



TRABUCO CANYON WATER DISTRICT
**Notice of Public Hearing on
Proposed New Water, Wastewater,
and Recycled Water Rates**

**June 29, 2023 at 5:30 p.m. at the
District Administration Facility
32003 Dove Canyon Drive, Trabuco Canyon, CA 92679**

**NOTICE OF PUBLIC HEARING
ON PROPOSED NEW WATER, WASTEWATER,
AND RECYCLED WATER RATES
June 29, 2023 at 5:30 p.m.**

The Board of Directors of the Trabuco Canyon Water District (the "District") will conduct a public hearing on **June 29, 2023, at 5:30 PM at the Administration Facility, 32003 Dove Canyon Drive, Trabuco Canyon, CA 92679**. Members of the public may attend the public hearing in person, or may participate by phone by dialing (669) 900-6833 [Access Code: 913-8681-1652]. If you have any questions regarding the proposed rate increases or have questions on how to submit a written protest, please contact the District Secretary at 949.858.0277.

At the public hearing, the Board will consider adopting increases to the District's current water, wastewater, and recycled water rates and charges.

Why are Rate Increases Needed?

The District's costs to operate, maintain and replace the water, wastewater and recycled utilities continue to increase. These costs include:

1. The costs to purchase, treat, store and deliver water which includes energy costs to move water throughout the system;
2. Wastewater collection, treatment and biosolid disposal costs;
3. Recycled water treatment, storage and distribution costs; and
4. Critical reinvestment in aging capital facilities for all three utilities.

The District purchases water from the Metropolitan Water District through the Municipal Water District of Orange County. The cost of water from these two agencies has increased, and will continue to increase, every year. Additionally, the District will be investing approximately \$24 million to repair and replace critical water, wastewater and recycled water facilities over the next five years. Compliance with regulatory requirements, maintaining emergency and fire response capabilities, labor and employment costs, energy costs, increasing costs for materials and the need for prudent reserves are also drivers of costs that were factored into the proposed new rates and charges described in this notice and in the Rate Study.

How did the District Determine the Rate Increases?

The District, along with an independent financial consultant, assessed its financial health over the next 5 years by assessing and projecting revenues and expenses as part of a rate study ("Rate Study"). Many factors were considered in the financial assessment including the operating and capital investments required to safely and reliably provide water, wastewater and recycled water service to District customers. The full Rate Study is available both online at www.tcwd.ca.gov and for review at the District offices at the above-referenced address.

Pass-through Provision

The District may elect to pass-through wholesale water rate increases that are beyond the annual adjustments that are assumed in the Rate Study and incorporated into the proposed rate/charge schedules. Water rate increases that are imposed on the District by its water wholesaler - the Municipal Water District of Orange County - may impact District costs of service and may require adjustments of rates over and above the rates/charges set out in the schedules below. If such an adjustment is implemented, the water pass-through rate for each subsequent fiscal year will be calculated as the difference between actual wholesale purchased water costs and projected wholesale water purchased costs imposed on the District divided by the estimated water use for that fiscal year. Future year wholesale water costs and the resulting pass-through costs/rates are not known at this time, but customers will receive at least 30 days' notice prior to an increase greater than that shown in this notice.

Proposed Rates for the Next Five Years

This notice summarizes the proposed rates/charges for the listed services as shown in the tables below.

Drinking Water Rates/Charges

The District’s current drinking water rates consist of: 1) a meter fixed charge, and 2) a volumetric water use rate for customers who reside in the base zone (which is described in the Rate Study). The volumetric water use rate is in dollars per hundred cubic feet (\$/hcf). One hundred cubic feet is equal to 748 gallons. The District operates at some of the highest elevations of any water provider in Orange County. If a customer resides in one of the pump zones (Topanga, Canyon Creek, Falcon or Joplin - your bill will identify whether you are in one of these pump zones) they are charged an additional rate (\$/hcf) to cover energy and maintenance costs to pump water up to these zones. The proposed monthly 5-year water rates are shown in Tables 1-3 below.

Table 1- Drinking (Potable) Water Fixed Meter Charges (\$/Month)

Meter Size	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
5/8"	\$46.84	\$55.28	\$65.24	\$71.77	\$78.95
3/4"	46.84	55.28	65.24	71.77	78.95
1"	94.93	112.02	132.19	145.41	159.96
1 1/2"	175.08	206.60	243.79	268.17	294.99
2"	271.26	320.09	377.71	415.49	457.04
3"	575.83	679.48	801.79	881.97	970.17
4"	1,024.67	1,209.12	1,426.77	1,569.45	1,726.40
6"	2,098.68	2,476.45	2,922.22	3,214.45	3,535.90

Table 2- Drinking (Potable) Water Variable Rates (\$/hcf)

Customer Class	Tier Definitions (HCF)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Single-Family						
Tier 1	0 - 13	\$4.40	\$5.20	\$6.14	\$6.76	\$7.44
Tier 2	14 - 21	5.12	6.05	7.14	7.86	8.65
Tier 3	>21	5.64	6.66	7.86	8.65	9.52
Multi-Family						
Tier 1	0 - 6	4.62	5.46	6.45	7.10	7.81
Tier 2	>6	5.64	6.66	7.86	8.65	9.52
Commercial		4.73	5.59	6.60	7.26	7.99
Irrigation		4.73	5.59	6.60	7.26	7.99
Agricultural		4.73	5.59	6.60	7.26	7.99
Portola Hills		5.25	6.20	7.32	8.06	8.87

Table 3- Drinking (Potable) Water Variable Pumping Rates (\$/hcf)

Pumping Zone	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Zone 1 - Base	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zone 2 - Topanga/Saddlecrest	0.53	0.63	0.75	0.83	0.92
Zone 3 - Canyon Creek	0.94	1.11	1.31	1.45	1.60
Zone 4 - Falcon	1.44	1.70	2.01	2.22	2.45
Zone 5 - Joplin	0.14	0.17	0.21	0.24	0.27

Wastewater Charges

The District charges customers connected to the wastewater system for the costs of collecting, treating and disposing of wastewater flows. The wastewater charge is based upon the volume and treatment requirements for wastewater flows through the District’s system. The proposed District wastewater rates/charges are shown in Tables 4 and 5:

Table 4- Wastewater Flat Charges (\$/Month)

Customer Class	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Residential	\$45.92	\$53.27	\$61.80	\$69.22	\$77.53
Commercial	12.58	14.60	16.94	18.98	21.26

Table 5- Wastewater Variable Rates (\$/hcf)

Customer Class	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Commercial					
Low	\$4.78	\$5.55	\$6.44	\$7.22	\$8.09
Medium	8.00	9.28	10.77	12.07	13.52
High	12.36	14.34	16.64	18.64	20.88

Recycled Water Rates/Charges

The current recycled water rates consist of 1) a meter fixed charge, and 2) a volumetric water use rate for recycled water customers. Recycled water is not used for human consumption, but is used for other purposes such as irrigation. The proposed recycled water rates/charges are shown in Tables 6 and 7.

Table 6- Recycled Water Fixed Meter Charges (\$/Month)

Meter Size	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
5/8"	\$25.76	\$30.40	\$35.88	\$39.47	\$43.42
3/4"	25.76	30.40	35.88	39.47	43.42
1"	52.21	61.61	72.70	79.98	87.98
1 1/2"	96.29	113.63	134.08	147.49	162.24
2"	149.19	176.05	207.74	228.52	251.37
3"	316.71	373.71	440.98	485.08	533.59
4"	563.57	665.02	784.72	863.20	949.52
6"	1,154.27	1,362.05	1,607.22	1,767.95	1,944.75
8"	2,476.75	2,922.57	3,448.63	3,793.50	4,172.85
10"	3,711.06	4,379.05	5,167.28	5,684.01	6,252.42

Table 7- Recycled Water Variable Rates (\$/hcf)

Customer Class	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Recycled	\$4.08	\$4.90	\$5.89	\$6.81	\$7.49

How Will the Total Water and Wastewater Costs for a Typical Single-Family Home Change?

The District plans to collect the wastewater charges on the property tax bill instead of the monthly utility bill. The table below shows the projected water and wastewater charges for a typical single family home, with a ¾ inch meter using 17 hundred cubic feet (12,716 gallons) of water per month. The table also shows how the charges will be collected between monthly utility bills and the property tax bill if approved.

Average Single-Family Monthly Cost	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Drinking (Potable) Water Cost	\$93.92	\$124.59	\$147.08	\$173.62	\$191.09	\$210.27
Wastewater Cost	39.56	45.92	53.27	61.80	69.22	77.53
Total Average Monthly Cost	\$133.48	\$170.51	\$200.35	\$235.42	\$260.31	\$287.80
Recovery Between Utility Bill and Property Tax Bill						
Average Single-Family Utility Bill						
Drinking (Potable) Water	\$93.92	\$124.59	\$147.08	\$173.62	\$191.09	\$210.27
Wastewater	39.56	-	-	-	-	-
Average Single-Family Utility Bill	\$133.48	\$124.59	\$147.08	\$173.62	\$191.09	\$210.27
\$ Change		(\$8.89)	\$22.49	\$26.54	\$17.47	\$19.18
% Change		-6.7%	18.1%	18.0%	10.1%	10.0%
Property Tax Bill						
Single-Family Wastewater Charges	<i>Monthly</i>	\$45.92	\$53.27	\$61.80	\$69.22	\$77.53
Amount on Tax Bill	<i>Annual</i>	\$551.04	\$639.24	\$741.60	\$830.64	\$930.36

Public Hearing and Protest Procedures

Any District customer or property owner within the District may file a written protest by mailing or hand-delivering it to be received at the District office by June 29, 2023 at 5:30 PM, and should be addressed to District Secretary, 32003 Dove Canyon Drive, Trabuco Canyon, CA 92679. Each written protest must: (i) clearly identify the person submitting the protest (ii) clearly state that the identified property owner, tenant (if such tenant is directly liable for payment of District bills) or customer is opposed to the proposed rate changes; (iii) clearly identify the property or customer account (by assessor’s parcel number or street address); and (iv) include the original signature of the property owner or tenant, as applicable. Written protests may also be submitted during the public hearing by hand. Only one written protest per parcel or customer address/account will be considered by the Board. Oral comments made at the public hearing will qualify as formal protests of the proposed rate *if accompanied by a written protest setting forth the required information (as set forth above)*.

Pursuant to Government Code Section 53759, there is a 120-day statute of limitations for any judicial action or proceeding challenging any new, increased, or extended water or sewer fee or charge.

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www.tcwd.ca.gov

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(949) 858-0277

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