



NOTICE OF PUBLIC HEARING AND PROPOSED UTILITY RATE ADJUSTMENTS

The City of Sacramento (City) Department of Utilities is proposing adjustments to its drinking water and wastewater (sewer) rates. The last rate increases for these services took effect July 1, 2019. Since then, the costs of delivering safe, reliable services have increased and the systems have continued to age.

The City of Sacramento's Utilities Rate Advisory Commission (URAC) will hold a public hearing in the City Council Chambers on December 2, 2026, beginning at 5:30 p.m., to consider the proposed rate changes. The hearing will be held in accordance with Proposition 218 (California Constitution Article XIII D, Section 6), and the public is invited to provide spoken or written comments. Owners or customers of record will also have an opportunity to submit a written protest or written objection as described in this Notice. This Notice summarizes the reasons for and amounts of the proposed utility rate adjustments, as well as the basis for the rate calculations. Additional information about the proposed rate adjustments is available at cityofsacramento.gov/2027UtilitiesRates.

If adopted, the proposed rates will take effect on July 1, 2027, with annual adjustments each July 1 through 2031. This Notice identifies each year in which the City proposes a rate adjustment.



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Why Rate Adjustments Are Needed

Costs to operate and maintain Sacramento's drinking water and wastewater systems have become more expensive and outpaced current revenues. New regulations, a significant increase in inflation, supply chain delays, and rising labor costs increase daily expenses. At the same time, drinking water and wastewater systems continue to age; many pipes are over 100 years old, far surpassing their expected lifespan.

Additionally, Sacramento currently faces an estimated \$2.2 billion in unfunded maintenance and required improvements identified in the 30-year Water and Wastewater Capital Improvement Programs due to past funding shortages. This includes more than **\$875 million for the drinking water system and \$1.32 billion for the wastewater system**. Construction costs rise every year, which make these repairs more expensive the longer they are delayed.

Unplanned emergencies cost an average of \$1.5 million per year.

Unpredictable system failures happen more often as equipment ages. Fixing broken infrastructure during an emergency costs much more than completing a planned upgrade and these sudden failures put your reliable service at risk.

In 2024, the City Auditor conducted independent reviews of the water and wastewater funds and found that both utilities would fail to meet financial targets starting in 2027 if current rates are not adjusted. The review recommended a total 5-year revenue increase of up to 82% in the water fund and up to 186% in the wastewater fund. While necessary to address the City's aging infrastructure, increases this large were deemed by the City to be not affordable for rate payers.

To keep rates as low as possible while meeting financial obligations and protecting public health, the City established three priorities for this rate adjustment process, which include:

- **Ensure Continued Operations:** The rate adjustment must first close the gap between existing revenues and expenses so that current service levels continue without interruption.
- **Meet Financial Policy Objectives:** Second, the rate adjustment must meet the financial policy objectives adopted by City Council that protect the utility's long-term financial health, like emergency reserve funds.
- **Fund Urgent Project Needs:** The third objective, after the first two are met, is to begin addressing the \$2.2 billion deferred maintenance backlog and other high-priority operational needs. After continued operations and policy objectives are met, every dollar of rate revenue available funds urgent projects, such as rehabilitating drinking water reservoirs - some of which are more than 70 years old - upgrading water and wastewater treatment facilities, complying with new state regulations, and improving system reliability so customers can continue to rely on these services 24 hours a day, seven days per week.

What Happens If These Rates Are Not Adjusted?

If rate adjustments are not approved, the City and community are expected to face several impacts, including:

- **Service Impacts:** The City may need to reduce service levels to match available funding. This could mean canceling improvement projects, postponing preventative maintenance, delaying response times, or reducing staff.
- **Higher Emergency Costs:** Failing to replace aging pipes and equipment now could cause the City to pay higher costs for emergency repairs, threatening system reliability and leading to higher rates down the line.
- **Public Health and Environmental Risks:** Delaying investments increases the potential for sewer spills into local waterways, putting neighborhoods and our rivers at risk.
- **Financial Risks:** Rating agencies monitor the City's financial health. If the City cannot cover its costs, its credit rating will drop. A lower credit rating makes borrowing money for large, critical infrastructure needs, like water treatment plant and combined sewer system upgrades, much more expensive, and these extra costs would be passed on to customers.

Your Water and Wastewater Systems

Utility teams work around the clock so you never have to worry about your tap turning on or your wastewater flowing away safely. Maintaining this reliable service requires a massive infrastructure network. Here is what it takes to serve you:

- **Drinking Water System:** The City maintains about 1,600 miles of water pipes. That is roughly the driving distance from Canada to Mexico. The system also includes 30 groundwater wells, 17 reservoirs, and two treatment plants to serve 159,000 customer connections every day.
- **Wastewater System:** The City manages about 840 miles of sewer pipes, which is long enough to stretch from Sacramento to Seattle. This system also includes 45 pump stations, a separated sewer system (SSS), and a combined sewer system (CSS) that conveys residential and commercial wastewater. City staff monitor more than 150,000 data points across nearly 200 locations to keep everything running smoothly.

The Cost of Reliable Service

How We Ensure Proportionate Drinking Water and Wastewater Rates

By law, drinking water and wastewater rates only cover the cost of providing the service; the City does not collect profits on these rates. Utility funds cannot legally be used to pay for other City services, like parks, police, or fire. The City has taken several measures to keep rates low for customers, including keeping them stable through the COVID-19 pandemic, refinancing debt (saving \$40 million), securing grants (about \$50 million), completing projects that reduce energy needs, and increasing efforts to recover costs for administrative and overhead costs.

The City uses a “Cost of Service” model to ensure rates are proportionate to the costs of service and comply with state law. This means each customer pays their proportionate share based on the demands they place on the system. To make sure the analysis was done right, the City hired Raftelis, an independent consulting firm with more than 30 years of experience in utility rate studies. Raftelis performed a comprehensive Water and Wastewater Rate Study in compliance with Proposition 218. The results of the rate study are available at cityofsacramento.gov/2027UtilitiesRates. The City will mail a copy of the study to any person, upon request.

The URAC consists of city residents appointed by the City Council, as authorized by Chapter 2.88 of the Sacramento City Code. This group has reviewed and weighed in on every step of the utility rate adjustment process over the past year, including the proposed rate adjustments. The public hearing will be held in front of the URAC, and after the public hearing, the URAC will make their rate recommendations to City Council. The City Council will consider whether to adopt the proposed rate increases at a subsequent City Council meeting.

Typical Residential Bill Impacts - 2027

Under the proposed rate adjustments, beginning July 1, 2027, a typical single-family home will see an estimated monthly increase of about \$11 total.

- **Water:** \$9.43 per month. That’s about \$0.31 per day, or the cost of a bottled soft drink per week
- **Wastewater:** \$1.57 per month

Similar overall increases are proposed for the typical single-family residential home in subsequent years.

How Your Bill Is Calculated

The City calculates rates to safely cover the actual costs of providing utility services. Here is how your bill works:

- **Drinking Water:** Your water bill is calculated in two parts. The first is a fixed monthly service charge based on the size of your water meter. It covers the fixed costs of maintaining the system and delivering the water to each home/business. The second part is based on how much water you actually use, measured in units, called “CCF.” A handful of customers are billed a flat rate. These rates are available in the tables on page 5.

One CCF equals about 748 gallons. Under the proposed rates, more of your bill will be based on the amount of water you use.

- **Wastewater:** Residential customers pay a flat, fixed monthly fee for wastewater service (see page 7).

Non-residential metered customers pay a flat, minimum monthly charge, based on meter size and monthly meter water use. The minimum charge is the Unit Rate times the maximum monthly metered water use set forth on page 8 for each water meter size. Each additional 100 cubic feet of monthly metered water use, or portion thereof, will be billed at the Unit Rate. Non-residential non-metered customers are charged a flat, fixed monthly fee for every 1,000 square feet of space, unless otherwise specified in the rate tables beginning on page 8.

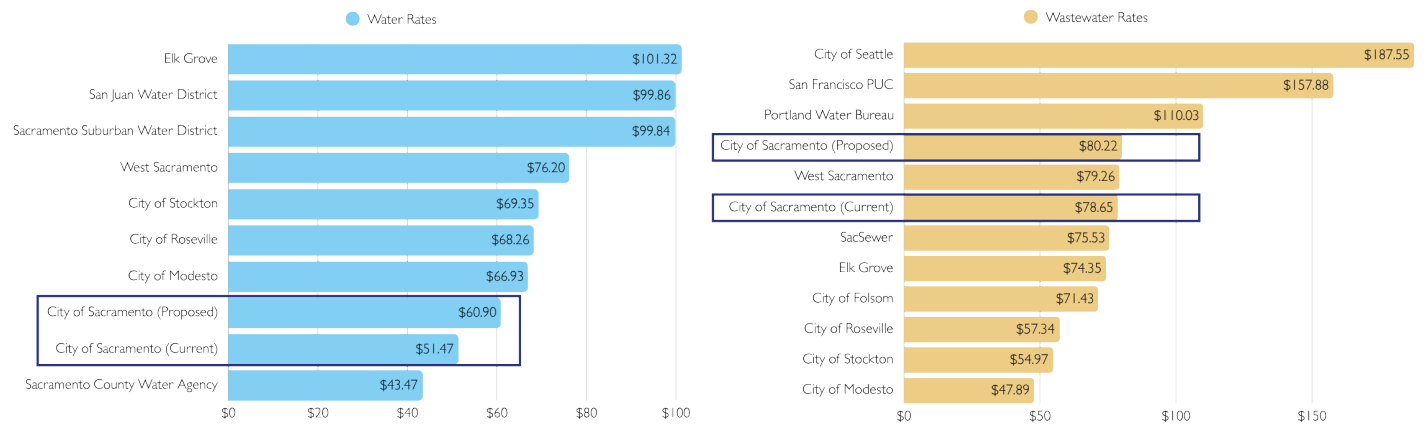
Help Paying Your Bill

If the cost of your utility bill is a hardship, you may qualify for help. The City offers a financial assistance program for eligible customers who need support paying for water, sewer, and garbage service. You may qualify based on your household income or participation in other assistance programs. Visit cityofsacramento.gov/utilities/pay-your-utility-bill/financial-assistance or scan the QR code to learn more and apply.



How Rates Compare

Even after the proposed first-year adjustments, Sacramento's rates remain competitive compared to neighboring utilities. The charts below show proposed rates per month as effective July 1, 2027. These rates represent a typical single family household.



The City of Seattle, San Francisco PUC, and Portland Water Bureau are included in the wastewater comparison as they, like the City of Sacramento, operate combined wastewater systems.

Transparent Process and Public Voice

The City is joining community meetings and providing information so customers can ask questions and share thoughts before decisions are made. Visit cityofsacramento.gov/2027UtilitiesRates for more information on the process.

Questions & Comments

If you have any questions regarding this notice, please call 916-808-5454 between 8 a.m. and 4 p.m., Monday through Thursday, and 8 a.m. and 11:30 a.m. on Friday, or email UtilitiesCS@cityofsacramento.org.

General comments and emails are not counted as formal legal protests. See the legal notice below for information regarding how to submit a formal Proposition 218 protest against adoption of the rates or a legal objection to preserve your right to file a legal challenge against the proposed rates.

To determine how much your bill will change because of the proposed rate changes, the City developed a bill calculator that can be found here: cityofsacramento.gov/2027UtilitiesRates

Water Rate Tables

Table 1.1: Proposed Five-Year Water Monthly Service Charge Schedule

Meter Size	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
5/8"	\$28.17	\$32.96	\$38.23	\$42.82	\$46.25
3/4"	\$31.20	\$36.50	\$42.34	\$47.42	\$51.21
1"	\$37.27	\$43.61	\$50.59	\$56.66	\$61.19
1-1/2"	\$52.42	\$61.33	\$71.14	\$79.68	\$86.05
2"	\$70.61	\$82.61	\$95.83	\$107.33	\$115.92
3"	\$128.21	\$150.01	\$174.01	\$194.89	\$210.48
4"	\$213.09	\$249.32	\$289.21	\$323.92	\$349.83
6"	\$416.20	\$486.95	\$564.86	\$632.64	\$683.25
8"	\$870.92	\$1,018.98	\$1,182.02	\$1,323.86	\$1,429.77
10"	\$1,295.33	\$1,515.54	\$1,758.03	\$1,968.99	\$2,126.51
12"	\$1,628.79	\$1,905.68	\$2,210.59	\$2,475.86	\$2,673.93

Table 1.2: Proposed Variable Rates

	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
All Classes	\$2.1882	\$2.5602	\$2.9698	\$3.3262	\$3.5923

Table 1.3: Proposed Private Fire Protection Rate Schedule

Meter Size	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
2"	\$22.82	\$26.70	\$30.97	\$34.69	\$37.47
3"	\$24.18	\$28.30	\$32.83	\$36.77	\$39.71
4"	\$26.53	\$31.04	\$36.01	\$40.33	\$43.56
6"	\$34.95	\$40.89	\$47.43	\$53.12	\$57.37
8"	\$49.48	\$57.89	\$67.15	\$75.21	\$81.23
10"	\$71.33	\$83.45	\$96.80	\$108.42	\$117.09
12"	\$101.61	\$118.88	\$137.90	\$154.45	\$166.81

Table 1.4: Water Flat Rate Schedule by Non-Residential Category (\$/month)

Code	Unit	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Air Conditioning System	Monthly Demand Charge	\$47.45	\$55.52	\$64.41	\$72.14	\$77.92
	Flat rate (with Conservation)	\$10.94	\$12.80	\$14.85	\$16.64	\$17.98
	Flat rate (without Conservation)	\$166.67	\$195.01	\$226.22	\$253.37	\$273.64
	Evaporative Coolers (with Conservation)	\$6.28	\$7.35	\$8.53	\$9.56	\$10.33
	Evaporative Coolers (without Conservation)	\$17.10	\$20.01	\$23.22	\$26.01	\$28.10
Bakery	First 1,000 sq ft	\$155.08	\$181.44	\$210.47	\$235.72	\$254.58
Bakery	Remaining sq ft	\$103.14	\$120.68	\$139.99	\$156.79	\$169.33
Bar	First 1,000 sq ft	\$154.54	\$180.82	\$209.75	\$234.92	\$253.71
Bar	Remaining sq ft	\$101.89	\$119.21	\$138.29	\$154.88	\$167.27
Bank	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Bank	Remaining sq ft	\$24.18	\$28.29	\$32.81	\$36.75	\$39.69
Barber/Beauty Parlor	First 1,000 sq ft	\$77.56	\$90.75	\$105.27	\$117.90	\$127.33
Barber/Beauty Parlor	Remaining sq ft	\$50.06	\$58.57	\$67.94	\$76.09	\$82.17
Bowling Alley	First 1,000 sq ft	\$77.56	\$90.75	\$105.27	\$117.90	\$127.33
Bowling Alley	Remaining sq ft	\$50.06	\$58.57	\$67.94	\$76.09	\$82.17
Cemetery	First 1,000 sq ft	\$142.33	\$166.53	\$193.17	\$216.35	\$233.66
Cemetery	Remaining sq ft	\$11.33	\$13.25	\$15.37	\$17.22	\$18.60
Church	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Church	Remaining sq ft	\$13.16	\$15.39	\$17.86	\$20.00	\$21.60
Dining Facility	First 1,000 sq ft	\$83.64	\$97.86	\$113.52	\$127.15	\$137.33
Drug Store	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Drug Store	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Dry Cleaner	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Dry Cleaner	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Fill & Draw Swimming Pool	Over 300 cu ft	\$14.60	\$17.08	\$19.81	\$22.19	\$23.96
Filtered Swimming Pool	Over 300 cu ft	\$2.78	\$3.26	\$3.78	\$4.23	\$4.57
Fire Hydrant Service Charge	Wharf Hydrant	\$30.04	\$35.15	\$40.78	\$45.68	\$49.34
	Standard Hydrant	\$74.26	\$86.89	\$100.80	\$112.90	\$121.94

CONTINUED (Table 1.4)

Code	Unit	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Fire Station	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Fire Station	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Furniture Store	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Furniture Store	Remaining sq ft	\$7.87	\$9.21	\$10.68	\$11.96	\$12.92
Garage	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Garage	Remaining sq ft	\$7.87	\$9.21	\$10.68	\$11.96	\$12.92
Gym/Health Club	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Gym/Health Club	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Gym/Health Club	Per shower head	\$37.78	\$44.21	\$51.28	\$57.43	\$62.03
Hall	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Hall	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Hotel, Rest or Convalescent Home, Motel	First 10 rooms	\$142.33	\$166.53	\$193.17	\$216.35	\$233.66
Hotel, Rest or Convalescent Home, Motel	Over 10 (per room)	\$11.33	\$13.25	\$15.37	\$17.22	\$18.60
Hydraulic Elevator	With water conservation device	\$59.65	\$69.80	\$80.97	\$90.69	\$97.95
	Without water conservation device	\$331.76	\$388.16	\$450.27	\$504.31	\$544.66
Lot Irrigation	Per Water Service Tap	\$111.23	\$130.14	\$150.97	\$169.09	\$182.62
Self-Service Laundry	First 1,000 sq ft	\$308.83	\$361.33	\$419.14	\$469.44	\$507.00
Self-Service Laundry	Remaining sq ft	\$196.42	\$229.81	\$266.59	\$298.58	\$322.46
Medical/Dental	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Medical/Dental	Remaining sq ft	\$24.18	\$28.29	\$32.81	\$36.75	\$39.69
Minimum Rate		\$71.44	\$83.59	\$96.97	\$108.61	\$117.30
Multi-Family (1-3 rooms)	Per DU	\$42.82	\$50.10	\$58.12	\$65.09	\$70.30
Multi-Family (4-5 rooms)	Per DU	\$54.80	\$64.12	\$74.37	\$83.30	\$89.96
Multi-Family (6-7 rooms)	Per DU	\$66.92	\$78.29	\$90.82	\$101.72	\$109.86
Multi-Family (8-9 rooms)	Per DU	\$79.00	\$92.43	\$107.22	\$120.09	\$129.69
Multi-Family (10-15 rooms)	Per DU	\$91.27	\$106.79	\$123.88	\$138.74	\$149.84
Multi-Family (15+ rooms)	Per DU	\$6.41	\$7.50	\$8.70	\$9.74	\$10.52
Market	First 1,000 sq ft	\$77.56	\$90.75	\$105.27	\$117.90	\$127.33
Market	Remaining sq ft	\$50.06	\$58.57	\$67.94	\$76.09	\$82.17
Mortuary	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Mortuary	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Office	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Office	Remaining sq ft	\$24.18	\$28.29	\$32.81	\$36.75	\$39.69
Park	First 1,000 sq ft	\$142.33	\$166.53	\$193.17	\$216.35	\$233.66
Park	Remaining sq ft	\$11.33	\$13.25	\$15.37	\$17.22	\$18.60
Refrigeration System (with Conservation)	Per compressor horsepower	\$11.56	\$13.53	\$15.69	\$17.58	\$18.98
Refrigeration System (without Conservation)	Per compressor horsepower	\$109.03	\$127.57	\$147.98	\$165.74	\$178.99

CONTINUED (Table 1.4)

Code	Unit	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Restaurant	First 1,000 sq ft	\$154.54	\$180.82	\$209.75	\$234.92	\$253.71
Restaurant	Remaining sq ft	\$101.89	\$119.21	\$138.29	\$154.88	\$167.27
School	First 100 pupils	\$137.29	\$160.63	\$186.33	\$208.69	\$225.39
School	Any additional pupils	\$106.92	\$125.10	\$145.11	\$162.52	\$175.53
Service Station and Used Car Lot (no wash racks)						
Water tap size to City main	3/4"	\$77.57	\$90.76	\$105.29	\$117.93	\$127.37
	1"	\$101.90	\$119.23	\$138.31	\$154.91	\$167.31
	1 1/2"	\$166.44	\$194.74	\$225.90	\$253.01	\$273.26
	2"	\$284.56	\$332.94	\$386.22	\$432.57	\$467.18
Single Family (# of rooms/1-3 rooms)	Per room	\$55.84	\$65.33	\$75.78	\$84.88	\$91.67
Single Family (4-5 rooms)	Per room	\$72.66	\$85.02	\$98.62	\$110.45	\$119.29
Single Family (6-9 rooms)	Per room	\$79.00	\$92.43	\$107.22	\$120.09	\$129.69
Single Family (10-15 rooms)	Per room	\$91.27	\$106.79	\$123.88	\$138.74	\$149.84
Single Family (15+ rooms)	Per room	\$6.41	\$7.50	\$8.70	\$9.74	\$10.52
Supplemental Irrigation	Over 10,000 [13,000] sf - per 1,000 sq ft	\$11.33	\$13.25	\$15.37	\$17.22	\$18.60
Store	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Store	Remaining sq ft	\$31.79	\$37.19	\$43.14	\$48.32	\$52.19
Supplemental Dining	First 1,000 sq ft	\$154.54	\$180.82	\$209.75	\$234.92	\$253.71
Supplemental Dining	Remaining sq ft	\$101.89	\$119.21	\$138.29	\$154.88	\$167.27
Theater	First 1,000 sq ft	\$77.89	\$91.13	\$105.71	\$118.40	\$127.87
Theater	Remaining sq ft	\$50.06	\$58.57	\$67.94	\$76.09	\$82.17
Warehouse	First 1,000 sq ft	\$71.44	\$83.58	\$96.95	\$108.59	\$117.28
Warehouse	Remaining sq ft	\$7.87	\$9.21	\$10.68	\$11.96	\$12.92

Wastewater Rate Tables

Table 2.1: Proposed Five-Year Wastewater Rate Schedule – Flat Rates (\$/month)

Flat Rate Schedule	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Residential					
Single Family Residential	\$33.22	\$38.54	\$43.94	\$49.22	\$54.15
Multi-Family Residential	\$22.89	\$26.56	\$30.28	\$33.92	\$37.32
Non-Residential					
Rate per EDU	\$21.63	\$25.10	\$28.62	\$32.06	\$35.27

Table 2.2: Proposed Five-Year Wastewater Rate Schedule – Meter Charges (\$/month)

Meter Size	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
5/8"	\$21.63	\$25.09	\$28.60	\$32.03	\$35.23
3/4"	\$32.44	\$37.63	\$42.90	\$48.05	\$52.86
1"	\$54.07	\$62.72	\$71.50	\$80.08	\$88.09
1-1/2"	\$108.14	\$125.44	\$143.00	\$160.16	\$176.18
2"	\$173.02	\$200.70	\$228.80	\$256.26	\$281.89
3"	\$378.49	\$439.05	\$500.52	\$560.58	\$616.64
4"	\$681.27	\$790.27	\$900.91	\$1,009.02	\$1,109.92
6"	\$1,405.80	\$1,630.73	\$1,859.03	\$2,082.11	\$2,290.32
8"	\$2,595.33	\$3,010.58	\$3,432.06	\$3,843.91	\$4,228.30
10"	\$4,541.82	\$5,268.51	\$6,006.10	\$6,726.83	\$7,399.51
12"	\$5,731.35	\$6,648.37	\$7,579.14	\$8,488.64	\$9,337.50

Table 2.3: Proposed Variable Rates

	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Over Threshold	\$1.5285	\$1.7731	\$2.0213	\$2.2639	\$2.4903

Table 2.4: Wastewater Flat Rate Schedule by Non-Residential Category (\$/month)

Code	Unit	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Bakery	Per 1,000 sq ft	\$47.72	\$55.36	\$63.11	\$70.68	\$77.75
Bar	Per 1,000 sq ft	\$51.21	\$59.40	\$67.72	\$75.85	\$83.44
Bank	Per 1,000 sq ft	\$17.34	\$20.11	\$22.93	\$25.68	\$28.25
Barber/Beauty Parlor	Per 1,000 sq ft	\$25.60	\$29.70	\$33.86	\$37.92	\$41.71
Bowling alley	Per 1,000 sq ft	\$22.35	\$25.93	\$29.56	\$33.11	\$36.42
Church	Per 1,000 sq ft	\$7.66	\$8.89	\$10.13	\$11.35	\$12.49
Dining Facility	Per 1,000 sq ft	\$33.16	\$38.47	\$43.86	\$49.13	\$54.05
Drug store	Per 1,000 sq ft	\$16.80	\$19.49	\$22.22	\$24.89	\$27.38
Dry Cleaner	Per 1,000 sq ft	\$99.21	\$115.08	\$131.19	\$146.93	\$161.62
Evaporative Cooler	With water conservation device	\$1.67	\$1.94	\$2.21	\$2.48	\$2.73
	Without water conservation device	\$5.75	\$6.67	\$7.60	\$8.51	\$9.36
Fire Station	Per 1,000 sq ft	\$14.84	\$17.21	\$19.62	\$21.97	\$24.17
Furniture Store	Per 1,000 sq ft	\$5.52	\$6.40	\$7.30	\$8.18	\$9.00
Garage	Per 1,000 sq ft	\$4.52	\$5.24	\$5.97	\$6.69	\$7.36
Gym/Health Club	Per 1,000 sq ft	\$14.84	\$17.21	\$19.62	\$21.97	\$24.17
Gym/Health Club	Per shower head	\$15.30	\$17.75	\$20.24	\$22.67	\$24.94
Hall	Per 1,000 sq ft	\$14.84	\$17.21	\$19.62	\$21.97	\$24.17
Hotel/Motel	Per sleeping room or fraction thereof	\$5.07	\$5.88	\$6.70	\$7.50	\$8.25
Hydraulically Operated Elevator	With water conservation device	\$22.98	\$26.66	\$30.40	\$34.05	\$37.46
	Without water conservation device	\$131.45	\$152.49	\$173.84	\$194.71	\$214.19
Market	Per 1,000 sq ft	\$21.38	\$24.80	\$28.27	\$31.66	\$34.83
Medical/Dental	Per 1,000 sq ft	\$17.34	\$20.11	\$22.93	\$25.68	\$28.25

Continued (Table 2.4)

Code	Unit	Proposed July 1, 2027	Proposed July 1, 2028	Proposed July 1, 2029	Proposed July 1, 2030	Proposed July 1, 2031
Minimum Rate		\$26.75	\$31.03	\$35.38	\$39.63	\$43.60
Mortuary	Per 1,000 sq ft	\$14.10	\$16.36	\$18.65	\$20.89	\$22.98
Office	Per 1,000 sq ft	\$17.34	\$20.11	\$22.93	\$25.68	\$28.25
Refrigeration System (with Conservation)	Per compressor horsepower	\$4.11	\$4.77	\$5.44	\$6.09	\$6.70
Refrigeration System (without Conservation)	Per compressor horsepower	\$42.69	\$49.52	\$56.45	\$63.22	\$69.54
Restaurant	Per 1,000 sq ft	\$51.21	\$59.40	\$67.72	\$75.85	\$83.44
Rest or Convalescent Home	Per sleeping room or fraction thereof	\$8.20	\$9.52	\$10.86	\$12.17	\$13.39
School	Per 100 pupils or fraction thereof	\$45.28	\$52.52	\$59.87	\$67.05	\$73.76
Service Station and Used Car Lot (no wash racks)						
Water tap size to City main	3/4"	\$26.94	\$31.26	\$35.64	\$39.92	\$43.92
	1"	\$35.08	\$40.70	\$46.40	\$51.97	\$57.17
	1 1/2"	\$57.65	\$66.88	\$76.25	\$85.40	\$93.94
	2"	\$99.22	\$115.10	\$131.22	\$146.97	\$161.67
Store	Per 1,000 sq ft	\$17.77	\$20.61	\$23.50	\$26.32	\$28.95
Supplementary Dining	Per 1,000 sq ft	\$51.21	\$59.40	\$67.72	\$75.85	\$83.44
Swimming Pool	Under 300 ccf fill & draw	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Over 300 ccf fill & draw	\$5.53	\$6.41	\$7.31	\$8.19	\$9.01
	Under 300 ccf filtered	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Over 300 ccf filtered	\$1.43	\$1.66	\$1.89	\$2.12	\$2.33
Theater	Per 1,000 sq ft	\$21.11	\$24.49	\$27.92	\$31.27	\$34.40
Warehouse	Per 1,000 sq ft	\$4.11	\$4.77	\$5.44	\$6.09	\$6.70

NOTICE TO PROPERTY OWNERS AND CUSTOMERS

This Notice is being furnished to you by the City of Sacramento (City) in accordance with Article XIII-D, Section 6 of the California Constitution (Proposition 218), which requires the City to notify property owners and customers of record of proposed drinking water and wastewater rate adjustments. This Notice is also provided pursuant to Government Code Sections 53759.1 and 53759.2 (AB 2257), which establish a procedure through which property owners and customers may preserve the right to bring a legal challenge to the proposed rates by filing a timely written objection before the deadline specified in this Notice. This Notice is being provided to inform property owners and customers of the proposed rate updates and their right to submit a written protest, a written objection, or both. This serves as notice that the Utilities Rate Advisory Commission (URAC) will conduct a Public Hearing at 5:30 p.m. on December 2, 2026, at the City Council Chambers in the City Hall Complex at 915 I Street, Sacramento, CA 95814.

All those interested are invited to appear at the time and place of the Public Hearing on December 2, 2026, to give oral or written testimony or to submit written protests regarding the proposed rate adjustments. The URAC will hear and consider oral testimony and written materials submitted prior to or during the public hearing regarding proposed rate adjustments. Upon conclusion of the public hearing, the URAC will adopt rate recommendations that will be forwarded to City Council for approval. The City Council has the authority to adjust the proposed rate updates in response to the URAC recommendations, oral testimony, and written materials submitted for consideration, provided any adjustments cannot increase rates beyond those proposed in this Notice. If adopted, proposed rate adjustments would become effective on July 1, 2027, with annual rate adjustments each July 1 thereafter through and including July 1, 2031.

The Utility Rate Study Reports are available at cityofsacramento.gov/2027UtilitiesRates.

La Ciudad de Sacramento (la Ciudad) le proporciona este aviso de conformidad con el Artículo XIII-D, Sección 6 de la Constitución de California (Proposición 218), que exige a la Ciudad notificar a los clientes y a los propietarios registrados sobre los ajustes propuestos en las tarifas de agua potable y aguas residuales. Este aviso también se emite en cumplimiento de las Secciones 53759.1 y 53759.2 del Código de Gobierno (AB 2257), las cuales establecen un procedimiento mediante el cual los propietarios y clientes pueden preservar su derecho a impugnar legalmente las tarifas propuestas presentando una objeción por escrito dentro del plazo especificado en este aviso. El propósito de este aviso es informar a los propietarios y clientes sobre las actualizaciones de tarifas propuestas y su derecho a presentar una protesta por escrito, una objeción por escrito o ambas. Por la presente se notifica que la Comisión Asesora de Tarifas de Servicios Públicos (URAC, por sus siglas en inglés) llevará a cabo una audiencia pública el 2 de diciembre de 2026 a las 5:30 p. m. en la Sala de Sesiones del Concejo Municipal (City Council Chambers), ubicada en el complejo del Ayuntamiento (City Hall Complex) en 915 I Street, Sacramento, CA 95814.

Se invita a todas las partes interesadas a asistir a la audiencia pública el 2 de diciembre de 2026, en el lugar y hora indicados, para ofrecer testimonio oral o escrito, o para presentar protestas por escrito respecto a los ajustes tarifarios propuestos. Durante la audiencia pública, la URAC escuchará y tomará en cuenta los testimonios orales y los materiales escritos presentados en relación con los ajustes tarifarios propuestos. Al finalizar la audiencia pública, la URAC adoptará recomendaciones sobre las tarifas, las cuales se remitirán al Concejo Municipal para su aprobación. El Concejo Municipal tiene la facultad de modificar las actualizaciones de tarifas propuestas en respuesta a las recomendaciones de la URAC, los testimonios orales y los materiales escritos presentados para su consideración; no obstante, dichos ajustes no podrán aumentar las tarifas por encima de los niveles propuestos en este aviso. De aprobarse, los ajustes tarifarios propuestos entrarían en vigor el 1 de julio de 2027, con ajustes anuales cada 1 de julio posterior, hasta e incluyendo el 1 de julio de 2031.

Los informes del estudio de tarifas de servicios públicos están disponibles en cityofsacramento.gov/2027UtilitiesRates.

How to Protest Proposed Rate Adjustments

The proposed rate adjustments are subject to a majority protest process under Proposition 218. Any record owner of a property that receives drinking water or wastewater service from the City or customer of record who is directly liable for payment of the City's utility service charges (Customer of Record) may submit a written Protest against the proposed rate adjustments. Owners of multiple parcels may file one Protest for each parcel owned within the City's service area. Only one written Protest against the proposed rate adjustments for each of the utility service charges per parcel will be counted in determining whether a majority protest exists. The purpose of a protest is to officially register your opposition to the adoption of the rate adjustments and/or to attempt to prevent the adjustments from being adopted by the City Council.

Written Protest Procedures

A written Protest must be submitted to the City in paper form and include all of the following to be counted in determining whether there is a majority protest (50% + 1 of parcels receiving services):

- Clearly stated opposition to the proposed rate adjustments for drinking water or wastewater service or both;
- Name of the record property owner or customer of record who is submitting the Protest;
- Identification by street address or assessor's parcel number of the property for which the protest is made or identification of the account number for the customer of record; and
- Original signature and legibly printed name of the record property owner or customer of record who is submitting the Protest.

An electronic (emailed or faxed) or spoken protest CANNOT be counted.

Written Protests may be delivered to the City at the City Council Chambers during the Public Hearing (prior to the close of the hearing). In advance of the Public Hearing, written Protests may be mailed or personally delivered to the City Clerk (City of Sacramento, 915 I Street, Sacramento, CA 95814), they must be received by City staff by **5:30pm on December 2, 2026**. No e-mailed or faxed Protests will be accepted. Additionally, no late protests will be accepted after the public hearing closes.

At the Public Hearing, the URAC will accept and consider all written Protests and hear all oral comments on the proposed rate adjustments. However, oral or emailed comments will not be counted in determining the existence of a majority protest.

What is a Majority Protest?

A majority protest against any proposed rate adjustment (drinking water or wastewater) will exist if, at the end of the Public Hearing, written protests submitted and not withdrawn represent a majority of the parcels (50% + 1) that receive the applicable services (drinking water or wastewater). The City cannot adopt a proposed rate adjustment if a majority protest exists for that service (drinking water or wastewater).

WRITTEN OBJECTION PROCEDURES FOR DRINKING WATER AND WASTEWATER RATES | EXHAUSTION OF ADMINISTRATIVE REMEDIES

Any record owner or customer of record may file a timely written objection to satisfy the requirement to exhaust administrative remedies under AB 2257 (Government Code Sections 53759.1 and 53759.2). The purpose of an objection is to preserve your right to file a legal action challenging the rate adjustments.

Objections must be submitted as a separate and distinct document from any protest and must meet the following procedural and substantive requirements:

- Be in writing with the printed name and an original signature from the record owner or customer of record directly liable for the payment of the fee.
- Identify the parcel for which the written objection is filed, by street address or assessor's parcel number or identify the account number associated with the customer of record filing the objection.
- Written objections must include the following information:
 - A statement that your communication constitutes a written objection.
 - A description of the specific subsections of the California Constitution Article XIII D, section 6(b) or any other applicable law that the objector believes would be violated by the approval and/or imposition of the proposed rate adjustments. Please note that there is a 120-day statute of limitations for challenging the rates should the proposed adjustments be adopted.
 - A description of how the proposed rates violate the provisions of law cited above. Such a detailed explanation must include references to the Rate Study, legal authority, and any additional data or evidence that would enable the City to understand the grounds for the objector's claim that the proposed rates do not comply with the law. If an objection includes expert analysis, the expert's contact information and statement of their qualifications must also be included;

Objections must be received by the City Clerk by no later than 5:00 p.m. on October 1, 2026. Written objections must be delivered to: City Clerk, City of Sacramento, 915 I Street, Sacramento, CA 95814. Written objections may also be submitted by email to UtilitiesCS@cityofsacramento.org, provided the email includes the proof of authenticity described above.

IMPORTANT LEGAL NOTICE:

To be valid, all written objections must include the information listed above and be received by the City at the address and by the date provided above. Failure to timely object in writing bars any right to challenge the proposed water and wastewater rates through a legal proceeding and any such action may be limited to issues identified in the challenger's objection.

The City will review all timely written objections and respond in writing before or during the Public Hearing, as required by Government Code Section 53759.1(c). Written responses will be made available at the City Council meeting on November 17, 2026. The City's responses will explain the substantive basis for retaining or altering the proposed water and/or wastewater rates in response to the written objection, and, if applicable, the grounds for not making any amendments in response to the objection.

If, after reviewing all written objections and the City's responses, the City Council determines that the City may proceed with the protest process and public hearing, the URAC will hold the public hearing, determine whether a majority protest exists, and make a recommendation to the City Council regarding the water and wastewater rate updates. The URAC will not hold the public hearing until after the City Council has made its determination regarding the written objections. As such, if the City Council has not made a determination regarding objections by the date set for the public hearing, which was set forth in this Proposition 218 Public Hearing notice, the URAC shall open the public hearing and continue it to a date certain to provide the City Council with the necessary time to make determinations regarding the written objections.

LIMITATIONS FOR LEGAL CHALLENGES TO DRINKING WATER OR WASTEWATER RATES

You are hereby notified that, in order to file a judicial action or legal proceeding to challenge the proposed drinking water or wastewater rates described in this Notice, you must file a timely and valid written objection, and you must commence the action or proceeding within 120 days of the City's approval of the rates.

Failure to submit a timely written legal objection bars any right to challenge the proposed drinking water or wastewater rates through a judicial action or legal proceeding. (Government Code Section 53759.1(b).)

There is a 120-day statute of limitations for judicially challenging the drinking water or wastewater rates set forth in this Notice that runs from the date of the City action to approve the rates, and any legal action is limited to the issues raised in a timely legal objection (Government Code Section 53759).



NOTICE OF PUBLIC HEARING AND PROPOSED UTILITY RATE ADJUSTMENTS

(916) 808-5454 | utilitiesCS@cityofsacramento.org | 915 I Street, Sacramento, CA 95814

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LanguageAccess@cityofsacramento.org



Notice of Public Hearing and Proposed Utility Rate Adjustments

City of Sacramento
ATTN: City Clerk
915 I Street
Sacramento, CA 95814

City of
SACRAMENTO