



*"Preserving Our Past, Enriching Our Present, Building Our Future"*

33 Broadway, Jackson, CA 95642-2301  
(209) 223-1646 / Fax (209) 223-3141  
e-mail: [cinfo@ci.jackson.ca.us](mailto:cinfo@ci.jackson.ca.us)

---

Dear Jackson Utility Customers,

The City of Jackson is committed to providing safe and sustainable water and sewer services to our customers. Fair and reasonable rates provide revenues for the services our customers expect.

Jackson's last water rate change was in 2009. The City purchases wholesale treated water from the Amador Water Agency and distributes through the city's pipelines to each customer. AWA has increased their wholesale water rate a few times since 2008. Jackson has not been able to keep up with these changes. The City's water fund has been seeing deficits.

The last sewer rate change was in July 2016. The new rates have not been able to support operation needs. Many factors have contributed to the deficiency. The new rates have gone through a two-year delay before they were adopted and when they were adopted, they were lower than what the professional study has proposed.

In addition to insufficient rates, State and Federal requirements on sewer discharge have become more stringent which leads to higher expenses. The City had spent approximately \$1 million to address State permitting requirements in the last few years. Last year, the City's sewer treatment plant was also approved for a \$12 million infrastructure project to better the quality of sewer discharge. This is paid by a low interest loan issued by the State. It was discovered that the City's fund reserve does not meet the loan payment requirement. City Council discussed this issue at the February 26 special council meeting. Detailed information is contained in the meeting packet which is available on website (under council meetings).

The City also adopted a Sanitary System Management Plan (SSMP) to address collection system deficiencies which are also known as "inflow and infiltration" problems. The plan requires \$200,000 a year to repair or improve sewer lines, manholes, and lift stations. This expense was not included in current rates.

Unforeseen events have also contributed to reduction of fund balances. Jackson experienced severe damages in 2017's winter storms. One of them was the collapse of the access road to the City's sewer plant (the road is located behind Mel & Faye's Restaurant). City spent over \$600,000 to repair storm damages.

To conclude, unforeseen events and State regulations are costly to manage. The City has not had sustainable revenues that are able to address the rising costs. The City's water and sewer funds and reserves have depleted. City Council and Staff have looked into ways to reduce expenditure as much as possible. We also began professional studies to find recommendations on how to boost revenues and build necessary reserves. We want to keep you informed.

Jackson City Council and Staff understand that utility rates are an important subject for our customers and residents. Please feel free to contact City Council and the City Manager if you have any questions. Their contact information is listed on the City website under government/city council. You can also email [cinfo@ci.jackson.ca.us](mailto:cinfo@ci.jackson.ca.us).

Yvonne Kimball, City Manager