



May 8, 2020

Greetings,

Recently, you should have received a notice regarding proposed rate adjustments to your wastewater (sewer) service. This was a required notice, but I wanted to take a moment to provide a bit more information and context to help our customers better understand what is being considered by the City Council.

The City of Ukiah recently re-financed existing bonds to achieve a cost-savings of approximately \$3.4 million dollars, a savings that is passed directly on to City ratepayers. Wastewater rates have not been changed in nearly ten years. Therefore, a requirement of the re-financing was the completion of a study of the wastewater rates, as well as the subsequent adoption of any recommended rate adjustments. The adjustments involve structural changes to the rates to ensure equity between customers. And as a result, the actual changes to individual sewer bills in the first year will vary, with some increasing and some decreasing. In fact, many of our low water-use customers may see their new sewer bill decrease from this proposed rate adjustment, which likely may benefit low income households and seniors.

Based on the study, a rate adjustment, as detailed in the aforementioned notice, was scheduled to be implemented on July 1st, 2020. However, the City of Ukiah understands that many of our customers are facing significant hardships due to the COVID-19 pandemic. Therefore, this rate adjustment is proposed to not go into effect until October 1, 2020 in order to balance the impacts and benefits between customers. The City Council will consider any protests to this adjustment at its regularly scheduled meeting on June 17, 2020, the Ukiah Civic Center, 6:00 PM.

If you have questions regarding this matter, please call our Billing and Customer Services Department at (707) 463-6288.

Sincerely,

Daniel Buffalo
Director of Finance
City of Ukiah