Residential/Mobile Home	10%	Any usage up to 90% of benchmark	>90% of benchmark usage	N/A	N/A

7. How are benchmarks set for all customer classes?

Benchmarks have been implemented as follows:

- A. *Single Family Residential (SFR)*- Based on the recent rate study it was determined the average usage for SFR was 18 HCF/month. A 20% mandatory reduction sets the benchmark at 14 HCF/month while in Stage Two.
- B. *Commercial/Industrial/Institutional*- The benchmark is set based on calendar year 2019 usages for each customer, with a mandatory 20% reduction.
- C. *Irrigation*- The benchmark is set based on calendar year 2019 usages for each customer, with a mandatory 50% reduction.
- D. *Multifamily Residential/Mobile Home*- The benchmark is set based on calendar year 2019 usages for each customer, with a mandatory 10% reduction.

8. Was there an opportunity for public comment and outreach regarding the Water and Sewer Rate Studies?

City staff and the City Council provided several opportunities for public review and input:

- A. An initial DRAFT of the water and sewer rate studies were presented to City Council on November 22, 2021.
- B. On February 12, 2022, HDR and City staff held a public workshop for presentation of the rate studies.
- C. On March 14, 2022, a FINAL DRAFT copy of each rate study was presented to the City Council, inclusive of input and feedback from the City Council and the public.
- D. On April 29, 2022, to comply with Proposition 218, staff notified property owners and rate payers of the proposed rates with a public notice and billing insert.
- E. On June 13, 2022, the City Council held a duly noticed public hearing to hear all written protests and receive public input.



9. How do I read my City of Solvang Utility bill?

The next page is a sample bill with different features displayed in yellow boxes to help you understand your bill. This chart can also be found on the City's website at the link below. If you continue to have questions, do not hesitate to contact us.

<https://www.cityofsolvang.com/DocumentCenter/View/453/Explanation-of-How-to-Read-Your-Bill-PDF>

City of Solvang Sample Bill:



City of Solvang Understanding Your New Utility Bill

**New Account Number!
Include on check for
payment.**

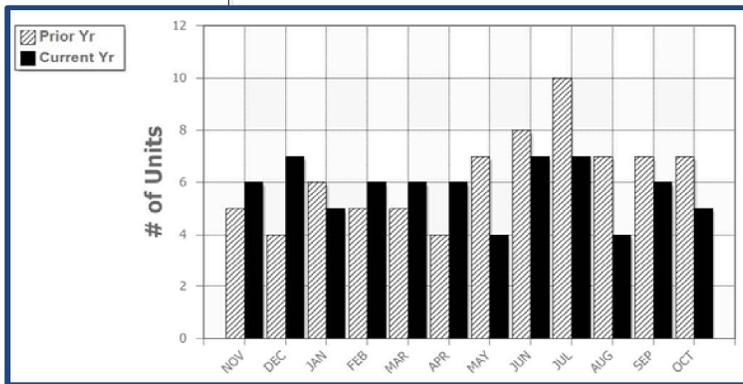
**Service Dates
= Billing Period**

CITY OF SOLVANG - 1644 Oak Street - Solvang, CA 93463 - (805) 688-5575				OFFICE HOURS: M-F 8:00 AM - 5:00 PM		
Name		Service Address		Account Number		
CUSTOMER NAME		12345 OAK STREET		18-1234-02		
Status	Service Dates			Bill Date	Penalty Date	Due Date
	From	To	# Days			
Active	2/20/2014	3/20/2014	30	3/31/2014	4/26/2014	4/25/2014

**New Graph shows consumption
comparison of the prior year and
the current year.**

**10% Penalties for late
payment will be assessed on
this date.**

Bill Due Date



**This shows the services being
charged, and the amount of the
current consumption in units.
One HCF = 748 gallons.**

PREVIOUS BALANCE	\$0.00	
PAYMENTS	(\$292.96)	
ADJUSTMENTS	\$292.96	
PENALTIES	\$0.00	
PAST DUE AMOUNT	\$0.00	
WATER USAGE	\$15.00	
METER CHARGE	\$98.45	
SEWER CHARGE	\$33.03	
CURRENT READING	PREVIOUS READING	USAGE
2,754	2,749	5 HCF

**Bill Stub – Send in
with your payment.**

**Meter Charge
based on
meter size.**



CITY OF SOLVANG
1644 Oak Street
Solvang, CA 93463
(805) 688-5575
www.cityofsolvang.com



CUSTOMER NAME
12345 OAK STREET
SOLVANG, CA 93463

There will be a charge on all returned checks.
Please return this portion with your payment.
When paying in person, please bring both portions of this bill.

Account Number	AMOUNT DUE
18-1234-02	\$146.48
Due Date	After Due Date Pay
4/25/2014	\$161.13
Service Address	
12345 OAK STREET	

CITY OF SOLVANG
1644 Oak Street
Solvang, CA 93463

**After Due Date
Amount includes
Penalties.**