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## CITY OF YREKA

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To: Yreka City Council

Prepared by: Emily Aldrich, Finance Director

Agenda title: Approving Guidelines for the Submission and Tabulation of Protests in Connection with Rate Hearings Conducted Pursuant to Article XIII D, Section 6 of the California Constitution and Finding the Resolution Exempt from CEQA

Meeting date: October 3, 2023

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**Recommendation:**

Motion to Adopt Resolution 2023-46 of the City Council of the City of Yreka Approving Guidelines for the Submission and Tabulation of Protests in Connection with Rate Hearings Conducted Pursuant to Article XIII D, Section 6 of the California Constitution and Finding the Resolution Exempt from CEQA

**Discussion:**

At the September 5, 2023, City Council meeting, Paul Reuter with PACE Engineering presented the City of Yreka's 2023 Water and Wastewater Utility Rate Study. The study evaluates the systems' cost-of-service. Staff was given direction to move forward with said study. This evening before you is the final study as presented on September 5, 2023, and the resolution requesting adoption of the protest voting procedures. The public hearing for the water and wastewater utility rate adoption is scheduled for Tuesday, November 21, 2023 at 6:30PM, 701 Fourth Street, Yreka.

Pursuant to California Constitution article XIII D, Section 6 (approved by the voters by Proposition 218), prior to imposing a new or increasing an existing property-related fee such as water and wastewater rates, the City is required to hold a public hearing and mail notice of the public hearing to the record owner of the property and any tenant who is directly liable for the payment of the proposed fees (i.e., a customer of record).

Proposition 218 requires that the notice include the following: (a) the amount of the fee or charge proposed to be imposed; (b) the basis upon which it was calculated; (c) the reason for the fee or charge; and (d) the date, time, and location of the public hearing. Consistent with these requirements, the attached Proposition 218 Notice presents the proposed modifications to the Water and Wastewater Fee structure and provides examples of the impact to typical users within the various customer classes, along with a summary explanation of the reason for the proposed rate structure changes and increases, and the basis upon which the rates were calculated. The notices must be mailed at least 45 days in advance of the Public Hearing to consider modifications to the rates.

The resolution presented for adoption this evening sets forth the guidelines for submission and tabulation of such protests.

**RESOLUTION NO. 2023-46**

**A RESOLUTION OF THE CITY OF YREKA APPROVING GUIDELINES FOR  
THE SUBMISSION AND TABULATION OF PROTESTS  
IN CONNECTION WITH RATE HEARINGS CONDUCTED PURSUANT TO  
ARTICLE XIID, SECTION 6 OF THE CALIFORNIA CONSTITUTION AND  
FINDING THE RESOLUTION EXEMPT FROM CEQA**

BE IT RESOLVED, by the City Council of the City of Yreka, California  
as follows:

WHEREAS, Article XIID, Section 6 of the California Constitution  
requires the City Council to consider written protests to certain proposed  
increases to utility charges and/or imposes new property related utility  
charges; and

WHEREAS, this constitutional provision does not offer specific  
guidance as to who may submit protests, how written protests are to be  
submitted, or how the City is to tabulate protests.

WHEREAS, upon adoption of this resolution, any and all resolutions, or  
rules or regulations of this City in conflict with it, shall be repealed and shall  
have no further force or effect. This resolution supersedes all prior  
resolutions of the City to the extent that such resolutions established  
guidelines for the submission and tabulation of protests in connection with  
rate hearings conducted by the City pursuant to Article XIID, Section 6 of  
the California Constitution.

IT IS, THEREFORE, RESOLVED by the City Council of the City of  
Yreka that when notice of a public hearing with respect to the adoption or  
increase of Water, Wastewater or Stormwater charges has been given by the  
City pursuant to Article XIID, Section 6(a) of the California Constitution, the  
following shall apply:

## SECTION 1: Definitions.

Unless the context plainly indicates another meaning was intended, the following definitions shall apply in construction of these guidelines.

A. "Parcel" means a County Assessor's parcel the owner or occupant of which is subject to the proposed charge that is the subject of the hearing.

B. "Record customer" and "customer of record" mean the person or persons whose name or names appear on the City records as the person who has contracted for, or is obligated to pay for, utility services to a particular utility account.

C. "Record owner" or "parcel owner" means the person or persons whose name or names appear on the County Assessor's latest equalized assessment roll as the owner of a parcel.

D. A "fee protest proceeding" is not an election, but the City Clerk will maintain the confidentiality of protests as provided below and will maintain the security and integrity of protests at all times.

## SECTION 2: Notice Delivery.

Notice of proposed rates and public hearing shall be as follows:

A. The City shall give notice of proposed charges via U.S. mail to all record owners and customers of record served by the City.

B. The City will post the notice of proposed charges and public hearing at its official posting sites.

## SECTION 3: Protest Submittal.

A. Any record owner or customer of record who is subject to the proposed utility charge that is the subject of the hearing may submit a written protest to the City Clerk, by:

(i) Delivery to the City Clerk's Office at 701 Fourth Street, Yreka, California during published business hours

(ii) Mail to City Clerk at 701 Fourth Street, Yreka, California 96097 or

(iii) Personally submitting the protest at the public hearing.

B. Protests must be received by the end of the public hearing, including those mailed to the City. No postmarks will be accepted; therefore, any protest not physically received by the close of the hearing, whether or not mailed prior to the hearing, shall not be counted.

C. Because an original signature is required, emailed, faxed and photocopied protests shall not be counted.

D. Although oral comments at the public hearing will not qualify as a formal protest, unless accompanied by a written protest, the City Council; welcomes input from the community during the public hearing on the proposed charges.

#### SECTION 4: Protest Requirements.

A. A written protest must include:

(i) A statement that it is a protest against the proposed charge that is the subject of the hearing.

(ii) Name of the record owner or customer of record who is submitting the protest;

(iii) Identification of assessor's parcel number, street address, or utility account number of the parcel with respect to which the protest is made;

(iv) Original signature and legibly printed name of the record owner or customer of record who is submitting the protest.

B. Protests shall not be counted if any of the required elements (i through iv) outlined in the preceding subsection "A." are omitted.

## SECTION 5: Protest Withdrawal.

Any person who submits a protest may withdraw it by submitting to the City Clerk a written request that the protest be withdrawn. The withdrawal of a protest shall contain sufficient information to identify the affected parcel and the name of the record owner or customer of record who submitted both the protest and the request that it be withdrawn.

## SECTION 6: Multiple Record Owners or Customers of Record.

A. Each record owner or customer of record of a parcel served by the City may submit a protest. This includes instances where:

(i) A parcel is owned by more than one record owner or more than one name appears on the City's records as the customer of record for a parcel, or

(ii) A customer of record is not the record owner, or

(iii) A parcel includes more than one record customer, or

(iv) Multiple parcels are served via a single utility account, as master-metered multiple family residential units.

B. Only one protest will be counted per parcel as provided by Government Code Section 53755(b).

## SECTION 7: Transparency, Confidentiality, and Disclosure.

A. To ensure transparency and accountability in the fee protest tabulation while protecting the privacy rights of record owners and customers of record, protests will be maintained in confidence until tabulation begins following the public hearing.

C. Once a protest is opened during the tabulation, it becomes a disclosable public record, as required by state law and will be maintained in City files for two years.

## SECTION 8: City Clerk.

The City Clerk shall not accept as valid any protest if he or she determines that any of the following is true:

- A. The protest does not state its opposition to the proposed charges.
- B. The protest does not name the record owner or record customer of the parcel identified in the protest as of the date of the public hearing.
- C. The protest does not identify a parcel served by the City that is subject to the proposed charge.
- D. The protest does not bear an original signature of the named record owner of, or record customer with respect to, the parcel identified on the protest. Whether a signature is valid shall be entrusted to the reasonable judgment of the City Clerk, who may consult signatures on file with the County Elections Official.
- E. The protest was altered in a way that raises a fair question as to whether the protest actually expresses the intent of a record owner or a customer of record to protest the charges.
- F. The protest was not received by the City Clerk before the close of the public hearing on the proposed charges.
- G. A request to withdraw the protest was received prior to the close of the public hearing on the proposed charges.

## SECTION 9: City Clerk's Decisions Final.

The City Clerk's decision that a protest is not valid shall constitute a final action of the City and shall not be subject to any internal appeal.

## SECTION 10: Majority Protest.

A. A majority protest exists if written protests are timely submitted and not withdrawn by the record owners of, or customers of record with respect to, a majority (50% plus one) of the parcels subject to the proposed charge.

B. While the City may inform the public of the number of parcels served by the City when a notice of proposed rates is mailed, the number of parcels with active customer accounts served by the City on the date of the hearing shall control in determining whether a majority protest exists.

## SECTION 11: Tabulation of Protests.

At the conclusion of the public hearing, the City Clerk shall tabulate all protests received, including those received during the public hearing, and shall report the result to the City Council. If the number of protests received is insufficient to constitute a majority protest, the City Clerk may determine the absence of a majority protest without validating the protests received, but may instead deem them all valid without further examination.

Further, if the number of protests received is obviously substantially fewer than the number required to constitute a majority protest, the City Clerk may determine the absence of a majority protest without opening the envelopes in which protests are returned.

## SECTION 12: Report of Tabulation.

If at the conclusion of the public hearing, the City Clerk determines that he or she will require additional time to tabulate the protests, he or she shall so advise the City Council, which may adjourn the meeting to allow the tabulation to be completed on another day or days. If so, the City Council shall declare the time and place of tabulation, which shall be conducted in a place where interested members of the public may observe the tabulation, and the City Council shall declare the time at which the meeting shall be resumed to receive and act on the tabulation report of the City Clerk.

SECTION 13: This resolution will become effective immediately upon adoption.

SECTION 14: CEQA Exemption.

The Council finds that this resolution approving guidelines for the submission and tabulation of protests in connection with rate hearings does not meet the definition of a project for the purposes of the California Environmental Quality Act, under Public Resources Code Section 21065 and CEQA Guidelines Section 15378(b)(5), because it is an administrative governmental activity which will not cause a direct or indirect physical change in the environment. The City Council's review and adoption of water and wastewater utility rates is not a project under CEQA Guidelines mechanisms which do not involve commitment to any specific project which may result in a potentially significant environmental impact. Thus, no environmental analysis is required at this time.

PASSED AND ADOPTED by the City Council of the City of Yreka at a regular meeting held on the 3rd day October, 2023.

AYES:  
NAYS:  
ABSENT:  
RECUSED:

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Corey Middleton, Mayor

Attest:

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Rhetta Hogan,  
City Clerk





**NOTICE OF PUBLIC HEARING  
PROPOSED CHANGES TO CITY OF YREKA  
WATER AND WASTEWATER RATES  
FOR CALENDAR YEARS 2024 –2028**

**Date:** Tuesday, November 21, 2023, 6:30 p.m.  
**Place:** City of Yreka Council Chambers, City Hall  
701 Fourth Street, Yreka, California

**PROPOSED CITY WATER & WASTEWATER RATES FOR:  
CALENDAR YEARS 2024, 2025, 2026, 2027, AND 2028**

**You are receiving this Notice because our records indicate that you are a City of Yreka utility customer.  
If you are not a City water or wastewater customer, please disregard this Notice.**

This Notice describes proposed changes to water and wastewater rates and explains how you can participate in the process. The proposed changes to the present water and wastewater utility rates are based upon a comprehensive rate study that uses a rate model to evaluate the cost of water and wastewater service, as required by California Proposition 218. You can review the “2023 Water and Wastewater Utility Rate Study for the City of Yreka” dated September 2023 by asking to look at it at City Hall located at 701 Fourth Street, Yreka, CA or from any location via an internet web browser at the following location: <http://ci.yreka.ca.us/public-review-documents>. Any rate adjustment made will be applicable to all those who receive City Water and/or City Wastewater services.

**Why are the water rates changing?**

Adjustments to water and wastewater rates are necessary to generate the appropriate amount of revenue and maintain the appropriate reserves required to operate the utilities and to comply with the City’s contractual obligations to obtain loans which have funded water and wastewater system maintenance, improvements, and repairs.

**How will the proposed changes impact my utility bills?**

It is proposed that rates will be automatically adjusted upward by 9.6% annually for water and 9.5% annually for wastewater starting February 21, 2024 through December 31, 2028 calendar year.

To calculate the exact impact of these adjustments on your water bill see Table 1. The majority of residents who receive water from the City are connected to the system with a 5/8-inch connection.

To calculate the exact impact of these adjustments on your wastewater bill see Table 2.

**How do I participate?**

All utility customers and interested persons are invited to attend the public hearing and be heard or to write the City at: City of Yreka, Attn: City Clerk, 701 Fourth Street, Yreka, CA 96097 with timely delivery through the mail or personally deliver it. All comments must be received (not postmarked) by the close of the public hearing. Any protests to the rate adjustments must be submitted to the City in accordance with the form and informational requirements adopted by the City. Your comments are public records. If a majority of customers protest, the rate adjustments will not be made.

**Effective January 21, 2024  
City of Yreka – Water Utility  
Rate Schedule**

**City of Yreka - Water Utility  
Recommended Water Rates**

	Current	Proposed (FY23-24)	Proposed (FY24-25)	Proposed (FY25-26)	Proposed (FY26-27)	Proposed (FY27-28)	
<b>CONSUMPTION CHARGES (\$/1000 GALLONS)</b>							
<b>Single Family Consumption Rates</b>							
101-10,000 Gallons	\$2.26	\$2.48	\$2.71	\$2.98	\$3.26	\$3.57	
10,001 to 35,000 Gallons	\$2.26	\$2.48	\$2.71	\$2.98	\$3.26	\$3.57	
Excess over 35,000 Gallons	\$2.26	\$2.48	\$2.71	\$2.98	\$3.26	\$3.57	
<b>Non-Single Family Consumption Rate</b>							
Excess over 101 Gallons	\$2.26	\$2.48	\$2.71	\$2.98	\$3.26	\$3.57	
<b>MONTHLY SERVICE CHARGES (\$/MONTH)</b>							
5/8" Meter (See Note 1)	\$38.45	\$42.14	\$46.19	\$50.62	\$55.48	\$60.81	METER FACTOR 1.0
3/4" Meter	\$49.99	\$54.78	\$60.04	\$65.81	\$72.12	\$79.05	1.3
1" Meter	\$57.68	\$63.21	\$69.28	\$75.93	\$83.22	\$91.21	1.5
1 1/2" Meter	\$107.66	\$118.00	\$129.32	\$141.74	\$155.34	\$170.26	2.8
2" Meter	\$153.80	\$168.56	\$184.75	\$202.48	\$221.92	\$243.23	4.0
3" Meter	\$461.40	\$505.69	\$554.24	\$607.45	\$665.76	\$729.68	12.0
4" Meter	\$692.10	\$758.54	\$831.36	\$911.17	\$998.64	\$1,094.51	18.0
6" Meter	\$961.25	\$1,053.53	\$1,154.67	\$1,265.52	\$1,387.01	\$1,520.16	25.0
8" Meter	\$1,345.75	\$1,474.94	\$1,616.54	\$1,771.72	\$1,941.81	\$2,128.22	35.0
Note: 1. Lifeline monthly service charges are \$2.00 less than shown and apply to 5/8" meter accounts, only.							

**City of Yreka - Wastewater Utility  
Recommended Wastewater Rates**

	Current	Proposed FY 23-24	Proposed FY 24-25	Proposed FY 25-26	Proposed FY 26-27	Proposed FY 27-28
Single-Family Flat Rate per Unit	\$51.10	\$55.95	\$61.26	\$67.08	\$73.46	\$80.44
Low Income Single-Family Rate per Unit	\$49.10	\$53.95	\$59.26	\$65.08	\$71.46	\$78.44
Multi - Family Flat Rate per Unit	\$51.10	\$55.95	\$61.26	\$67.08	\$73.46	\$80.44
Non-Residential Flat Rate per HE (see Notes)	\$51.10	\$55.95	\$61.26	\$67.08	\$73.46	\$80.44
<b>Notes:</b>						
1. One household equivalent (HE) equals 200 gallons per day of wastewater flow, which is the estimated flow from a typical single family household.						
2. Non-residential HEs based on 90% of winter water consumption or available flow factors for similar type of discharges.						