



City of Arcata
736 F Street
Arcata, CA 95521

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CURRENT RESIDENT

Important information about your WATER and WASTEWATER account!



Notice of Public Hearing on Proposed Water and Wastewater (Sewer) Rate Increases

Public Hearing: April 15, 2026, Arcata City Hall, 736 F Street, Arcata, CA 95521
Meeting starts at 6:00 p.m.

The City of Arcata (“City”) is proposing water and wastewater (sewer) rate increases over the next five years to support operating and maintenance needs and provide adequate funding for capital improvements that will support safe and reliable utility services. Customers, property owners, and community members are invited to attend the public hearing in person or observe the meeting on Zoom for an opportunity to participate, learn the details of, and comment on the proposed rate changes.

What do water and wastewater rates fund?

The City provides water and wastewater services to residences and businesses in Arcata and the surrounding area. These utilities are self-supporting and rely on service charge revenue to meet annual funding needs. As such, water and wastewater rates need to be set at levels adequate to fund the costs of providing service. All revenues generated from utility bills are used to maintain and operate the water and wastewater systems and cannot be used for any other purpose. The revenues must be sufficient to meet system costs such as utility staffing, raw water purchases, electricity, treatment, system maintenance, and capital improvement costs.

The proposed rates are based on the 2025 Water and Wastewater Rate Study developed by Bartle Wells Associates independent rate consultants and reflect input from City staff. The proposed rate increases are phased in over the next five years, with the first rate increase scheduled to become effective for services provided on and after May 1, 2026. Initial bill impacts will vary based on customer class and usage due to rate structure adjustments realigning rates with the cost of service. The rates shown on this Notice are the proposed maximum rates to be authorized. The City will periodically review its financial position to determine the necessary rate increases.

Capital Improvement Needs and Rehabilitation of Aging Infrastructure

The City takes a proactive approach to maintaining its water and wastewater systems which requires a steady stream of repair, improvement, and replacement projects. For example, when pipes become weak, damaged, or are simply old, they are in danger of breaking and resulting in failures that can cause property damage and result in expensive emergency repairs. Arcata staff plans for and schedules improvements by strategically identifying pipelines and other critical system infrastructure most in need of repair. The City actively pursues grant funding opportunities to help offset capital improvement costs, whenever available.

How to Learn More:

The City will hold an open house informational meeting at the D Street Neighborhood Center, 1301 D Street, Arcata, CA 95521, on February 25, 2026, at 5:30 p.m. for residents and businesses to come and learn more about the capital improvement plans and how rates were developed for the water and wastewater utilities.

You can also view a copy of the 2025 Water and Wastewater Rate Study at:
<https://www.cityofarcata.org/1157/Arcata-2025-Water-and-Wastewater-Rate-St>

Proposed Maximum Water Rates:

The City is proposing to phase in a series of annual water rate increases over the next five years with the maximum allowable rates being those shown in the table below. Water rate increases are needed to support water system operating expenses, provide adequate funding for maintenance of facilities and equipment, meet annual debt service funding requirements, keep up with cost inflation, and help ensure continued compliance with regulatory requirements. The proposed water rates also help support high-priority capital improvements for the aging water system infrastructure to support safe and reliable service.

The components of the proposed water rates are as follows:

- **Use Charges:** As proposed, all customers will be billed a uniform rate for all water use. Water volumetric charges are billed in units of 100 cubic feet.
- **Fixed Charges:** These charges are levied independently of water use and are based on the size of each customer’s water meter.

Current and Proposed Water Rates	2025/26 Current	5/1/2026 Proposed	1/1/2027 Proposed	1/1/2028 Proposed	1/1/2029 Proposed	1/1/2030 Proposed
Rate Revenue Increase		23.0%	18.0%	12.0%	10.0%	10.0%

Volumetric Rates per Hundred Cubic Feet (HCF) of Water Use

All Water Use	\$7.15	\$8.83	\$10.42	\$11.67	\$12.83	\$14.12
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Fixed Monthly Rates by Meter Size (\$ / meter / month)

Meter Size

5/8” and 3/4”	\$12.23	\$15.42	\$18.19	\$20.37	\$22.41	\$24.65
1”	20.43	25.74	30.38	34.02	37.42	41.17
1 ½”	40.73	51.33	60.57	67.84	74.63	82.09
2”	65.19	82.16	96.95	108.59	119.45	131.39
3”	122.31	154.15	181.90	203.73	224.10	246.51
4”	203.89	256.97	303.23	339.61	373.58	410.93
6”	407.65	513.79	606.27	679.03	746.93	821.62
8”	652.27	822.10	970.07	1,086.48	1,195.13	1,314.64
10”	937.74	1,181.89	1,394.63	1,561.98	1,718.18	1,890.00

Note: Outside City customers are currently charged 1.5 times the monthly fixed charge. Going forward, Outside City customers will pay the same as Inside City Customers.

Proposed Maximum Wastewater Rates:

The City is proposing to phase in a series of annual wastewater rate increases over the next five years with the maximum allowable rates as shown on the table below. Wastewater rate increases are needed to support wastewater systems operating expenses, provide adequate funding for maintenance of facilities and equipment, meet annual debt service funding requirements, and help ensure continued compliance with regulatory requirements. The proposed wastewater rates also help support high-priority capital improvements for the aging sewer collection system pipelines, sewer lift stations, and the wastewater treatment plant to support safe and reliable service.

Based on the characteristics of their customer class, and to better align rates with the current cost of service, the City is proposing to transition to a flat, per unit fixed monthly charge for all residential customers and to establish a monthly fixed charge for commercial customers. Initial bill impacts will vary based on customer class and usage due to rate structure adjustments realigning rates with the cost of service. The rates shown on the following page are the proposed maximum rates to be authorized.



Wastewater User	Current	7/1/2026 Proposed	7/1/2027 Proposed	7/1/2028 Proposed	7/1/2029 Proposed	7/1/2030 Proposed
Rate Increase %		0.0%	0.0%	5.0%	5.0%	5.0%
Residential – Fixed Monthly Rates per Dwelling Unit (\$ / dwelling / month)						
Single Family	\$77.61	\$82.31	\$82.31	\$86.43	\$90.75	\$95.29
Multi Family	n/a	67.44	67.44	70.81	74.35	78.07
Residential – Volumetric Rates per Hundred Cubic Feet (HCF) of Water Use Greater than 4 HCF						
Single Family	\$11.34	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commercial – Volumetric Rates per Hundred Cubic Feet (HCF) of Water Use Greater than 4 HCF						
Low Strength	\$9.88	\$11.91	\$11.91	\$12.51	\$13.13	\$13.79
Medium Strength	12.01	14.59	14.59	15.32	16.09	16.89
High Strength	20.14	20.24	20.24	21.25	22.31	23.43
Commercial – Fixed Monthly Rate per Connection (\$ / connection / month)						
Low Strength	\$81.05	\$47.64	\$47.64	\$50.02	\$52.52	\$55.15
Medium Strength	81.05	58.38	58.38	61.29	64.36	67.58
High Strength	81.05	80.95	80.95	84.99	89.24	93.71

Note: Current Single-Family Fixed Monthly Rate includes 4 HCF. Proposed rates are fixed with no volumetric charge. Multi-Family rate applies to residential connections with two or more dwelling units.

Community Input and Written Protest Procedures:

Customers and property owners may submit written protests against the proposed rate increases. Pursuant to California law, protests must be submitted in writing and must a) identify the affected property or properties, such as by service address or Assessor’s Parcel Number, b) include the name and original signature of the customer or property owner submitting the protest, and c) indicate opposition to the proposed rate increases. The proposed rates cannot be adopted if written protests are received from a majority (more than 50%) of parcels subject to the proposed water and wastewater rates. Written protests can be mailed to City Clerk, City of Arcata, 736 F Street, Arcata, CA 95521 or hand delivered to the City Clerk during the Public Hearing at Arcata City Hall on April 15, 2026. Written protests must be received by the City Clerk before the close of the Public Hearing to be counted. Protests or comments submitted by e-mail, fax or other electronic means are not counted as written protests. One written protest will be counted for each parcel that is mandated to comply with the proposed rates. If there is a majority protest filed from affected properties, the proposed rate changes cannot be imposed.

Pursuant to California Government Code 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fees. This statute of limitations applies to the water and wastewater service charges proposed in the Notice and future changes to water and wastewater rates and charges.