

RESOLUTION NO. 2023-131

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, ESTABLISHING NEW WATER, WASTEWATER, AND RECYCLED WATER SERVICE RATES, CHARGES AND FEES; AUTHORIZING FUTURE PASS THROUGH OF WHOLESALE WATER AND INFLATION CHARGES; AND AUTHORIZING PASS-THROUGH OF FUTURE SDCWA VOLUME CHARGE INCREASES

WHEREAS, the Escondido Municipal Code authorizes the City Council to set and adjust water, wastewater, and recycled water rates and service charges from time to time by duly adopted resolution; and

WHEREAS, the City Council previously directed staff to review and analyze the costs of providing water and wastewater services related to such fees on a regular basis; and

WHEREAS, staff thoroughly analyzed the cost of providing water, wastewater, and recycled water services related to such fees and has provided such analysis to the City Council; and

WHEREAS, City staff held a community meeting, and the City Council has conducted a public hearing and has considered comments and input from interested parties; and

WHEREAS, forty-five days prior to the public hearing, the proposed fees were noticed to all water, wastewater, and recycled water customers in accordance with California Proposition 218; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to establish new rates and fee schedules for January 1, 2024 through January 1, 2028; and

WHEREAS, Section 53756 of the Government Code provides in relevant part that "An agency providing water, wastewater, sewer or refuse collection service may adopt a schedule of fees or charges

authorizing automatic adjustments that passthrough increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation” under specific circumstances; and

WHEREAS, Section (a) of Government Code Section 53756 allows the City to adopt the schedule of fees or charges and inflationary adjustments for a period up to five years; and

WHEREAS, Section (d) of Government Code Section 53756 requires notice of any adjustment pursuant to the schedule shall be given not less than 30 days before the effective date of the adjustment; and

WHEREAS, the City Council desires at this time and deems it to be in the public interest to allow automatic adjustments that pass-through the adopted increases or decreases in the wholesale charges for water, and provides a specific formula for inflationary adjustments.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A,” attached to this resolution and incorporated by this reference, will supersede all prior rates and fees for services as set forth on Exhibit “A.”
3. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for January of 2024 will be effective for all charges that become due on or after January 1, 2024.
4. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for July of 2024 will be effective for all charges that become due on or after July 1, 2024.

5. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for January of 2025 will be effective for all charges that become due on or after January 1, 2025.

6. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for July of 2025 will be effective for all charges that become due on or after July 1, 2025.

7. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for January of 2026 will be effective for all charges that become due on or after January 1, 2026.

8. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for July of 2026 will be effective for all charges that become due on or after July 1, 2026.

9. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for January of 2027 will be effective for all charges that become due on or after January 1, 2027.

10. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for July of 2027 will be effective for all charges that become due on or after July 1, 2027.

11. That the water, wastewater, and recycled water rates and fees set forth in Exhibit “A” for January of 2028 will be effective for all charges that become due on or after January 1, 2028.

12. That water, wastewater, and recycled water rate and fee adjustments for years beyond June 30, 2028 will be noticed according to Proposition 218 requirements and will be brought before Council for a public hearing.

13. That the Agriculture Use Rate accounts for discounts from the San Diego County Water Authority Permanent Special Agriculture Water Rate (“PSAWR”) and the City of Escondido Agriculture Discount.

14. That the City of Escondido Agriculture Discount shall only apply to customers participating in the San Diego County Water Authority's Special Agricultural Water Rate program.

15. That the City Council hereby authorizes automatic adjustments that pass through increases and decreases in the wholesale charges for water, if prescribed conditions are met, including, but not limited to, the schedule of fees or charges does not exceed a period of five years and that the schedule has been adopted pursuant to existing law; and that such automatic adjustment include adjustments to the Metropolitan Water District's Readiness to Serve Charge; the San Diego County Water Authority's Infrastructure Access Charge, MWD Capacity charge, Supply Reliability, Customer Service, and Emergency Storage charges; and the San Diego County Water Authority's volume based charges for imported water deliveries to the City of Escondido.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Escondido at a regular meeting thereof the 18<sup>th</sup> day of OCTOBER, 2023 by the following vote to wit:

AYE : Councilmembers: GARCIA, GARCIA, MARTINEZ, MORASCO

NOES : Councilmembers: WHITE

ABSENT : Councilmembers: NONE

APPROVED:

DocuSigned by:  
*Dane White*  
19FFE5DB8C3B409...  
DANE WHITE, Mayor of the  
City of Escondido, California

ATTEST:

DocuSigned by:  
*Zack Beck*  
A58535D0BDC1430...  
ZACK BECK, City Clerk of the  
City of Escondido, California

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**EXHIBIT "A"****POTABLE WATER RATES – VOLUMETRIC USE (PER 1,000 GALLONS / MONTHLY CHARGE)**

	<i>Current Tier</i>	<i>Proposed</i>	<b>Current Rate</b>	<b>January 1, 2024</b>	<b>January 1, 2025</b>	<b>January 1, 2026</b>	<b>January 1, 2027</b>	<b>January 1, 2028</b>
	<i>1,000 gal</i>							
<b>Single Family Residential</b>								
Tier 1	0 – 7	0 – 7	\$7.61	\$8.34	\$9.09	\$9.90	\$10.67	\$11.49
Tier 2	7 – 15	7 – 14	\$9.87	\$9.70	\$10.43	\$11.22	\$11.95	\$12.73
Tier 3	15 +	>14	\$11.22	\$10.33	\$11.11	\$11.95	\$12.73	\$13.56
<b>Residential/Agricultural Use</b>								
Tier 1	0 – 7	0 – 7	\$7.44	\$8.34	\$9.09	\$9.90	\$10.67	\$11.49
Tier 2	7 +	>7	\$10.11	\$9.86	\$10.60	\$11.40	\$12.15	\$12.94
<b>Multi-Family Residential</b>								
Tier 1	0 – 5	0 – 5	\$7.52	\$8.31	\$9.11	\$9.98	\$10.81	\$11.70
Tier 2	5 – 7	>5	\$9.48	\$9.72	\$10.45	\$11.24	\$11.98	\$12.76
Tier 3	7 +	Eliminated	\$10.50	--	--	--	--	--
<b>Commercial, Industrial &amp; School</b>			\$9.24	\$9.42	\$10.13	\$10.89	\$11.60	\$12.36
<b>Irrigation &amp; Landscape Maintenance District (LMD)</b>			\$9.73	\$9.79	\$10.53	\$11.32	\$12.06	\$12.85
<b>SD Zoo Safari Park</b>			\$10.00	\$9.42	\$10.13	\$10.89	\$11.60	\$12.36
<b>Special Unfiltered</b>			\$8.18	\$8.20	\$8.82	\$9.49	\$10.11	\$10.77
<b>Agricultural Use (PSAWR) Tier 1</b>		0 -17	\$5.58	\$6.25	\$6.96	\$7.72	\$8.45	\$9.23
<b>Agricultural Use (PSAWR) Tier 2</b>		> 17	\$5.58	\$6.10	\$6.64	\$7.22	\$7.77	\$8.36

**WATER AVAILABILITY SERVICE (MONTHLY CHARGE)**

<b>Meter Size</b>	<b>Current Rate</b>	<b>January 1, 2024</b>	<b>January 1, 2025</b>	<b>January 1, 2026</b>	<b>January 1, 2027</b>	<b>January 1, 2028</b>
5/8" and 3/4"	\$47.34	\$52.38	\$56.31	\$60.54	\$64.48	\$68.68
1"	\$74.37	\$77.55	\$83.37	\$89.63	\$95.46	\$101.67
1 1/2"	\$140.86	\$140.43	\$150.97	\$162.30	\$172.85	\$184.09
2"	\$224.05	\$253.62	\$272.65	\$293.10	\$312.16	\$332.46
3"	\$472.22	\$561.74	\$603.88	\$649.18	\$691.38	\$736.32
4"	\$839.41	\$957.90	\$1,029.75	\$1,106.99	\$1,178.95	\$1,255.59
6"	\$1,818.72	\$2,026.93	\$2,178.95	\$2,342.38	\$2,494.64	\$2,656.80
8"	\$3,116.54	\$3,536.13	\$3,801.34	\$4,086.45	\$4,352.07	\$4,634.96
3/4" x 3"	\$502.37	\$561.74	\$603.88	\$649.18	\$691.38	\$736.32
1" x 4"	\$875.60	\$957.90	\$1,029.75	\$1,106.99	\$1,178.95	\$1,255.59
1 1/2" x 6"	\$1,907.51	\$2,026.93	\$2,178.95	\$2,342.38	\$2,494.64	\$2,656.80
3/4" x 3" x 6"	\$1,920.95	\$2,026.93	\$2,178.95	\$2,342.38	\$2,494.64	\$2,656.80
1" x 4" x 8"	\$3,257.13	\$3,536.13	\$3,801.34	\$4,086.45	\$4,352.07	\$4,634.96
2" x 6"	\$1,913.42	\$2,026.93	\$2,178.95	\$2,342.38	\$2,494.64	\$2,656.80
2" x 8"	\$3,231.81	\$3,536.13	\$3,801.34	\$4,086.45	\$4,352.07	\$4,634.96
Detector Check	\$67.01	\$47.44	\$51.00	\$54.83	\$58.40	\$62.20

**WASTEWATER RATES – RESIDENTIAL (MONTHLY CHARGE)**

Customer Class	Unit	Current Rate	January 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
FIXED MONTHLY (ALL CLASSES)	\$/month per unit	\$25.90 (fixed)	\$6.37	\$6.69	\$7.03	\$7.32	\$7.54
Single Family Residential	\$/1,000 gallon*	\$5.14	\$8.55	\$8.98	\$9.43	\$9.81	\$10.11
Multi-Family Dwelling	\$/1,000 gallon*	\$4.20	\$8.55	\$8.98	\$9.43	\$9.81	\$10.11
Mobile Homes	\$/1,000 gallon*	\$2.58	\$8.55	\$8.98	\$9.43	\$9.81	\$10.11

\*Water usage during winter months is used to calculate residential volumetric wastewater rates

**WASTEWATER RATES – COMMERCIAL / INDUSTRIAL (MONTHLY CHARGE)**

Customer Class	Unit	Current Rate	Proposed Category	January 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
FIXED MONTHLY (ALL CLASSES)	\$/month per unit	\$25.90		\$6.37	\$6.69	\$7.03	\$7.32	\$7.54
Carwash		\$7.58						
Hotel/Motel without Dining		\$9.04						
Repair Shop/Service Station		\$7.96						
Laundromat	\$/1,000 gallon*	\$8.11	Low	\$7.22	\$7.59	\$7.97	\$8.29	\$8.54
Hospital		\$8.71						
All Other Commercial		\$9.21						
Hotel/Motel with Dining		\$13.08						
Commercial Laundry	\$/1,000 gallon*	\$9.22	Medium	\$12.60	\$13.23	\$13.90	\$14.46	\$14.90
Industrial		\$12.31						
Grocery Store with Meat Dept.		\$15.24						
Restaurant	\$/1,000 gallon*	\$15.04	High	\$17.99	\$18.89	\$19.84	\$20.64	\$21.26
Discharges to Brine Line	\$/1,000 gallon	\$0.85		\$0.85	\$0.85	\$0.85	\$0.85	\$0.85

\*Water usage during winter months is used to calculate monthly volumetric wastewater rates

**WASTEWATER RATES – STRENGTH BASED (CALCULATED)**

Customer Class Based	Unit	Current Cost Per Unit	January 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
High Strength Use	\$/1,000 gal.	\$6.90	\$21.35	\$22.42	\$23.55	\$24.50	\$25.24
BOD - <i>Biochemical oxygen demand</i>	\$/lb.	\$0.67	\$1.09	\$1.15	\$1.21	\$1.26	\$1.30
TSS - <i>Total suspended solids</i>	\$/lb.	\$0.63	\$1.10	\$1.16	\$1.22	\$1.27	\$1.31

**WASTEWATER RATES – SCHOOLS / CHURCHES (MONTHLY CHARGE)**

Customer Class	Unit	Current Cost Per Unit	January 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Senior High Schools	per student/year	\$35.89	\$25.20	\$26.52	\$27.96	\$29.16	\$30.12
Elementary & Middle	per student/year	\$23.92	\$12.72	\$13.44	\$14.16	\$14.76	\$15.24
Churches	per 100 seats/mo.	\$49.84	\$34.00	\$36.00	\$38.00	\$40.00	\$42.00

**RECYCLED WATER RATES – VOLUMETRIC USE (PER 1,000 GALLONS / MONTHLY CHARGE)**

The recycled water monthly service charge is the same as the potable water monthly service charge. The volumetric rates below reflect the maximum rates the City Council may approve at the hearing.

	Current Rate	January 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Recycled Water Volumetric Rate (\$/1,000 gal)	\$3.85	\$4.61	\$4.79	\$4.97	\$5.08	\$5.13