



## Notice of Public Hearing City of Madera Proposed Storm Drainage Rate Increases Fiscal Year 2022-23 through 2026-27

The City Council (Council) of the City of Madera (City) will conduct a public hearing to consider proposed Storm Drainage Rate updates. The date, time, and place of public hearing is as follows:

Date:	Wednesday, July 20, 2022
Time:	6:00 pm
Location:	City of Madera Council Chambers, located at 205 W. 4 <sup>th</sup> Street, Madera, CA 93637
	<p>The hearing will also be hosted online via Zoom, which can be accessed with the below login information. While the City anticipates that the public hearing will be conducted in-person at the Council Chambers, if the Council cannot hold the meeting in-person due to conditions relating to COVID-19, then the hearing may be conducted solely over Zoom. Anyone wishing to attend the hearing should confirm the location by reviewing the Agenda for the July 20, 2022, Council Meeting, which shall be published 72 hours prior to the meeting.</p> <ul style="list-style-type: none"><li>▪ Meeting ID: 82449148626</li><li>▪ Password: None</li><li>▪ Dial-in +1 US (669) 900-6833</li></ul>

This Notice is being furnished to you by the City pursuant to California Constitution Article XIID (also known as "Proposition 218"). Proposition 218 requires that the City notify the property owners of record of proposed increases to property-related fees, such as fees for storm drainage. This serves as notice that the City Council will conduct a public hearing, at the time, date, and location specified above, to consider recommended increases in the amounts set forth below to its storm drainage rates.

**IF APPROVED, THE NEW RATES WILL GO INTO EFFECT ON AUGUST 1, 2022.** All members of the public are invited to attend the public hearing. Please refer to the "How Can I Participate?" section below for instructions on submitting a ballot. An election will be conducted by mail ballot to property owners. You may also appear at the public hearing at the date and time specified above. **A ballot is included with this Notice and as a property owner, you have 45 days to vote and mail it back.** A majority approval of ballots received is required in order for the Storm Drainage Rate to be adjusted.

### **Why have I received this Notice?**

You are receiving this Notice as a property owner. The City's Storm Drainage rates paid by customers are used by the City to fund the costs of providing safe reliable water and sewer services including operations, maintenance, and infrastructure improvements. Rate adjustments are needed due to the increasing cost of providing services.

Every few years, the City partners with a qualified independent consultant to develop a rate plan based on an in-depth cost-of-service study. It is important to undertake this process from time to time, to ensure that the assumptions and parameters in the previous rate model are updated to match current realities in the City. In late 2020 through early 2022, new studies were developed to help the City plan for the next five years. The findings of these analyses have been provided by the consultant in the City, Water Rate Study Report, Wastewater Rate Study Report, Storm Drainage Rate Study Report and Solid Waste Rate Study Report ("Rate Studies"), dated March 2022. The research, reasoning, and analysis behind the proposed adjustments are explained in the Rate Studies, which are incorporated into this notice by reference, and will be addressed at the upcoming public hearing.

**NOTE: Property Owners are receiving two Notices Regarding a Public Hearing for proposed rate increases to utilities. This Notice is for Storm Drainage. Only Storm Drainage fees require a Ballot. The other Notice will be mailed separately and concerns water, wastewater, and solid waste.**

The rates are designed to be fair and equitable to all customers and provide revenue sufficient to fund ongoing operating and capital costs.

### **Basis of Proposed Rate Adjustment**

The proposed utility rate structures and charges were calculated by NBS Government Finance Group, an independent, third-party consultant, to evenly spread the applicable costs among utility users according to the cost of providing service to those users. The methodology and proposed rates are set forth in the Storm Drain Rate Study which is part of the Rate Studies referenced above and available for public review and inspection at City offices located at 205 West 4th St., Madera, CA, and online at [www.madera.gov/rates](http://www.madera.gov/rates).

### **Why are Rate Changes Necessary?**

The proposed rates shown in Table A are calculated to recover the costs of providing storm drainage services, adequately fund reserves, and allocate those costs proportionately to the City's customer classes. All utility charges are billed monthly in order to recover customer service and infrastructure costs.

The Storm Drain Rate Study recommends rate increases to cover necessary ongoing costs, as well as fund prudent reserves and capital improvements. Prior deficits have depleted reserve balances, as rates have not increased since 1992.

### **Description of Storm Drain Rate Structure**

Storm drain rates will remain a fixed monthly usage charge for single-family customers, and a per square foot charge (with a maximum monthly cap) for multi-family residential and non-residential (combined with churches). The proposed rates for the next five (5) years is set forth in the following Table A.

**Table A: Storm Drain Schedule**

Storm Drain Rate Schedule	Current Rates	Proposed Rates				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
<b>Proposed Monthly Usage Charge</b>						
<b>Single Family Residential</b>						
<i>per month</i>	\$2.00	\$2.92	\$3.36	\$3.87	\$4.44	\$5.11
<b>Multi Family Residential</b>						
<i>Equal or less than 40 units</i>						
<i>per square foot,</i>	\$0.002	\$0.002	\$0.003	\$0.004	\$0.005	\$0.006
<i>maximum per month</i>	\$80.00	\$80.00	\$92.00	\$106.00	\$122.00	\$140.00
<i>Greater than 40 &amp; equal or less than 80 units</i>						
<i>per square foot,</i>	\$0.002	\$0.002	\$0.003	\$0.004	\$0.005	\$0.006
<i>maximum per month</i>	\$160.00	\$160.00	\$184.00	\$212.00	\$244.00	\$281.00
<i>Greater than 81 units</i>						
<i>per square foot,</i>	\$0.002	\$0.002	\$0.003	\$0.004	\$0.005	\$0.006
<i>maximum per month</i>	\$240.00	\$240.00	\$276.00	\$317.00	\$365.00	\$420.00
<b>Non-Residential (Including Churches)</b>						
<i>per square foot of ground floor,</i>	\$0.004	\$0.005	\$0.006	\$0.007	\$0.009	\$0.011
<i>maximum per month</i>	\$80.00	\$100.00	\$115.00	\$132.00	\$152.00	\$175.00

**How may I participate?**

The City welcomes your participation and input throughout the process as the Council considers the changes explained in this Notice. If you have any questions or comments about the City’s proposed rate adjustments, you can:

**Call, visit, or log on:** The Rate Study and more information on the proposed adjustments and increases are available for review at the City Finance Department office, and on our website:

[www.madera.gov/rates](http://www.madera.gov/rates)

**Your Right to Submit Ballot:** A ballot is included with this Notice. You have 45 days to vote and mail it back. A majority approval of ballots received is required. Storm drainage ballots may be mailed to **City of Madera, 205 West 4<sup>th</sup> Street, Madera, CA 93637**, or delivered in person to the City at 205 West 4<sup>th</sup> Street, Madera. Ballots will be received up until close of business (5:00 PM) on July 20, 2022, the night of the Council hearing.

**Attend the Public Hearing: You and** members of the public are welcome to attend the public hearing regarding the proposed rate changes. The public hearing will take place on July 20, 2022, at 6:00 PM as outlined above. At the public hearing, all members of the public will have an opportunity to speak and give testimony regarding the proposed rate adjustments.

**Public Hearing Process:** At the time of the public hearing, the Council will hear and consider all written protests, mail in ballots, and public comments. After the public hearing, a majority approval of the ballots received is required. The Council may adopt the proposed change, though is not obligated to.

**I still have questions**

Please contact the City at (559) 661-5454, where you may ask questions.