



**CITY OF CRESCENT CITY**  
**NOTICE OF PUBLIC HEARING REGARDING**  
**PROPOSED CHANGES TO SEWER RATES**

Hearing Date & Time: Monday, June 1, 2026, 6:00 PM  
Hearing Location: Flynn Center Board Chambers  
981 H Street, Crescent City, California 95531

***Why are you receiving this notice?***

The City of Crescent City (City) is mailing this notice to you because you are a sewer customer or an owner of property that receives sewer service. This notice is being provided pursuant to California Constitution Article XIII D (also known as “Proposition 218”), which requires the City to notify property owners and customers of proposed changes to property-related fees, such as those for sewer service. This notice describes proposed changes to the rates for this service and provides information about a public hearing to be held on Monday, June 1, 2026, at the Flynn Center Board Chambers, 981 H Street, Crescent City, California 95531. If adopted, the proposed rates for sewer service will go into effect beginning July 1, 2026.

***What do the sewer service rates fund?***

The City owns and operates the City’s sewer collection system and the Crescent City Wastewater Treatment Plant (WWTP), which provides collection, treatment and disposal services for its residential and non-residential customers as well as treatment and disposal services for outside City customers in the surrounding County Service Area (CSA). Sewer flows generated by customers within the CSA are collected and conveyed to the Crescent City Wastewater Treatment Plant (WWTP). Since the CSA is a separate entity from the City and maintains its own sewer collection infrastructure, the CSA bills those customers directly for sewer collection services and the City bills CSA customers for treatment and disposal services only.

The City conducted the last sewer rate study more than 10 years ago and rates have not been increased since 2014. The purpose of a sewer rate study is to evaluate the current financial condition of the utility, examine the costs necessary to provide service to customers and determine the level of funding required from rates over the next five years to meet the projected costs. The result is a recommended plan that ensures the sewer utility meets projected financial obligations for operations and maintenance and capital infrastructure improvements, while maintaining sufficient reserves for cash flow management and emergencies. Currently, the City’s Sewer Fund is operating at a deficit and is not generating sufficient revenue to meet its financial obligations. Without the recommended rate increases, the City would continue to operate at a loss, which is projected to grow, and which would require even larger rate increases in the future.

The proposed monthly rates are based on a comprehensive sewer rate study and financial plan completed by an independent consultant. The rate structure was designed so that revenues derived from the proposed rates do not exceed the amount of revenue required for the City to provide the service, nor will revenue from the sewer rates be used for any purposes other than those for which

they are imposed. The amount of the proposed rates imposed on any parcel or person as an incidence of their property ownership will not exceed the proportional cost of the service attributable to such parcel; and no rate will be imposed for service unless that service is actually used by, or immediately available to, the property owner or customer in question. The sewer rate study prepared by the consultant is available for review by contacting the City Clerk (707-464-7483 ext. 12) or on the City's website at [www.crescentcity.org](http://www.crescentcity.org).

### ***Why are the sewer service rate changes needed?***

The sewer rate study and financial plan determined that the City's current monthly sewer rates are not sufficient to meet rising costs associated with system operations and maintenance, which like most costs, increase over time. These costs also include administrative support for operations, repair and replacement of aging system components, maintenance of adequate reserve fund levels, and capital improvement projects needed to ensure continued quality, uninterrupted sewer service and minimize the occurrence of sanitary sewer overflows. As mentioned previously, while these costs have grown annually over the past ten years, sewer rates have not changed to reflect those increases.

### ***How are monthly sewer service rates calculated?***

To develop sewer rates that generate sufficient revenue to meet the fiscal and policy objectives of the City, a determination of the annual revenue requirement from sewer rates was completed. As previously mentioned, the revenue requirement includes projected expenditures for operations, maintenance, inspections, repair and replacement of aging system components, equipment, and planned capital projects.

The revenue requirement also includes designated reserves. Maintaining appropriate reserve funds is critical to the ability of the City to serve its customers and respond to unforeseen and unpredictable events and costs. The reserves, like all elements of the sewer charges, may only be used to fund costs associated with the sewer system.

The revenue requirements were compared to the total sources of available funds under existing rates during each year of the forecast period to determine the adequacy of projected revenues to meet those requirements. Where a shortage of revenue was found, a series of revenue adjustments were calculated, which if implemented, will provide sufficient revenue to meet those needs. Following is a description of the proposed sewer rates.

### ***What are the proposed monthly sewer service rates?***

The City is proposing to implement new sewer rates as a series of annual adjustments starting on July 1, 2026, and then each July 1 thereafter until July 1, 2030. The following section summarizes the proposed sewer rates which will go into effect and remain in effect until superseded by Council action.

**Proposed Monthly Sewer Rates  
July 1, 2026 – July 1, 2030**

Description	Existing Rates	Projected for Fiscal Year Beginning July 1				
		2026	2027	2028	2029	2030
<b>Monthly Fixed Charge: Inside <sup>[1]</sup></b>						
Residential Flat Rate	\$ 72.21	\$ 98.06	\$ 110.32	\$ 117.49	\$ 123.95	\$ 130.15
Multi-Family	\$ 41.90	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
Light Commercial	\$ 44.75	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
Heavy Commercial	\$ 70.10	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
Combined Residential/Light Commercial (Mixed Use)	\$ 116.96	\$ 121.84	\$ 137.07	\$ 145.98	\$ 154.01	\$ 161.71
Combined Residential (2) / Light Commercial (Mixed Use)	\$ 189.17	\$ 267.14	\$ 300.53	\$ 320.06	\$ 337.66	\$ 354.55
Industrial Pretreatment	\$ 72.21	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
<b>Volumetric Rates Per 100 Cubic Feet (CCF): Inside <sup>[2]</sup></b>						
Residential Flat Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family	\$ 8.38	\$ 10.17	\$ 11.45	\$ 12.19	\$ 12.86	\$ 13.50
Light Commercial	\$ 8.95	\$ 10.95	\$ 12.32	\$ 13.12	\$ 13.84	\$ 14.54
Heavy Commercial	\$ 14.02	\$ 23.39	\$ 26.32	\$ 28.03	\$ 29.57	\$ 31.05
Combined Residential/Light Commercial (Mixed Use)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Combined Residential (2) / Light Commercial (Mixed Use)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial Pretreatment	\$ 2.00	\$ 4.62	\$ 5.20	\$ 5.54	\$ 5.84	\$ 6.14
<b>Monthly Fixed Charge: Outside <sup>[1] [3]</sup></b>						
Residential Flat Rate	\$ 63.14	\$ 79.60	\$ 89.55	\$ 95.37	\$ 100.62	\$ 105.65
Multi-Family	\$ 36.75	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
Light Commercial	\$ 39.60	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
Heavy Commercial	\$ 64.90	\$ 43.29	\$ 48.71	\$ 51.87	\$ 54.73	\$ 57.46
Combined Residential/Light Commercial (Mixed Use)	\$ 102.74	\$ 75.56	\$ 85.00	\$ 90.53	\$ 95.50	\$ 100.28
<b>Volumetric Rates Per 100 Cubic Feet (CCF): Outside <sup>[2] [3]</sup></b>						
Residential Flat Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family	\$ 7.35	\$ 7.00	\$ 7.87	\$ 8.38	\$ 8.85	\$ 9.29
Light Commercial	\$ 7.92	\$ 7.78	\$ 8.75	\$ 9.32	\$ 9.83	\$ 10.32
Heavy Commercial	\$ 12.98	\$ 20.22	\$ 22.74	\$ 24.22	\$ 25.55	\$ 26.83
Combined Residential/Light Commercial (Mixed Use)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Notes:**  
 [1] All "Residential" and "Mixed Use" customers only pay a monthly flat fee regardless of usage.  
 [2] Under the existing rates, 500 cubic feet of usage is included in the monthly fixed charge. Therefore, customers who are billed for usage do not pay a volumetric rate per CCF until their usage exceeds 500 cubic feet. Under the proposed rates, usage is no longer included in the monthly fixed charge and customers will pay the volumetric rate per CCF for all usage.  
 [3] County customers pay the City for treatment services only. Collection services are provided by and billed separately by the County.

**What will be the impact on your sewer bill?**

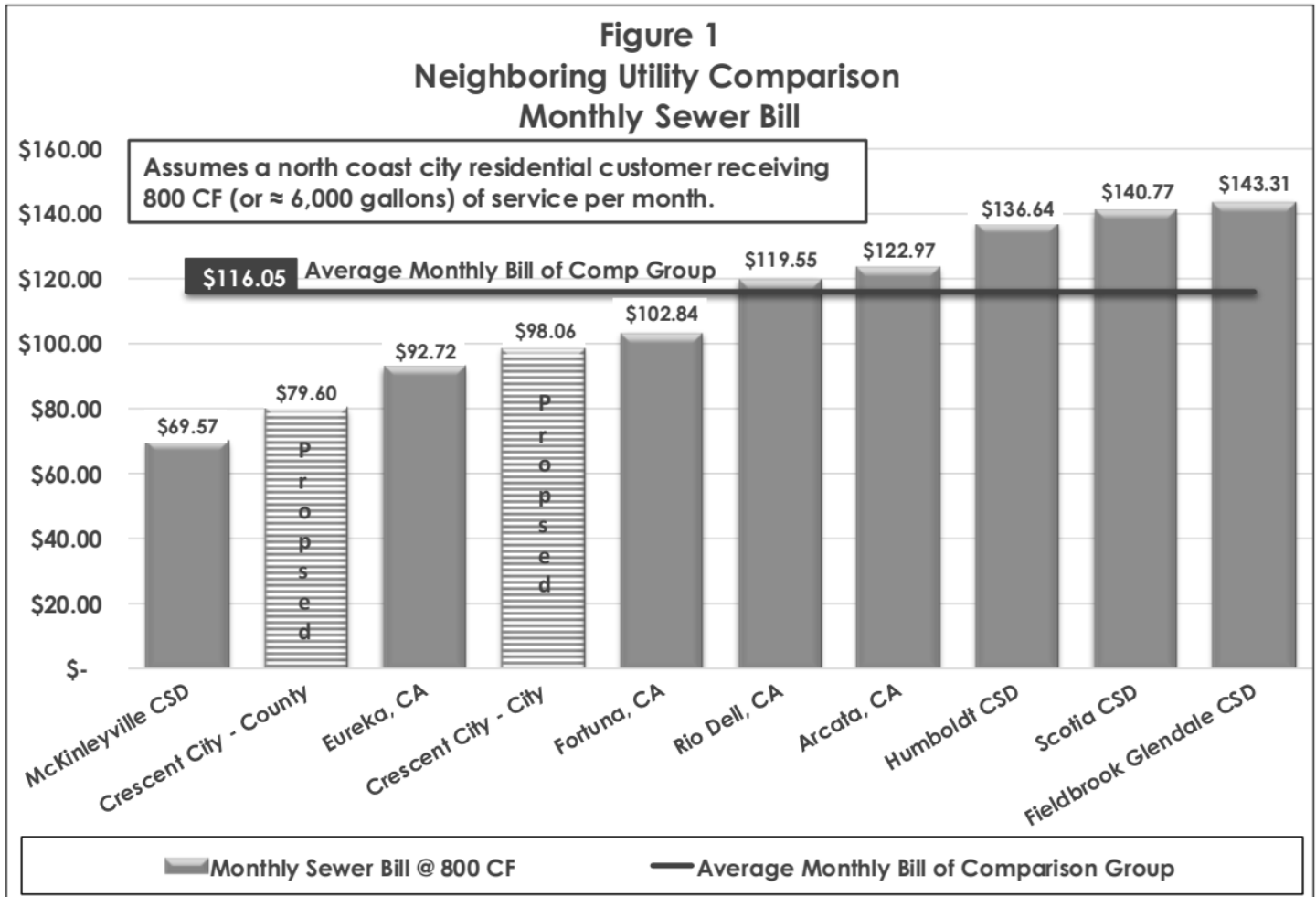
Per the proposed rates, effective July 1, 2026, the monthly sewer charge for a single-family residential customer residing within City limits would increase from the current \$72.21 to \$98.06 per month. The proposed rates for outside City customers in the surrounding County Service Area (CSA) reflect the costs for treatment and disposal services only, and are slightly lower, as collection services are provided and billed directly by the County. The monthly sewer charge for a single-family residential customer who resides outside the City limits would increase from the current \$63.14 to \$79.60 per month.

The **monthly impact** of these changes on a single-family residential customer is shown below:

Residential Customer Location	Current Sewer Charge	Proposed Sewer Charge	Monthly Increase (\$)
Inside City	\$ 72.21	\$ 98.06	\$ 25.85
Outside City (CSA)	\$ 63.14	\$ 79.60	\$ 16.46

**How do City sewer rates compare to other sewer service providers in the region?**

The City has one of the lowest rates among comparable sewer systems and even with the increases proposed, we will remain one of the lowest. The following figure presents a survey of monthly sewer bills for other sewer service providers in the region. Even with proposed July 1, 2026 rate increases, the average City bill will remain substantially lower than most other sewer service providers in the survey.



### ***How do you file a protest or participate in the public hearing?***

The City will consider the new sewer rates at a Public Hearing on Monday, June 1, 2026, at 6:00 p.m. at the Flynn Center Board Chambers, 981 H Street, Crescent City, California 95531. You are invited to present oral or written testimony at the Public Hearing. ***Any property owner or sewer customer of record of a parcel subject to the proposed rates may submit a written protest against the proposed rate increases. If written protests are filed for a majority of the affected parcels, the proposed rate increases will not be adopted. If you do not object to the proposed rate revisions, you do not need to take any action.***

Written protests must include the following: (1) a statement indicating that the identified property owner or customer of record is in opposition to the proposed sewer rate changes; (2) the street address or Assessor's Parcel Number (APN) for the parcel(s) with respect to which the protest is made; and (3) the printed name and signature of the property owner or customer submitting the protest.

If you own more than one parcel that receives sewer service, you will likely only receive one copy of this notice. However, you can submit a protest for each parcel that you own. You must follow the above instructions for each individual parcel.

Written protests must be mailed, or hand delivered, to the Office of the City Clerk at 377 J Street, Crescent City, California 95531, prior to 4:00 p.m. on June 1, 2026, or hand delivered to the City Clerk at the Public Hearing on June 1, 2026 before the conclusion of the Public Hearing. Protests submitted via e-mail or other electronic means will not be accepted. For any written protest, whether mailed or submitted in person to the City Clerk, please identify on the front of the envelope that the enclosed protest is for the Public Hearing on the Proposed Rate Changes – Sewer Rates.

The City Council will hear and consider all written and oral protests related to the proposed rate changes at the Public Hearing. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. Upon the conclusion of the Public Hearing, there will be no more written protests accepted and no more testimony taken, and the City Council will consider adoption of the proposed rates for sewer service described in this notice. If written protests, as outlined above, are not presented on behalf of a majority of the parcels receiving sewer service (by either property owners or customers of record), the City Council will be authorized to adopt the proposed rates. While both property owners and customers of record may submit written protests, only one protest will be counted for each parcel. If adopted, the rates for sewer service will go into effect beginning **July 1, 2026**.

In accordance with Government Code Section 53759, there is a 120-day statute of limitations to challenge in court any new, increased, or extended fee or charge, commencing from the later of the effective date of the new rates or of the date of the final passage, adoption, or approval of the ordinance adopting the new rates.