



City of Colusa California

STAFF REPORT

DATE: August 2, 2022
TO: City of Colusa Mayor and Council Members
FROM: Jesse Cain, City Manager

AGENDA ITEM:

Subject: City of Colusa's sewer rate increase

Recommendation: Adopt resolution 22-____increasing the sewer rates 9% starting September 1, 2022.

BACKGROUND ANALYSIS:

The City of Colusa conducted a sewer rate analysis in May of 2018 and on July 17, 2018, the City of Colusa held a public hearing on the new proposed rate analysis. The City went through the required Prop 218 process and the new sewer rates was adopted.

In 2020, Covid-19 hit the world causing many things to shut down and many people were out of work. Accordingly, the City of Colusa reasonably chose not to implement the previously approved 9% sewer increase as the sewer budget was operating ok. We also did not increase the sewer rates in 2021 because I felt that the economy was still struggling, and people were still not back to work as they were pre-pandemic. Moreover, the Sewer budget was holding strong. If the city had increased the rates to what the public voted in, we would have seen a 15% increase over the last two years. Going through the budget and what is coming up in the next few years we need to raise the rates this year by 9% to be able to keep services intact. The currently adopted Prop 218 allows the City in increase the rates by 33.5% from the 2018-2019 rate structure without going through a new 218 process. I currently don't see the need to have to meet that kind of rate increase, but a reasonable 9% rate increase would keep the City in a good financial situation without significantly impacting rate payers.

BUDGET IMPACT: None

STAFF RECOMMENDATION. Adopt resolution 22-

ATTACHMENT: Resolution 22-

