

## **NOTICE OF PUBLIC HEARING**

## **Proposed Increase** to Water Rates

The City of San Diego is proposing changes that will affect your water bill.

### **Public Hearing Information**

A public hearing will be held on proposed maximum increases to water pass-through charges to go into effect May 1, 2025.

The public hearing will be held March 4, 2025 at 2 p.m. at Council Chambers, 202 C St., 12th Floor, San Diego, CA 92101

The City Council will hear and consider oral testimony and written materials submitted regarding the proposed rate increases at the hearing. The City Council will have the authority to make adjustments to the proposed rate increases in response to oral testimony and written materials submitted for consideration. Only formal written protests will be considered under the City's Proposition 218 protest tabulating procedures and must be received before the close of the public hearing either in person at the public hearing or via mail to City Clerk, 202 C St., MS 2P, San Diego, CA 92101.

# You have the right to protest the proposed rate increases.

Written protests must contain a statement of opposition to the rate increase, the property assessor parcel number or property address and the name and signature of the property owner or utility customer of record registering the protest. Only one protest will be counted for each parcel or address. Electronic protests (email, social media messages, etc.) will not qualify as written protests under state requirements. Per state law, the public hearing will be televised on City TV and simulcast on the City's website at sandiego.gov/citytv. More information about Council meeting access and public comment is available online at sandiego.gov/ city-clerk/officialdocs/council-agendas-minutes-results. Oral comments at the public hearing will be considered by the City Council but will not qualify as formal protests unless accompanied by a written protest. If, at the close of the public hearing, written protests against the rate increase for the pass through charges are not presented by a majority of property owners or tenants responsible for paying the utility bills, the City Council will consider and may adopt a resolution authorizing the proposed rate increases to pass through increases in water purchasing costs from the San Diego County Water Authority (SDCWA). If adopted, a rate increase not to exceed 5.5% as shown in the tables provided in this notice will be effective on May 1, 2025.

Under Government Code Section 53759 there is a 120-day statute of limitations for challenging any new, increased, or extended water and sewer fee or charge. Any judicial action or proceeding to challenge the resolution adopting the proposed fees or charges must be commenced within 120 days of the effective date or of the date of the final passage, adoption, or approval of the resolution, whichever is later.

Council Chambers are open for in-person testimony. For more information, please visit: sandiego.gov/city-clerk/officialdocs/council-agendas-minutes-results.

#### **IMPORTANT INFORMATION ABOUT YOUR RIGHTS**

This notice is being provided to you by the City of San Diego Public Utilities Department pursuant to California Constitution Article XIIID (also known as "Proposition 218"). Under the terms of Proposition 218, the City is required to notify the property owners of record of proposed changes to property–related fees, such as water and wastewater. This serves as notice that the City Council will conduct a public hearing, at the time, date and location specified above, to consider recommended adjustments to the City's water service rates and charges. If approved, the proposed adjustments will first appear on bills beginning in May 2025. All members of the public are invited to attend the public hearing. Additionally, under California state law, all property owners and customers of record may submit a written protest to the proposed rate changes. Mailed protests must be received by March 4, 2025. Only one protest per parcel is permitted. All written protests will be verified. You may also appear at the public hearing at the date and time specified above. More information is available online at: sandiego.gov/rate-adjustments.



This document is available in

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Written protests must be mailed in an envelope or delivered to: City Clerk	k, 202 C St., MS 2P, San Diego, CA 92101.
I	oppose the proposed rate increases.
Assessor's Parcel Number or Address:	
Signature:	_



## **Proposed Water Pass-Through Rates**

San Diego relies heavily upon imported water from Northern California and the Colorado River. The City historically has purchased approximately 85% to 90% of its annual water needs from SDCWA. Historically, SDCWA increases water rates annually. These increases are based on SDCWA costs for infrastructure, operations, maintenance and other costs required to obtain water on behalf of member agencies. SDCWA incorporates all its costs into its water charges which are passed through to member agencies, like the City of San Diego.

The City's water rates approved by the City Council in September 2023 assumed a 2025 SDCWA rate increase of 7.2%, based on SDCWA's rate projections at that time. Subsequently, on July 25, 2024, SDCWA adopted adjustments to the fixed and variable rates they charge the City of San Diego and other local water agencies. Ultimately, the SDCWA Board passed a rate increase of 14%. As a result of this significant increase in SDCWA's 2025 rates, the Public Utilities Department does not have sufficient revenue. To maintain the financial stability of the City's water utility and ensure adequate cost recovery, the City must adjust rates to account for anticipated increases in water purchase costs from SDCWA. The Public Utilities Department is requesting the authority to increase the fixed monthly service charge and water commodity rates for all potable water customers up to a maximum of 5.5% effective May 1, 2025. At least 30 days prior to the effective date of an automatic pass-through adjustment, the City will provide customers written notice of the adjustment.

Note: The City bills most of its single-family residential customers on a bimonthly basis. This means each bill these customers receive includes charges for two months of service.

<b>Current and Maximum Proposed Water Monthly Service Charge</b>				
Meter Size	Jan. 1, 2025 Charge	May 1, 2025 Charge with Pass-Through Increase		
5/8", 3/4"	\$27.33	\$28.84		
1"	\$44.19	\$46.63		
1.5"	\$86.32	\$91.07		
2"	\$136.89	\$144.42		
3"	\$313.87	\$331.14		
4"	\$524.56	\$553.42		
6"	\$1,215.63	\$1,282.49		
8"	\$1,864.57	\$1,967.13		
10"	\$3,541.69	\$3736.49		
12"	\$4,468.74	\$4,714.53		
16"	\$6,575.68	\$6,937.35		

Current and Maximum Proposed Water Commodity Rates				
Customer Class		Jan. 1, 2025 Charge	May 1, 2025 Charge with Pass-Through Increase	
Single Family Residential				
Tier 1	(\$/HCF)	\$6.95	\$7.34	
Tier 2	(\$/HCF)	\$7.87	\$8.31	
Tier 3	(\$/HCF)	\$9.91	\$10.46	
Multi-Family Residential	(\$/HCF)	\$8.17	\$8.62	
Commercial/Industrial/Outside City	(\$/HCF)	\$7.97	\$8.41	
Irrigation	(\$/HCF)	\$9.37	\$9.89	
Temporary Construction	(\$/HCF)	\$8.98	\$9.48	

Current and Maximum Proposed Fireline Monthly Service Charge		
Meter Size	Jan. 1, 2025 Charge	May 1, 2025 Charge with Pass-Through Increase
1"	\$2.52	\$2.66
1.5"	\$3.42	\$3.61
2"	\$4.99	\$5.27
3"	\$10.60	\$11.19
4"	\$20.26	\$21.38
6"	\$54.94	\$57.97
8"	\$114.79	\$121.11
10"	\$204.79	\$216.06
12"	\$329.54	\$347.67
16"	\$699.95	\$738.45
20"	\$1,257.11	\$1,326.26