



City of Daly City

NOTICE OF PUBLIC HEARING FOR PROPOSED WATER RATES

NOTICE IS HEREBY GIVEN that the City of Daly City will hold a public hearing at **7:00 p.m. on June 12, 2023, in the City Council Chambers located at 333 – 90th Street, Daly City, CA 94015** to consider the proposed water rates on the parcel for which you are shown as the record owner or customer of record.

At this public hearing, the City Council will consider all written protests against the proposed water rates. As the owner or customer of record for the parcel or parcels, you may submit one written protest regarding the proposed rates. For tenants who directly pay their water bill, it is the responsibility of the property owner to supply the tenant with this proposed public hearing notice. If the identified parcel has more than one owner of record and/or customer of record, only one protest per parcel will be counted.

If you wish to file a written protest, please send a letter, or post card to: Water Rate Protest, Office of the City Clerk, 333 – 90th Street, Daly City, CA 94015, or personally deliver the written protest to the Office of the City Clerk at the same address. A protest must be in writing, contain a description of the property including the County Assessor's Parcel Number (APN), include the signature of the property owner or tenant, and be received by the Office of the City Clerk at or before the time of public hearing. Protests by email or facsimile will not be accepted.

The City of Daly City is proud to provide residents and businesses with high quality drinking water. Daly City's water consistently meets or surpasses federal and state drinking water standards. Though there are many local water supply challenges associated with drought, earthquake preparedness, and meeting new growth demands, the employees of the City of Daly City strive to ensure continued delivery of reliable, high-quality water at the most reasonable price possible.

The City of Daly has historically maintained some of the lowest water rates in San Mateo County. In recent years, however, Daly City's water rates have not kept up with cost increases. The cost of purchasing water from San Francisco, which is half of Daly City's cost of providing water service, has increased significantly faster than Daly City's rates. In addition, water shortages have led to conservation, which has reduced revenue from water sales. Maintaining low water rates has resulted in reduced expenditures on necessary capital improvements. At this time, rate increases are needed to fund capital improvements that will improve water system reliability, maintain financial reserves, and stabilize the Water Department's fiscal position.

Because of the increases in operating costs, along with continued capital improvement projects, Daly City is recommending a multi-year financing plan beginning in July 2023, consistent with an updated Water Rate Study. Starting in July 2023, Daly City proposes a series of five rate increases. Effective July 1, 2023, rates will increase 4%. For the average residential account (using 12 hundred cubic feet bi-monthly (150 gallons per day) through a ¾-inch meter), this would mean a monthly increase of \$2.72.

Effective July 1 of 2023, 2024, 2025, 2026, and 2027, rates will increase up to 4% per year. Prior to adopting each rate increase, Daly City will confirm the need for the next year's rate increase. As part of this review, the proposed quantity charges may be adjusted to pass through any unforeseen increases in the cost of water from San Francisco. The proposed rates are based on the most recent estimates of the cost of San Francisco water per hundred cubic feet: \$5.30 as of July 1, 2023; \$5.30 as of July 1, 2024; \$5.30 as of July 1, 2025; \$5.30 as of July 1, 2026; and \$5.30 as of July 1, 2027. These estimates will be compared with the future rates adopted by San Francisco. If the adopted rate exceeds the estimated rate, the difference will be added to the Daly City quantity charges. Rate payers will be given at least 30-days' notice prior to making any pass-through adjustments. In the event future costs increase less than projected, smaller rate adjustments would be implemented.

Rate payers will be charged the sum of a base charge and quantity, which are summarized in the following tables.

Proposed Rates

Bi-Monthly Base Charges (Charge per Acct)

Meter Size	Current (\$/bi-month)	Proposed Bi-Monthly Base Charges				
		FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
	% Increase effective date	4% 7/1/2023	4% 7/1/2024	4% 7/1/2025	4% 7/1/2026	4% 7/1/2027
5/8" or 3/4"	\$54.41	\$56.59	\$58.85	\$61.20	\$63.65	\$66.20
1"	\$82.94	\$86.26	\$89.71	\$93.30	\$97.03	\$100.91
1 1/2"	\$148.91	\$154.87	\$161.06	\$167.50	\$174.20	\$181.17
2"	\$230.66	\$239.89	\$249.48	\$259.46	\$269.84	\$280.63
3"	\$493.77	\$513.52	\$534.06	\$555.42	\$577.64	\$600.75
4"	\$848.66	\$882.61	\$917.91	\$954.63	\$992.81	\$1,032.52
6"	\$1,735.88	\$1,805.32	\$1,877.53	\$1,952.63	\$2,030.73	\$2,111.96
8"	\$3,278.89	\$3,410.05	\$3,546.45	\$3,688.31	\$3,835.84	\$3,989.27
10"	\$5,207.64	\$5,415.95	\$5,632.58	\$5,857.89	\$6,092.20	\$6,335.89
12"	\$6,866.36	\$7,141.01	\$7,426.65	\$7,723.72	\$8,032.67	\$8,353.98

Bi-Monthly Quantity Charges (Charge per HCF)

Current Rates				Proposed Bi-Monthly Quantity Charges						
Tier size			\$/HCF	Tier Size (HCF)		FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
				% Increase effective date		4% 7/1/2023	4% 7/1/2024	4% 7/1/2025	4% 7/1/2026	4% 7/1/2027
Tier 1	0 – 13	HCF	\$6.83	0 - 13	HCF	\$7.10	\$7.39	\$7.68	\$7.99	\$8.31
Tier 2	14 – 26	HCF	\$9.04	14 - 26	HCF	\$9.40	\$9.78	\$10.17	\$10.58	\$11.00
Tier 3	27+	HCF	\$12.48	27+	HCF	\$12.98	\$13.50	\$14.04	\$14.60	\$15.18

HCF - hundred cubic feet (1 HCF = 748 gallons)

Example Bi-Monthly Customer Bills

	Current Bills	Proposed Bi-Monthly Bills (Estimate)				
		7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2027
Low Water Use (4 HCF)						
Meter Charge	\$54.41	\$56.59	\$58.85	\$61.20	\$63.65	\$66.20
Tier 1	\$27.32	\$28.41	\$29.56	\$30.72	\$31.96	\$33.24
Tier 2	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tier 3	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Bill	\$81.73	\$85.00	\$88.41	\$91.92	\$95.61	\$99.44
Bi-monthly Increase		\$3.27	\$3.41	\$3.51	\$3.69	\$3.83
Avg Water Use (12 HCF)						
Meter Charge	\$54.41	\$56.59	\$58.85	\$61.20	\$63.65	\$66.20
Tier 1	\$81.96	\$85.24	\$88.68	\$92.16	\$95.88	\$99.72
Tier 2	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tier 3	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Bill	\$136.37	\$141.82	\$147.53	\$153.36	\$159.53	\$165.92
Bi-monthly Increase		\$5.45	\$5.71	\$5.83	\$6.17	\$6.39
High Water Use (24 HCF)						
Meter Charge	\$54.41	\$56.59	\$58.85	\$61.20	\$63.65	\$66.20
Tier 1	\$88.79	\$92.30	\$96.07	\$99.84	\$103.87	\$108.03
Tier 2	\$99.44	\$103.40	\$107.58	\$111.87	\$116.38	\$121.00
Tier 3	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Bill	\$242.64	\$252.29	\$262.50	\$272.91	\$283.90	\$295.23
Bi-monthly Increase		\$9.65	\$10.21	\$10.41	\$10.99	\$11.33

12 HCF Bi-monthly = 150 gallons per day

ANG PAUNAWANG ITO AY MAAARING MATANGGAP SA TAGALOG. TUMAWAG PO LAMANG SA (650) 991-8200 PARA HUMILING NG KOPYA

ESTE AVISO ESTA DISPONIBLE EN ESPANOL, POR FAVOR LLAMA (650) 991-8200 PARA SOLICITARLO

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